

NATIONAL ARTS INDEX 2009

An Annual Measure of the Vitality of Arts and Culture in the United States





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Introducing The National Arts Index

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What a difference a half century of support for the arts makes. When Americans for the Arts was established 50 years ago, in 1960 . . .

there was no National Endowment for the Arts nor the \$5 billion in arts funding it has since invested over the years in the arts in America . . . Today's billions in corporate arts contributions was so small that it was listed among "other" in philanthropy reports . . . Fifty years ago, 13,000 bachelor's degrees were conferred in the visual and performing arts—70,000 fewer than in 2008 . . . There were less than 7,000 nonprofit arts organizations—compared to 104,000 today . . . We had just one-third of the 1,750 TV channels that we have today . . . The Library of Congress received 70,000 copyright registrations for musical compositions; today's annual figure of 131,000 is nearly twice that . . . There were just over 20,000 photography businesses in the entire U.S.—today we count that many in California . . . Five state arts agencies have blossomed to 50, and 400 local arts agencies to 5,000 . . . and who could have imagined technology would enhance art forms and create new ones—opera simulcasts, YouTube as a distribution network for concert music, or sports stars dancing in competitions on TV?

Broad measures and provocative anecdotes such as these paint an expansive picture of how the arts have grown. Yet, the arts are far from adequately represented through the kind of rigorous national research effort needed by the public, policy makers, and scholars to track their progress and public effectiveness.

Why measure? If something is important to us, we want to know as much as we can about it—progress and problems, how much of it there is, and how it is changing over time. That is why we set out to create a single indicator system that measures the health and vitality of the arts—similar to how United Way of America tracks "Goals for the Common Good" or The Conference Board tracks consumer confidence—a tool to stimulate public dialogue about the value of the arts as well as improve policy and decision-making.

The National Arts Index

After four years of research and development, I am pleased to announce a breakthrough for the arts: The National Arts Index. The Index is a highly-distilled annual measure of the health and vitality of arts in the U.S. using 76 national-level indicators of arts and culture activity. This report covers an 11-year period, from 1998 to 2008. This National Arts Index encompasses one of the largest collections of data on arts and culture in the U.S. ever assembled. The information has been gathered from reputable government and private sector sources and covering multiple industries—nonprofit and for-profit arts organizations, artists, funding and investment, employment, attendance and personal creation, and much more.

Readers can compare the 76 indicators and draw their own conclusions about the state of the arts, but as a comparative measure we have averaged all 76 indicators, which gives us a single number we can compare from year to year. As a baseline, we chose the year 2003 and set it at the number 100.

The 2008 National Arts Index score is 98.4, a decline of 4.2 points from its 2007 score of 102.6 (2003=100). A score of 105.5 would return the Index to its highest point, measured in 1999. In addition to a single summary score, we can track many themes and trends:

- 1. The arts follow the business cycle.** The arts respond to the booms and busts of the nation's economy. Based on past patterns, we estimate that an arts rebound will begin in 2011.
- 2. Demand for the arts lags supply.** Between 1998 and 2008, there was a steady increase in the number of artists, arts organizations, and arts-related employment. Nonprofit arts organizations alone grew in number from 73,000 to 104,000 during this span of time. That one out of three failed to achieve a balanced budget even during the strongest economic years of this decade suggests that sustaining this capacity is a growing challenge, and these gains are at risk.

3. How the public participates in and consumes the arts is expanding. Tens of millions of people attend concerts, plays, opera, and museum exhibitions, yet the percentage of the U.S. population attending these arts events is shrinking, and the decline is noticeable. On the increase, however, is the percentage of the American public personally creating art (e.g., music making, and drawing). Technology is changing how Americans experience the arts and consumption via technology and social media is also up.

4. The competitiveness of the arts is slipping. The arts, in many ways, are not stacking up well against other uses of audience members' time, donor and funder commitment, or spending when compared to non-arts sectors.

Many of us have experienced the realities these figures indicate. Only now, however, do we have the research to underscore our observations on a national scale, to track if conditions improve or worsen, and gauge the effectiveness of remedial efforts designed to strengthen the arts. We will publish Index updates every October, during the annual National Arts and Humanities Month.

A Time of Opportunity

The current economic crisis offers a unique and important opportunity to begin a national conversation about how we value the arts, as individuals, communities, and a nation. We need to rethink a nonprofit arts sector that has experienced drastic growth and success, yet in many ways remains tethered to support models that have remained unchanged for a half century.

- **How do we build greater demand for the arts? Declines in audience and the market share for some parts of the arts can only be reversed by greater engagement by citizens. Renowned violinist Isaac Stern said, "If nobody wants to go to our concert, nothing will stop them." Ample supply of the arts is only one part of the equation.**
- **Can the capacity issues be addressed by broadening the business structure opportunities beyond the 501(c)(3) using incubators, shared services and spaces, or better use of existing venues?**
- **Are public and private sector funders ready to embrace more fitting funding models for a new competitive world? Do funders need to examine their role in the arts and consider how arts programs need to be validated by the audience as well as by the institution?**
- **How do we help arts organizations—nonprofit, for-profit, and volunteer alike—who have much in common take advantage of their shared circumstances in the form of collaborations?**

The National Arts Index establishes an enormous opportunity to begin a conversation about the arts and their value to communities—one that is more considered and lacks the fervor often associated with the typical impetus for such conversations ("Funding cuts!" or "Public art controversy!"). It provides a common currency of language, a way for more people to talk about the health and vitality of the arts using similar information and similar terms. The National Arts Index makes it easier to talk in an informed manner about why change is occurring, where things are going in the future, and how the arts can stay vital.

As Americans for the Arts celebrates its 50th anniversary in 2010, we will use the findings from the National Arts Index and tackle these paradigm-changing questions. We will spend our 50th year listening and learning by travelling to communities across the country, hosting national-level conferences to exchange ideas, and engaging not just the artists and arts leaders, but a host of local, state, and national leaders from other sectors aimed at shaping a positive future for the arts in America.

I am grateful to the Rockefeller Foundation, Henry Luce Foundation, The Kresge Foundation, and the Ruth Lilly Trust for their support of this work and creating the opportunities made available by our new National Arts Index. At last we have the national-level longitudinal trends of meaningful data that will enable us to track and talk about the health and vitality of the arts in America. Let the conversation begin!

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Chapter 1. Overview and Major Findings

The arts are deeply embedded in America's society, economy, and everyday life. The presence of arts and culture is seen in the more than two million working artists, 100,000 nonprofit arts organizations and 600,000 more arts businesses, hundreds of millions of consumers and audiences, and billions of dollars in consumer spending. Given its significance to American life, the vitality of the arts and culture system is a matter of continuing interest, and good information about the condition of the arts is a critical element of that interest. There are many individual measures of artists, markets, and audiences that are used to track aspects of the arts industries, but very few on the whole arts system, and they are intermittent. This report addresses that gap by assembling a wide range of indicators about the arts into a single annual measure, the **National Arts Index**.

The National Arts Index, created by Americans for the Arts, is a highly-distilled annual measure of the health and vitality of arts in the U.S. using 76 equal-weighted, national-level indicators of arts and culture activity. This report covers an 11-year period, from 1998 to 2008. Similar to reports such as The Conference Board's tracking of consumer confidence or United Way's *Goals for the Common Good*, the National Arts Index views the arts as a dynamic system and provides reliable longitudinal information. The National Arts Index is unique when compared to other arts data systems in its scope, amount of data it presents, and annual publication. With easy-to-read tables, graphs, and analysis of five- and ten-year trends in the arts, the Index is a tool to stimulate public dialogue about the value of the arts as well as improve policy and decision-making.

Summary

The 2008 National Arts Index score is 98.4, sinking 4.2 points from its 2007 score of 102.6 (2003=100). The 2007 Index score of 102.6 was a 2.6 percent increase over the four years from 2003. A score of 105.5 would return the Index to its highest point, measured in 1999. While the arts industries in the U.S. have become increasingly creative and the number of working artists and arts organizations is growing, audience demand has failed to keep pace—causing the National Arts Index to drop to its lowest level in the 11 years tracked by Americans for the Arts.

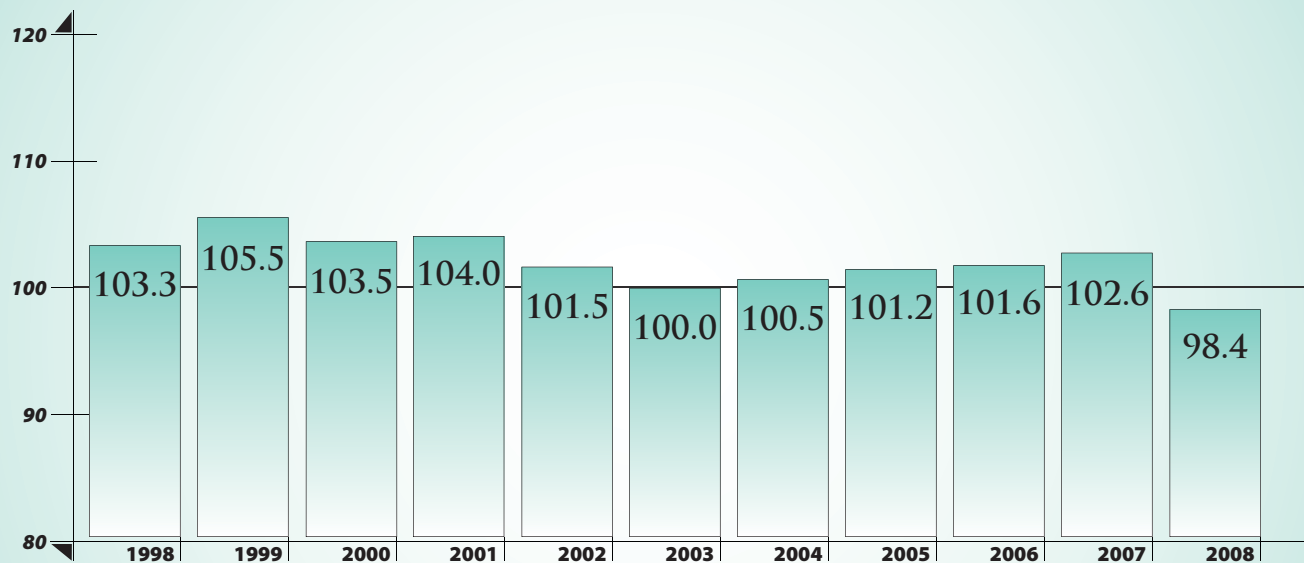


Figure A. National Arts Index 1998-2008 (2003 = 100.0)

The National Arts Index was strongest in the late 1990s and dipped following the recession in the early 2000s. It inched back between 2004 and 2007—though failed to regain its 1990s levels—before dropping again in 2008 during the recession. Every year is a mix of individual indicators that are either increasing or decreasing. In 2007, more than half of the indicators rose from the previous year, while just one-third increased in 2008.

There is no uppermost Index score, though higher is better. A score of 125 would convey that arts and culture are more highly valued as a fundamental component of society than during the past decade—characterized by strong financial health, ample capacity, innovation, vigorous participation, and a vital competitive position in American society.

What's Treasured is Measured

If something is important and vital, we want to know how much of it there is and how it is changing. We want to measure it and track it over time, as people do with their weight and income. The arts are a fundamental component of a healthy society, based on virtues that touch the individual, community, and the nation—benefits that persist even in difficult social and economic times:

- **Aesthetics:** The arts create beauty and preserve it as part of culture
- **Creativity:** The arts encourage creativity, a critical skill in a dynamic world
- **Expression:** Artistic work lets us communicate our interests and visions
- **Identity:** Arts goods, services, and experiences help define our culture
- **Innovation:** The arts are sources of new ideas, futures, concepts, and connections
- **Preservation:** Arts and culture keep our collective memories intact
- **Prosperity:** The arts create millions of jobs and enhance economic health
- **Skills:** Arts aptitudes and techniques are needed in all sectors of society and work
- **Social Capital:** We enjoy the arts together, across races, generations, and places

For these reasons, it is important to understand how the arts thrive and remain healthy, enabling them to deliver these valuable benefits. It is this health and ability to sustain itself over time that we refer to as the “vitality” of arts and culture.

Transforming Complexity to Simplicity

The difficulty faced by most individuals—even those within the arts—is synthesizing many sets of data into a concise, cogent portrayal of the arts. Indicators (from the Latin *indicare*—meaning to announce, show, or point out) are statistical measures that, quite simply, help people understand how things change over time (outputs, opinions, operations). Indicators are not one-time snapshots of current conditions. Rather, they are a systematic data collection initiative that is conducted regularly over time.

One need not look far to appreciate the ubiquitous presence of indicators in our society. In other areas of broad social interest, like the stock market or the overall economy, there are standard measures that provide a common language and understanding. If someone says that the “Dow” is going up or down, or that Gross Domestic Product (GDP) is rising or falling, we understand that these are broad measures of stock market performance or overall economic strength. Indicators are well understood and respected by public and private sector leaders as well as by ordinary citizens. They compress large amounts of data into one number that is calculated the same way every day (the Dow) and every year or calendar quarter (the GDP), making it easy to compare performance between time periods. The National Arts Index provides an annual measure of the arts with these same qualities, at annual intervals.

The National Arts Index offers an enormous opportunity to begin a conversation about the arts and their value to communities. It provides a “common currency of language,” a way for more people to talk about the arts using similar information and similar terms. By offering a consistent way to measure change over time, the Index makes it easier to talk about why change is occurring, where things may be going in the future, and how the arts can stay vital.

Benefits of Indicators

Communications: Indicators represent a language that is well understood and respected by community leaders. They transform complex information into communication tools that can be readily understood by policy makers and the public.

Evaluation: Indicators enable decision makers to assess progress toward explicitly stated values and goals. Longitudinal data is a marker for results-based accountability, performance standards, and other statistical tracking endeavors.

Policy Development: Reliable trend data play an important role in informing policy makers about community needs and contributing to improved programs.

A Foundation for Decision Making: A solid foundation of awareness about trends can give decision makers the confidence to take next steps and set goals. Indicators can provide early warnings—scanning the environment for emerging opportunities and crises (e.g., budget deficits vs. surpluses).

Community Dialogue: Some people simply like to be informed about the state of their community and how and why it's changing. Indicators provide a common currency of language among funders, policy makers, and industry professionals. They improve the quality of the public dialogue about the arts and culture by providing understandable quantitative components to what is often a visceral discussion.

Planning and Forecasting: Access to consecutive years of data about one or more specific areas make it easier to forecast the future path of activity in that area.

Building Partnerships: Developing indicators collaboratively can provide arts leaders with a better understanding of the values that drive the community—and how to incorporate the arts into that value system. Indicators help non-arts leaders better understand the value of the arts as a core element of their community which in turn can lead them to become more effective advocates for public support and better partners.

Arts and Culture: An Interdependent System of Industries

While the use of the term “the arts” is common, there is no single arts “industry.” The arts are, in fact, composed of millions of artists, hundreds of thousands of businesses, tens of thousands of nonprofits, and numerous government agencies and programs at every level, involving paid staff and volunteers. Artists work not only as sculptors, musicians, and poets, but also in automobile design, advertising, and video game animation. Arts organizations include theaters, symphonies, and museums as well as design, architecture, and publishing companies.

Adding to this complexity is the interdependence of these efforts. For example, while some artists are independent, they may depend on arts facilities in which to exhibit their work and audiences to purchase it. Philanthropic giving is a whole area of study, as is how arts organizations turn contributions into products and experiences to be consumed by an audience. Thus, the National Arts Index measures not just a single industry, but rather an entire interdependent system of arts industries. Some of the many elements captured in this system include personal creation, arts education, personal spending on the arts, private and public funding to the arts, attendance at performing arts events, museum visitation, the arts labor market, money flowing into arts and culture, arts retailers, technological effects of the arts, and more.

Context matters. The nation is constantly changing in ways that affect the arts. Some indicators in this report are adjusted to account for the effects of broad national change factors, such as population growth, in order to distinguish changes in the arts from shifts that affect all business sectors. For example, attendance at public performances is considered not solely as total numbers, but also as a share of the ever-growing U.S. population. If total attendance at a particular art form increases at a rate of 0.5 percent per year—while total population grows at a 1 percent rate—then that art form is effectively losing ground. That is, even though attendance numbers may be up, a shrinking portion of the population is attending. Reporting both the number of people attending as well as the population share provides a more broadly informative measure of activity.

- **The U.S. population grew by 34 million people from 1998 to 2008, an increase of 13 percent. Additionally, the population became more diverse, older, and clustered in metropolitan areas.**
- **Real Gross Domestic Product (GDP), a widely used measure of the economy that takes inflation into account, increased by 29 percent from 1998 to 2008, even with the steep drops between 2000 and 2002. Thus, the arts in that time period had access to an expanding economy.**

- **Inflation has a powerful effect when examined over the past 11 years. While small in each individual year, it totals 32 percent between 1998 and 2008. This creates a decline in purchasing power that puts pressure on the arts to produce for more people at a progressively higher cost. For this reason, almost all financial indicators in this report are in “constant” dollars with a base of 2003.**

Ten Key Findings from the National Arts Index

The overall National Arts Index score is only one of the big stories in this report. The accompanying detail supporting that score is another rich source of data and perspectives on the arts fields. Following are ten “sub-stories” from the Index—decade-long views illustrating trends in philanthropy, participation, and creativity as well as the relationship of the arts to other areas of American life, such as employment and education. They highlight the years from 1998 to 2007, and provide initial estimates for 2008. Since the purpose of the National Arts Index is to promote discourse about the arts, we offer several questions about each of these findings as a means to stimulate dialogue. (Additional detail on the specific indicators used in these views can be found in Appendix F.)

For those seeking a systems-based approach to analyzing the Index, Chapter 2 of this report presents the 76 indicators as components of a comprehensive system called the “Arts and Culture Balanced Scorecard.” This model groups the 76 indicators into four components: financial flows, capacity, participation, and competitiveness. Finally, the 76 individual indicators have their own compelling story. One-page reports about each of them—data, vintage, index score, and interpretation—are presented in chapters 3-6.

1. The arts follow the business cycle.

In general, the arts are responsive to changes in the economy, both positive and negative. This is not surprising, as the U.S. arts industries are composed of nearly 700,000 businesses, 2.24 million artists in the workforce, and count on billions in consumer spending. Thus, the arts are subject to the booms and busts that the whole economy experiences. The National Arts Index was strongest in the late 1990s and dipped following the recession in the early 2000s. It inched back between 2004 and 2007—though failed to regain its 1990s levels—before dropping again in 2008 during the recession. As there is no one single arts industry, at any given time some sectors of the arts are thriving while others falter. Motion pictures, for example, have historically done very well in a down economy. In 2007, more than half of the indicators rose from the previous year. In 2008, however, just one-third increased. Based on past patterns, including lags between overall economic changes and the fortunes of the arts, the arts may not “hit bottom” until 2011.

2. The number of artists and arts organizations has grown steadily over the past decade.

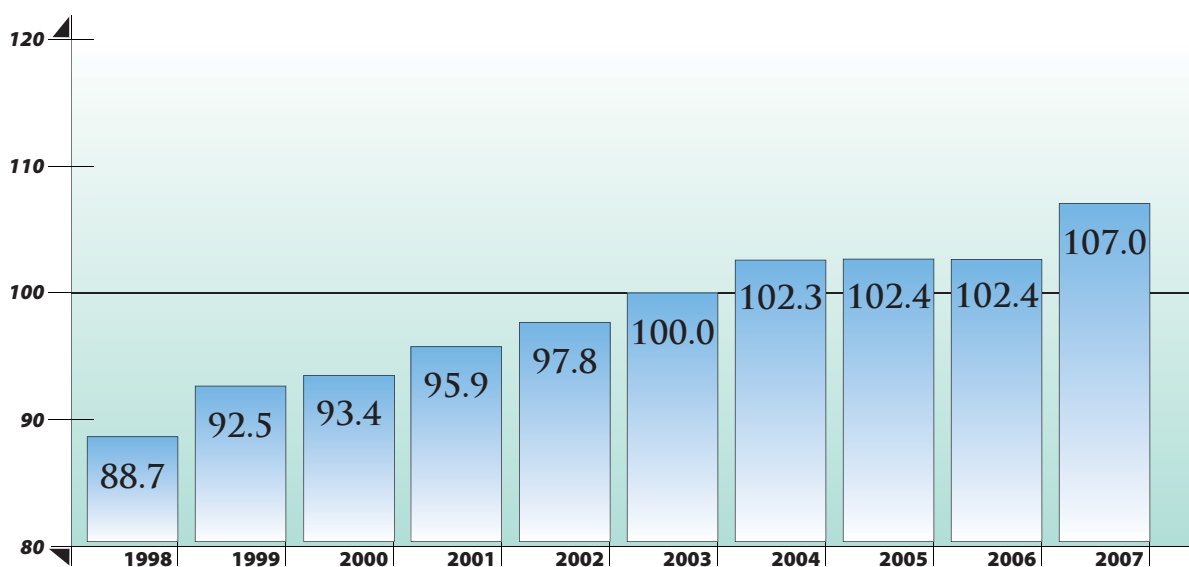


Figure B. National Arts Index Capacity & Infrastructure Measure (2003 = 100.0)

This finding illustrates one of the report's most striking results: the steady increase in the capacity of the arts industries. Capacity and Infrastructure indicators reflect the growth of entities—both individuals and organizations—that provide arts and culture in the U.S. Over the ten-year span from 1998 to 2007, the arts attracted more and more organizations, workers in artistic occupations, employees at arts businesses, and individual artists; raised more capital; and produced more aggregate payroll. This steady increase in supply was found in both the nonprofit and business sectors.

Americans have increasingly shown that they want to be artists, want arts organizations in their communities, and want to study and enjoy the arts—all of which is evidenced by the data. The concern for the future is that we don't know (1) if the current capacity is sustainable, or (2) how today's capacity—both physical and human—will match tomorrow's demand for the arts.

Questions for consideration:

- **How sustainable is the past decade's growth in capacity (i.e., are the arts "overbuilt?")?**
- **What businesses in your community are artists working in that are not typically considered an arts organizations (e.g., design, planning)?**
- **How can available facilities be used to deliver the arts as creation, exhibition, performance, preparation, collaboration, and education?"**
- **What will be the effects of continuing developments in technology on the capacity needed to deliver the arts?**

3. How the public participates in and consumes the arts is expanding.

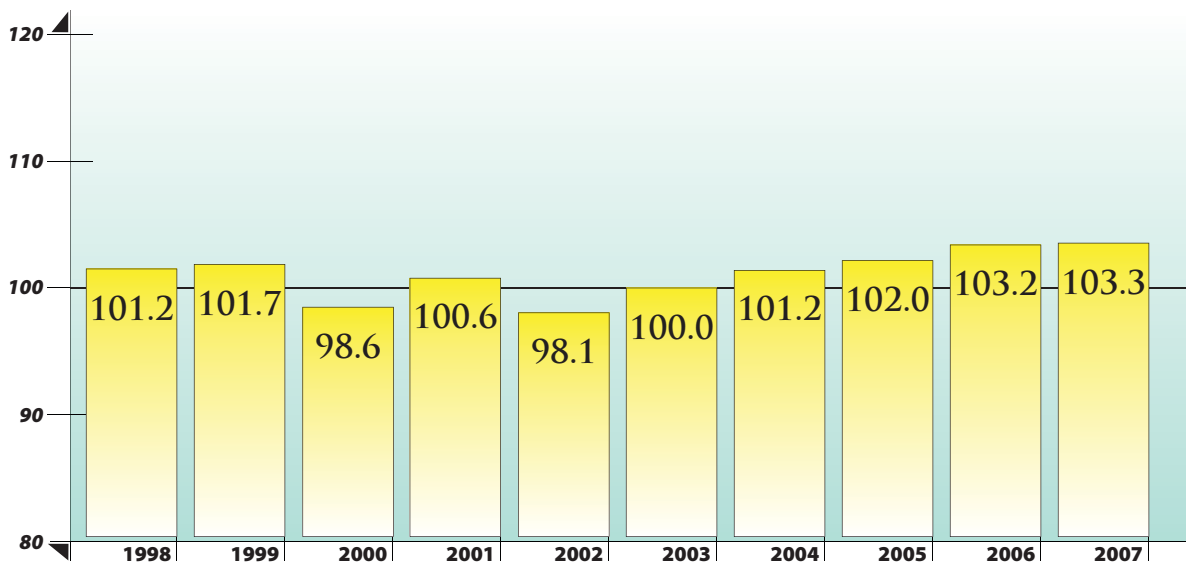


Figure C. National Arts Index *Participation Measure* (2003 = 100.0)

Arts participation has grown steadily between 2002 and 2007—with 2007 the highest of the 10 years. There are 22 indicators in the National Arts Index that comprise the arts participation measure. While there is greater participation overall, there are measurable shifts. This change is being driven by advances in technology, increased diversity and aging of the population, a growing interest in personal creation, and more direct audience engagement and interaction.

- **Attendance at mainstream nonprofit arts organizations is in a steady decline. Market data gathered by Scarborough Research (200,000 surveys annually in the largest 81 metropolitan areas) indicate the percentage of the population attending museums and performing arts events (symphony, dance, opera, theater) decreased 13 percent and 17 percent, respectively, between 2003-2008.**
- **The percentage of the American public personally creating art (e.g., photography, music making, and drawing) is growing slightly ahead of the growth rate of the U.S. population, up from 18.5 to 19.5 percent between 2003 and 2008. For example, the National Association of Music Merchants**

developed the Weekend Warriors program, designed to bring baby boomers back to active music making, which has yielded a significant increase in guitar sales.

- A greater percentage of total personal consumption was spent on arts and culture (e.g., theater, books, movies), growing from 1.78 to 1.83 percent.
- Community-based and culturally specific arts organizations are driving participation and vitality. The number of these organizations has grown faster than the rate of growth for all nonprofit arts organizations—and even faster than the rate of the minority population in the U.S. Additional analysis of their financial data reveals that they are more likely to complete their fiscal year with a surplus than the remaining universe of nonprofit arts organizations.
- Technology is changing both how the arts are accessed and consumed. The number of CD and record stores has been reduced by half in five years, while online downloads of singles and albums have grown four-fold in three years. This not only provides consumers with access to a vastly larger catalogue, but greater control of when and how to access their music. More arts organizations use the Internet to share program content with their audiences or market using social networking. For instance, the Metropolitan Opera has had great success with movie theater simulcasts. ArtsMemphis, a local arts agency, has created an app for iPhone users providing instant access to an interactive cultural calendar. Even within technology, there is variation (public radio listenership is up, while public TV viewership is down).

4. The subsidy model is struggling: nonprofit arts organizations are losing their “market share” of philanthropy to other charitable areas.

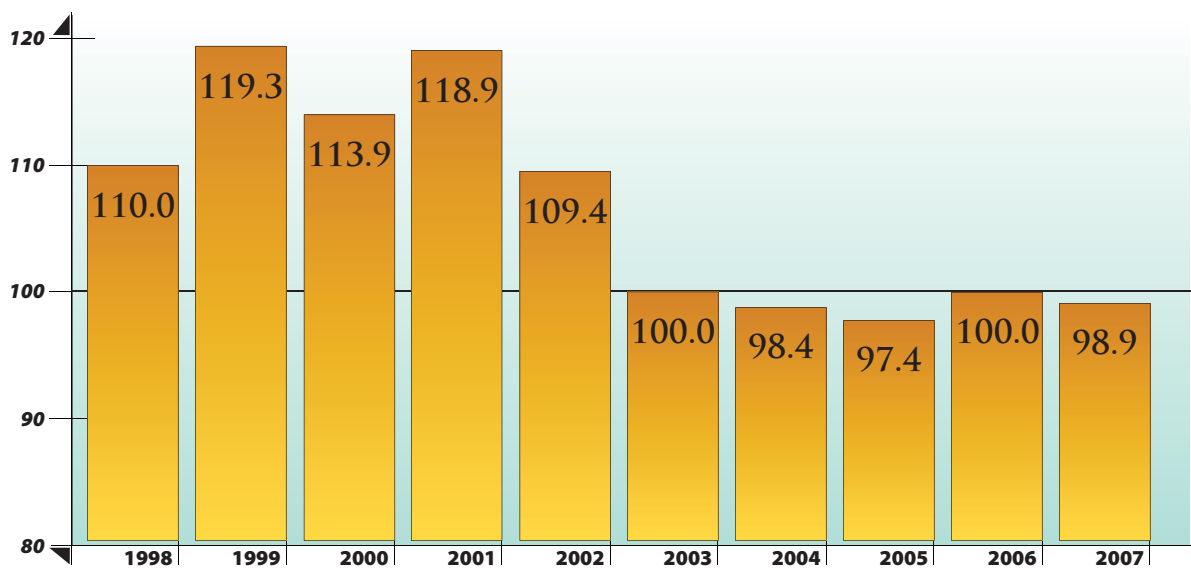


Figure D. National Arts Index *Contributed Support Measure* (2003 = 100.0)

This view averages the scores of 17 separate indicators of private philanthropic support of the arts by corporations, foundations, and individuals, plus government funding at the federal, state, and local levels. The typical nonprofit arts organization generates only half of its revenue from earned income (ticket sales, advertising), thus the other half raised through contributions and grants is vital.

In the public sphere, federal funding stayed level, and local government funding increased when adjusted for inflation. State government funding grew to record levels in the 1990s and then plummeted in the early 2000s. Private sector giving tracks very closely with the economy. The current economic turmoil complicates matters for arts organizations as the finance sector, severely hit in this economic downturn, has traditionally been the strongest arts funder in the corporate community.

The share of foundation and corporate funding being directed to the arts is in an unmistakable decline. Between 1998 and 2007, the percentage of foundation funding directed to the arts decreased from 14.8 to 10.6 percent. The corporate giving share to the arts decreased from 10.3 to 4.6 percent during the same period.

A preliminary estimate of 2008, using 12 of the indicators, shows that the Contributed Support measure declined to 96.0.

These data provoke some hard questions:

- **Is the failure of the arts to maintain market share among providers of contributed support a short-term problem related to increased social service, health, and educational needs, or will it persist?**
- **Are the funding losses a symptom of a more fundamental problem of donors and funders not valuing and appreciating the arts?**
- **How can available facilities be used to deliver the arts as creation, exhibition, performance, preparation, collaboration, and education?**
- **Is “art for art’s sake” a sufficient rationale any more, or will support depend on validation by audiences of serious potential for earned income? If the latter, what does that mean for the future of artistic creativity, the “R and D” of the arts?**

5. Arts employment has grown steadily over the past decade.

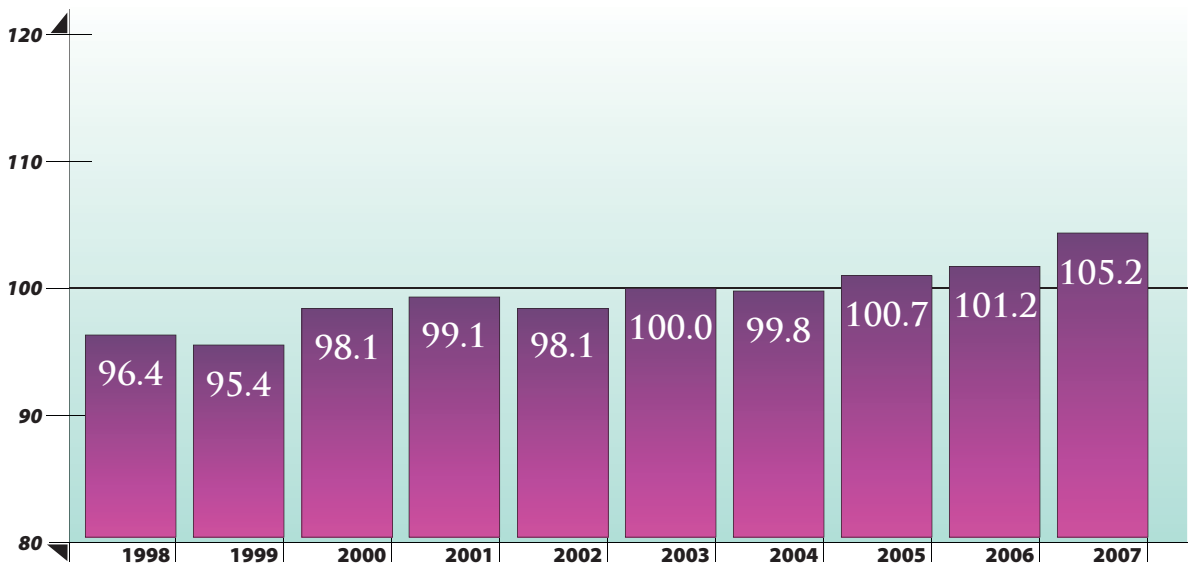


Figure E. National Arts Index *Employment Measure* (2003 = 100)

Eleven employment related indicators (numbers of artists, workers in arts industries, volunteers, labor organization, and artistic workers' income measures) show long-term growth in the number of people making a living as artists and as a result of arts businesses. Some of these employment indicators are based on occupation, using the kind of work that people do (according to their employer). There were 1.7 million such arts workers in 2007. Others are based on the kind of employer, some of which are in arts and culture industries. These employers have about 2.1 million workers in 2007, including some who do work that is not clearly artistic (e.g., the accounting staff in a theatre). A third approach is based on what people declare as their primary occupation. By that standard, the number of artists in the workforce is 2.24 million. The specifics of each measure help to explain the apparent contradiction. For example, there were almost 700,000 solo artists in 2007. They are arts workers, but not necessarily arts “employees.” Many artists also work only part-time as artists and supplement their income with other kinds of work.

There is notable growth in independent artist-entrepreneurs (509,000 to 680,000 from 2000 to 2007). There was a 17 percent increase from 1996 to 2008 in the number of working artists (1.9 to 2.24 million). Artists remained a steady 1.5 percent share of the total civilian workforce.

Using the six indicators out of 11 available at this time, the 2008 Employment measure is estimated at 105.3, practically equal to its 2007 score.

Despite this, the future holds many uncertainties for the arts labor market:

- **Continued entry into the arts labor force in the past is encouraging, as it shows how the arts have attracted different kinds of workers into different kinds of jobs. Now, the question is, how will the arts and culture labor markets rebound from the recession?**
- **Will the growing interest in fields like mobile applications and video gaming lead to additional hiring of designers and artists?**
- **Unemployment has been such a strong feature of the recession for all sectors of the economy. Recent NEA studies point out that artists have twice the unemployment rate of other professional workers. Will that gap widen or narrow?**
- **Part-time work is a growing part of every occupation and business. This is the case in the arts as well (as it has been historically). How will this affect the institutional structure of the arts?**

6. The number of nonprofit arts organizations grows annually, yet one in three fail to achieve a balanced budget.

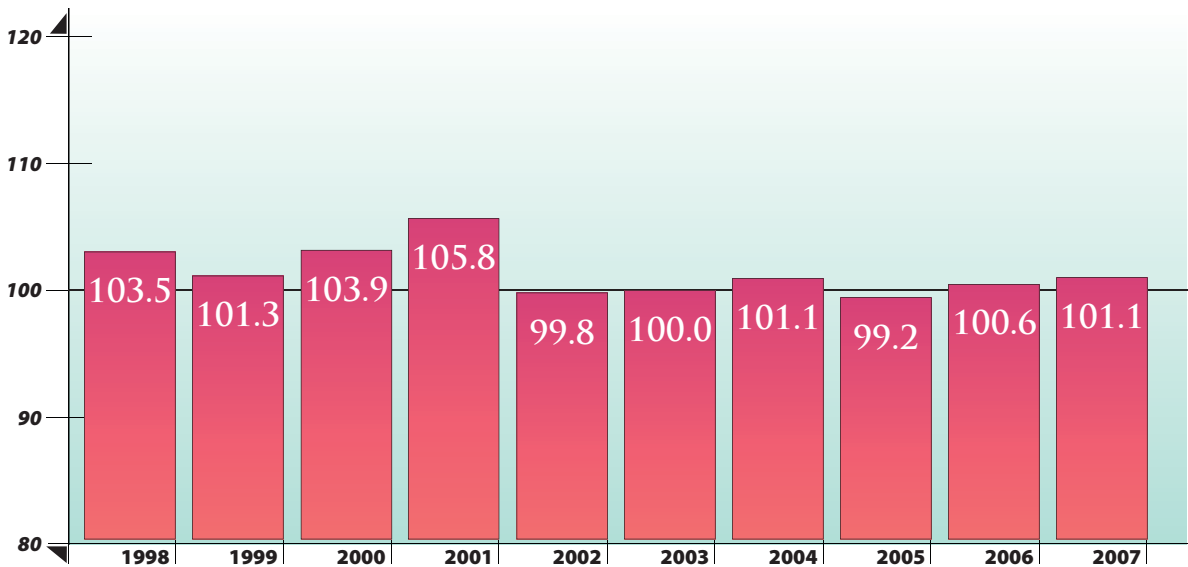


Figure F. National Arts Index *Nonprofit* Measure (2003 = 100.0)

This measure is composed of 22 indicators. Many of them are based on data collected by the National Center for Charitable Statistics at the Urban Institute as well as other information from national service organizations for art forms that are typically made up of nonprofit organizations (theatre, opera, symphony, and museum). Some indicators in this view are financial, others address attendance, volunteerism, and measures of philanthropy. The high numbers in the early years of the decade are largely driven by philanthropy, while increases in 2006 stem from the creation of new organizations, nonprofit arts revenue, and a strong influx of capital.

There has been a steady growth in the number of nonprofit arts organizations over the past decade (73,000 to 104,000). So rapid was this growth that between 2003 and 2008, there was a new nonprofit arts organization created every three hours. The challenge for these organizations is that even in good economic years, one in three failed to achieve a break even budget. So, it is not surprising to note that the estimate of the 2008 Nonprofit Organizations measure dropped significantly, to 92.1 (using 12 of the 22 indicators).

The challenges facing the nonprofit sector of the economy are mirrored in the arts, as has been widely reported. For the arts nonprofits in particular, some of the struggles are at the survival level:

- **In the face of declining levels of philanthropic support, is there a threat to the continued viability of the nonprofit structure as a home for the arts?**
- **For decades, nonprofit arts organizations have been venues of artistic entrepreneurship, organizations with imaginative, independent leaders. Will as many small entities be able to thrive in an environment with scarcer resources, and how will they respond to pressure to collaborate and even merge?**
- **As these threats to the nonprofit arts mount, what other kinds of social enterprise, and what other kinds of structures (such as umbrella organizations and incubators) will attract audiences and contributed support?**

7. Arts organizations continue to create new work; more of the American public is creating their own art.

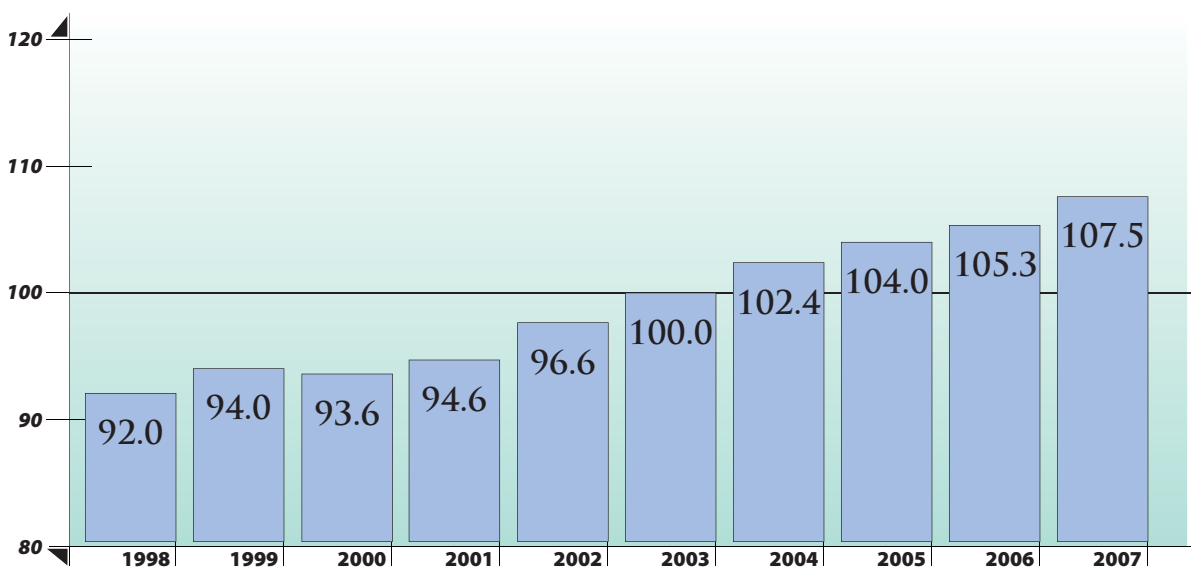


Figure G. National Arts Index Creativity Measure (2003 = 100.0)

This view is composed of eight indicators ranging from personal creativity to premieres of new works on the concert stage. The creation of new artistic work is critical to a successful arts ecology. Creativity is generally vigorous at the individual level, driven by entry into the field by individual artists and new organizations. We believe that this is only the “tip of the iceberg” for other kinds of activities that are harder to measure, such as music recording, photography, weekend rock bands, and increased amateur artistic endeavors (examples of the “curatorial me” trend described by Bill Ivey and Steven Tepper). The percentage of the American public personally creating art (e.g., ceramics, music making, and drawing) is growing slightly ahead of the growth rate of the U.S. population, up from 18.5 to 19.5 percent between 2003 and 2008.

The major performing arts disciplines continue to be exciting settings for the development and presentation of new work. Data on premieres by American theatre companies, symphony orchestras, operas, Broadway producers, and filmmakers are available from their trade associations: the Broadway League, League of American Orchestras, Motion Picture Association of America, Opera America, and Theatre Communications Group. These service organizations do valuable work in gathering information on their members’ activities and summarizing it for the public. They show over 1,100 new movies, plays, operas and symphonies premiered each year, a number that has grown annually since 2004. Premieres are often commissioned and planned years before the public sees them, so current economic problems are probably affecting the number of such new works that were planned in 2008 and 2009 for release in 2010 and beyond. While only five of the eight indicators are available to estimate the Creativity measure for 2008, they show a decline to 102.2.

Like so many other elements of the arts, personal creativity is both made easier and more challenging by technology. At a minimum, technology has made creativity easier to disseminate. But it creates difficulties for long-standing producers of the arts:

- **How do these changes in method affect the content of new art, and what kinds of artistic techniques will be valued?**
- **Aesthetic preferences are always in flux, but rarely as much as in the Internet era. Will this newfound ease of creation and distribution lead to even faster changes in what is considered to be “beautiful?”**
- **How can arts organizations capitalize on the increased interest in making art, and will Americans’ creativity be expressed on their own or through arts organizations?**

8. Demand for arts education is up.

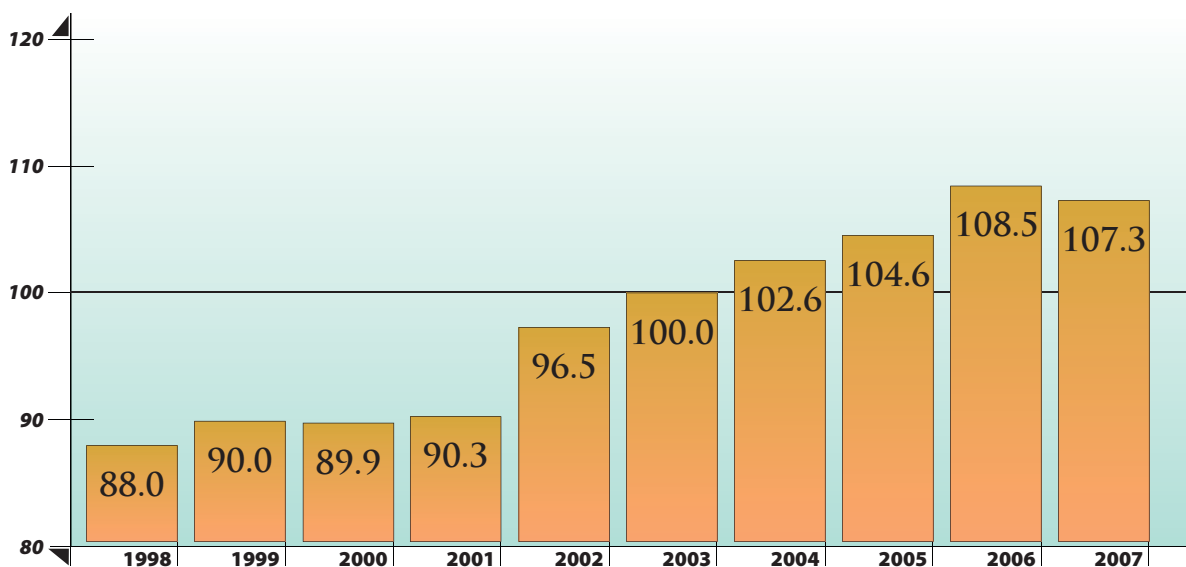


Figure H. National Arts Index *Educational Interest Measure* (2003 = 100.0)

Research by James Catterall at UCLA and others has demonstrated that students who are engaged in the arts perform better academically—higher grade point averages and standardized test scores, lower drop-out rates—a finding that cuts across all socio-economic strata. Yet, studies by the Center for Education Policy and the Council for Better Education have both shown a decrease in the amount of arts education taking place in the nation’s schools, with cuts ranging from 25 to 33 percent.

While much attention is focused on the travails of arts education, there is surprisingly little national data to measure how America’s students are learning about the arts. The National Assessment of Educational Progress, produced by the U.S. Department of Education, addresses the arts only sporadically. All of the anecdotal information about local and state arts education funding for levels K-12 has not been assembled into a single national statistic. By contrast, more information is available about student interests and choices as they enter college and when they graduate. This education measure uses five such indicators.

There is a clear increase in demand among college-bound high school seniors—the 1.5 million students who take the SAT 1 Reasoning Tests. Data from The College Board, which administers the test, show an unmistakable upward trend in the percentage taking four years of arts and music classes while in high school, and even an increase in the percentage who intend to pursue an arts-related degree in college. Many of them have lived up to that expectation, too, with a steady growth in the number of arts degrees conferred annually:

- **The percentage of all SAT test takers with 4 years of arts and/or music increased from 15.4 to 20.2 percent, between 1998 and 2009.**
- **Between 1998 and 2007, there was annual growth in the number of college arts degrees conferred annually (75,000 to 120,000) as well as growth in the share of arts degrees as a percentage of all degrees conferred (3.9 to 4.1 percent).**
- **The percentage of SAT test takers intending to pursue a college degree in the arts increased from 6.4 to 7.1 percent (1998-2008).**
- **Students taking four years of courses in art and music have higher SAT scores than those of students taking fewer years.**

Only three indicators are available for 2008, too few to provide an early estimate of the Educational Interest measure for that year.

These findings provoke additional questions about arts education, particularly at the high school and college levels:

- **Will these positive associations between arts education and college entrance scores help push education funders to reverse the slide in resources available for arts education?**
- **The number of intended arts majors and arts degrees awarded grew over the Index time period, both in numbers and as a share. Are institutions of higher education ready to manage that increased demand, with the faculty and other resources needed?**
- **As the share of degrees in the visual and performing arts grows, what will the labor markets hold, and will those graduates find work in the arts?**

9. The number of arts businesses is growing, but success is inconsistent over time.

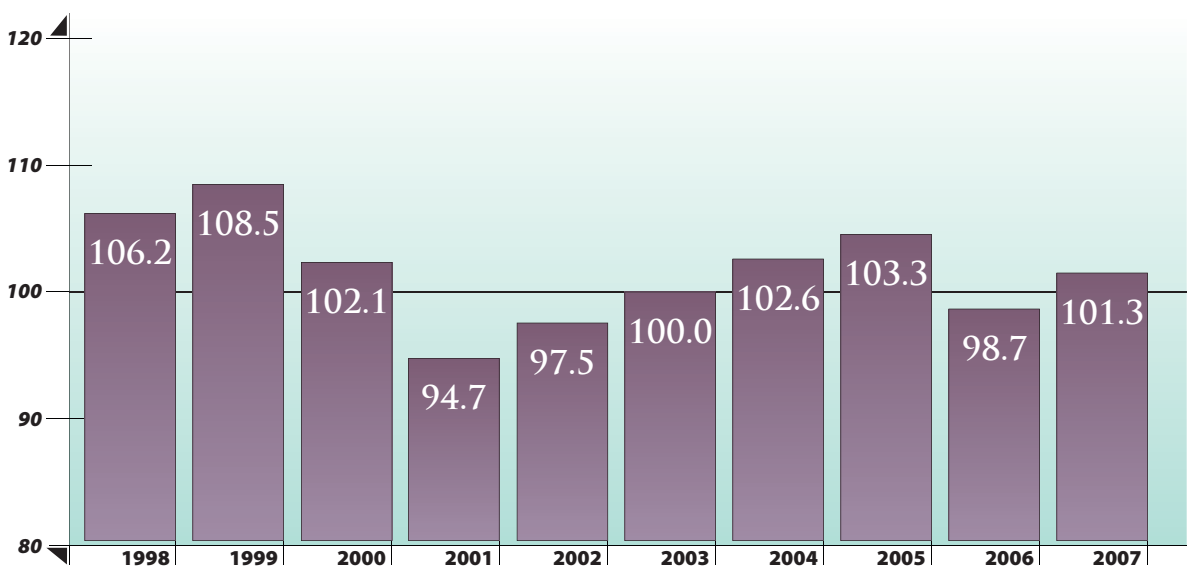


Figure I. National Arts Index Arts Business Measure (2003 = 100.0)

The Arts Business Measure is 15 indicators measuring activity of commercial, profit-seeking businesses in the arts, including their number, size, and performance. This overall measure largely tracks the nation's business cycle, which is not surprising given that analysis of Dun & Bradstreet data reveals about 600,000 "for-profit" arts businesses in the U.S. Many of the businesses are small. There are steadily growing numbers of solo artists, and composer's royalties and Broadway revenue are increasing. However, music and CD stores, attendance at pop music concerts, and recording revenues are all tipping downward. Profitability is also erratic.

Of the 15 indicators making up this view, 14 were available for 2008, and they show a sharp drop in the overall measure, to 93.1, a decline of 8.5 percentage points.

Questions about the business of the arts:

- **Some long-standing business forms (CD stores, bookstores, record companies) are facing the stresses of new technologies. What roles will be left for them in the face of an economic turnaround?**
- **Similarly, what new forms of cultural enterprise are emerging to channel artistic goods and services from their creators to audiences?**
- **While the number of small nonprofit arts organizations has grown, the businesses that dominate some arts sectors (such as record companies, media companies, and concert promoters) are large. Will an economic turnaround reinforce this concentration, or will it provide new opportunities for entrepreneurial arts businesses?**

10. The competitiveness of the arts for resources and investment is slipping.

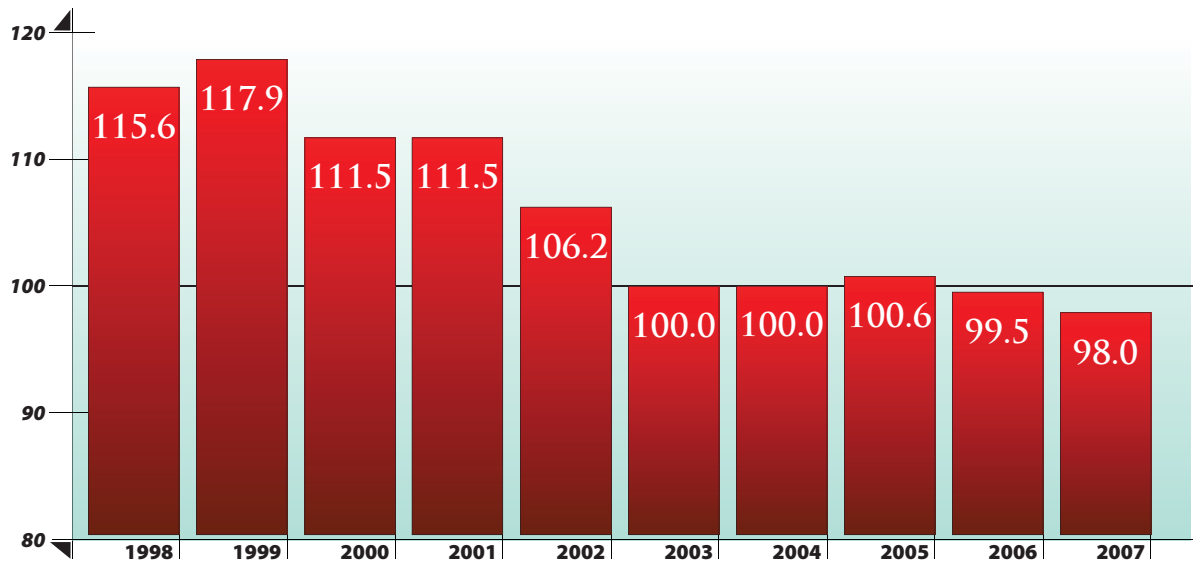


Figure J. National Arts Index *Competitiveness Measure* (2003 = 100.0)

The Competitiveness Measure is one of the most telling measures of the National Arts Index. As a gauge of how the arts stack up against other uses of audience members' time, donor and funder commitment, and spending, it shows that over the long term, the arts are struggling to stay competitive. The measure is an analysis of 25 indicators that contextualize the data against a broader backdrop, such as growth of the population or changes in the economy. In the case of arts philanthropy, for example, it is a measure of the share of all giving that is directed towards the arts. Of the 25 indicators in this measure, 10 declined between 2006 and 2007, and 17 of the 25 declined from their earliest observations.

The Competitiveness Measure is in many ways reflective of the "traditional" arts and culture forms (theater, symphony, museums) and forms of philanthropy, about which comparatively more data are available. As the data begin to better reflect changes in arts participation (e.g., amateur involvement in the arts and consumption via the Internet) the Competitiveness Measure may strengthen.

Looking Ahead

The National Arts Index offers an enormous opportunity to begin a conversation about the arts and their value to communities and a dynamic society. It makes available, for the first time, a highly distilled measure of the health and vitality of the arts in the U.S. While that vitality was more in evidence in the early years of the Index, the 2008 Index score is at its lowest level in the 11 years tracked during this project. Within individual views of the Index data, we see some of the elements that make up this drop.

The National Arts Index thus provides an evidence-based platform for genuine paradigm-changing conversations about key issues. It is reasonable, based on the economy in 2009 and the 2008 Index score, that 2009 will be another year of declining scores. So, the urgency in the need to build audience demand for the arts—to create more “want” by the American public—is one of the most potent takeaways from the Index. Alternative arts business models beyond the 501(c)(3) show promise as a means of easing the stress on capacity, such as arts and business incubators, shared services and spaces, hybrids, support for unincorporated entities, and better use of existing venues. Other funding models for a new competitive world can help funders evolve their role in advancing the arts. Should arts programs have to be validated by audiences as well as by the institutions? Arts organizations—even those in different industries, for-profit and nonprofit—have much in common. It is important to see how they can exploit their shared circumstances in the form of collaborations, especially those that build demand. There also may be social equity issues related to arts education that need to be addressed in further conversation: Who is being left out?

The arts are fundamental to the health of a successful society. By understanding how the arts thrive, we can better understand how to make communities thrive. The National Arts Index is the beginning of this conversation, not the end.

Chapter 2. The Arts and Culture Balanced Scorecard

Chapter 1 introduced the Index and some of its major findings related to long-standing issues in cultural policy and arts management. This chapter moves the Index narrative along by showing how the annual indicator data can tell some new stories about the systemic character of the arts, and the ways that the elements of the arts ecology interact with each other. To illustrate this, we introduce the data used to build the Index and show a logic model, the *Arts and Culture Balanced Scorecard*, which links all of the indicators to each other as components of the arts system. Drawing on the highly regarded and widely used Balanced Scorecard system developed by Robert Kaplan and David Norton, the *Arts and Culture Balanced Scorecard* gives us tools for evaluating the overall vitality of arts and culture. In building the Scorecard, we drew on lessons from various sources, including systems analysis, program evaluation measurement of cultural capacity around the world and in different regions and arts industries, and other policy index reports.

The Data in the National Arts Index

To best explain this model, it is first necessary to briefly describe the data used to compute the National Arts Index. The Index is composed of 76 annual indicators of arts and culture activity, measured at a macro, national level. Each individual indicator is analyzed and reported in a common format with data for years from (at least) 2003 to 2007, with most data sets reaching back to 1998 and/or as far forward as 2008. All indicators meet the following eight criteria:

1. **The indicator has at its core a meaningful measurement of arts and culture activity**
2. **The data are national in scope**
3. **The data are produced annually by a reputable organization**
4. **Five years of data are available, beginning no later than 2003 and available through 2007**
5. **The data are measured at a ratio level (not just on rankings or ratings)**
6. **The data series is statistically valid, even if based on sample**
7. **The data are expected to be available for use in the Index in future years**
8. **The data are affordable within project budget constraints**

The data that we found were then “indexed” or set to a base of 2003 using procedures described in Chapter 8.

Building the Arts and Culture Balanced Scorecard

We identified four different views of the arts system that captured the data we found: financial flows, organizational capacity, arts participation, and competitiveness of the arts. These four are the basis for the Arts and Culture Balanced Scorecard (ACBS) system that groups indicators based on where they fit into this systemic view of the arts ecology.

ACBS is a descriptive model, rather than a predictive one, and is a tool for placing the many individual indicators of arts vitality in a systemic relationship to each other. We organized them so that every individual indicator is associated with only one main component of the ACBS model. These four key components are:

- **“Financial Flows” include private and public support to institutions, pay of individual artists, and revenues of arts businesses and nonprofits. All of these are payment for artistic services and provide fuel for capacity to produce arts activities and experiences for arts audiences.**
- **“Capacity” indicators measure relatively durable levels of institutions, capital, employment, and payroll levels in the arts and culture system. Capacity and infrastructure transform financial flows into arts activities.**
- **Arts Participation” indicators measure actual consumption of those activities, which may be in the form of goods, services, or experiences.**
- **“Competitiveness” indicators illustrate the position of the arts compared to other sectors in society, using measures of market share and economic impact.**

Figure K shows the systemic relationship between the components:

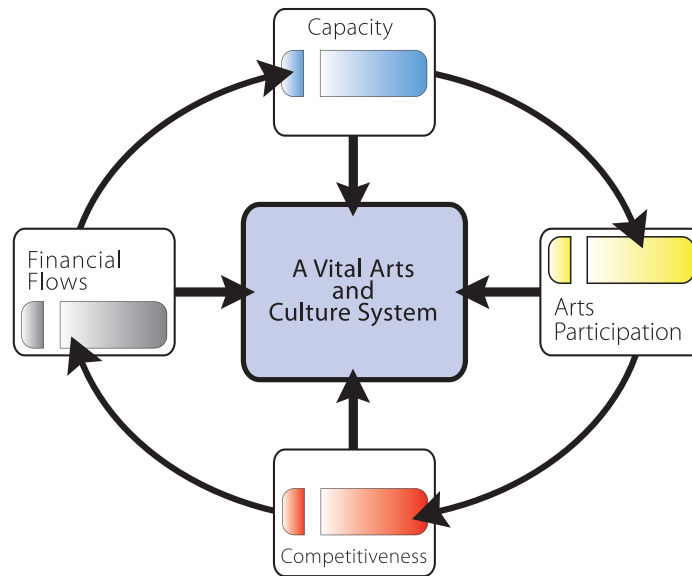


Figure K. The Arts and Culture Balanced Scorecard

The Arts and Culture Balanced Scorecard 'Dashboard'

The idea of a "dashboard" as a compact way of showing the performance of key indicators in an organizational system can be applied to arts and culture as much as to any individual organization. Figure L shows the four components from 1998 through 2007.

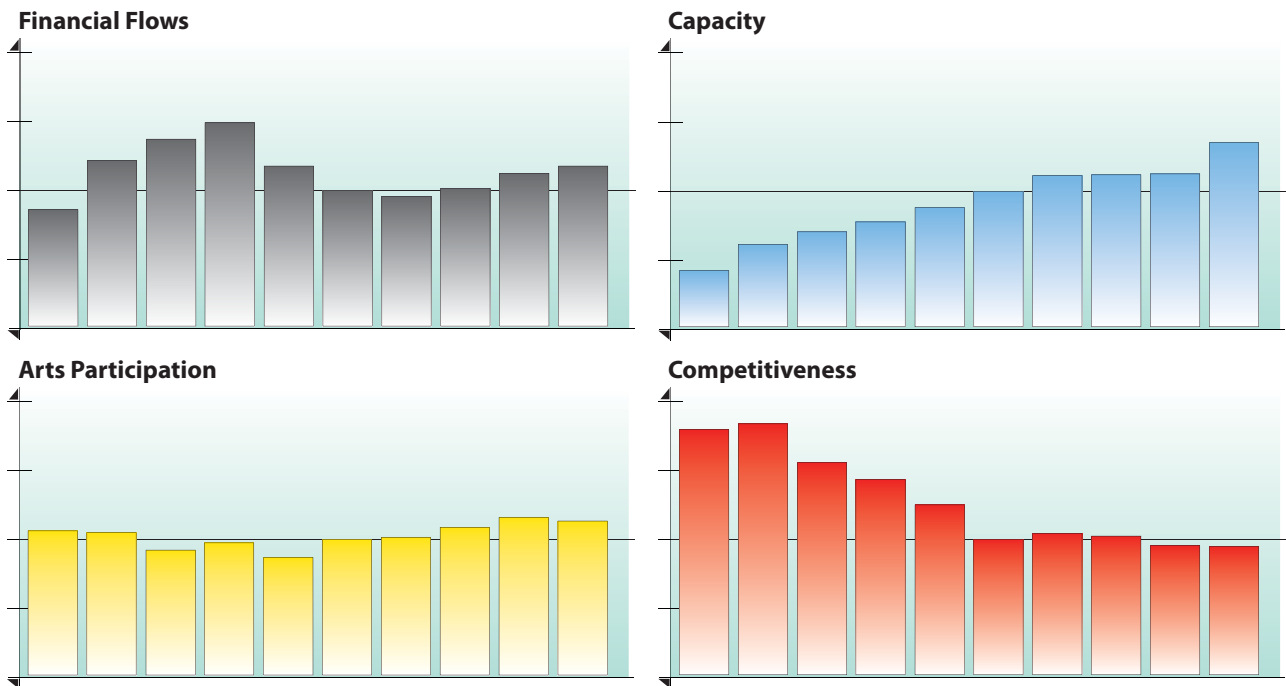


Figure L. The Arts and Culture Balanced Scorecard Dashboard (2003 = 100)

What these figures show, and what the rest of the report illustrates in more detail, is a more fine-grained picture of where the arts are doing well and where they are struggling:

- **Financial flows into the arts fell sharply after 2001. While they recovered somewhat after 2003, they have not reached the levels of the late 1990s. This is one area where inflation has had a noticeable effect.**
- **More and more capacity has been added to the arts, in numbers of individuals, organizations, and other entities that create infrastructure.**
- **The level of arts participation—especially attendance—dropped in the early 2000s and has only grown gradually since 2002.**
- **The competitiveness of the arts, in measures of how the arts compete against other uses of audience members' time, as well as donor and funder commitment, has fallen noticeably. In this component, the expanding population has a noticeable effect because participation and attendance are measured from a market share perspective.**

Components and Indicators in the ACBS

The 76 indicators were assigned to ACBS components as follows:

Table 1. Indicators in the ACBS

Component	Financial Flows	Capacity	Arts Participation	Competitiveness	Total
Indicators	15	14	22	25	76

Chapters 3 through 6 present summaries of each of the four components, along with detailed data describing the 76 individual indicators using all available data from 1998 to 2008. All indicators associated with each component are presented together. The four components are reported with:

- **A list of specific indicators that go into that component.**
- **A column chart showing the average of those indicators for all available years from 1998 to 2008, indexed against the 2003 value. The Index score axis is scaled from 0.50 to 1.50. All Index scores are calculated by dividing every year's indicator value by the value in 2003, which makes the 2003 Index equal to 1.00. Because they are averages, they give equal weight to each indicator within each component.**
- **The number of indicators for which data was available in each year.**
- **A brief discussion of how the indicators in that component changed from 1998 to 2008.**

Each individual indicator is reported on a separate page with:

- **An explanation of the area of interest and the data, including its sources and limitations.**
- **A column chart with the Index score for the chosen data series for all available years from 1998 to 2008, indexed against the 2003 value. The Index score (vertical) axis is scaled from 0.50 to 1.50, a range that fits all but one of the Index scores (Arts and Culture Share of Corporate Funding). In that page report, the number is boldfaced in the data table.**
- **A table of the data used to make the Index score. The second-to-last line in the table is the series of numbers used to make that index score, with each year's number divided by the number in 2003. The last line of each table is the resulting Index score for each year. It is this Index score that is displayed in the column chart.**
- **For indicators based on a selected set of codes (as for industries and occupations), the codes are listed in an appendix.**
- **A note of related indicators**
- **A brief note of who provided the source data. More detailed source information is in Appendix G.**

Chapter 3. Financial Flows Indicators

Financial Flows is the first of the ACBS components presented. It is made up of 15 Financial Flows indicators, all measured in dollars, and all expressed in inflation-adjusted or “constant” dollars, with the base period set in 2003. These indicators measure how arts and culture incorporate both nonprofit and commercial activities, and how revenues into the sector come from customers, donors, and public support. The ordering of the indicators is (roughly) in a sequence of: individuals’ income, business income, nonprofit income, private philanthropy, and government funding.

The next two tables show the indicators used in the Financial Flows component and the number of indicators that are used to make up the overall Financial Flow score in each year. Those scores are shown in Figure M, below.

Table 2. Financial Flows Indicators

(2003 constant dollars)

1.	Songwriter and composer performing rights royalties
2.	Wages in artistic occupations
3.	Payroll in arts and culture industries
4.	Publishing industry revenue
5.	Bookseller sales
6.	Musical instrument sales
7.	Recording industry shipment value
8.	Revenue of arts and culture nonprofits
9.	Corporate arts and culture funding
10.	Foundation arts and culture funding
11.	Private giving to arts and culture
12.	United arts fundraising campaigns
13.	Federal government arts and culture funding
14.	State arts agency legislative appropriations
15.	Local government funding of local arts agencies

Table 3. Financial Flows Indicators Per Year

1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
10	11	12	12	14	15	15	15	15	15

Averaged across all available data, they produce the following ten-year trend:

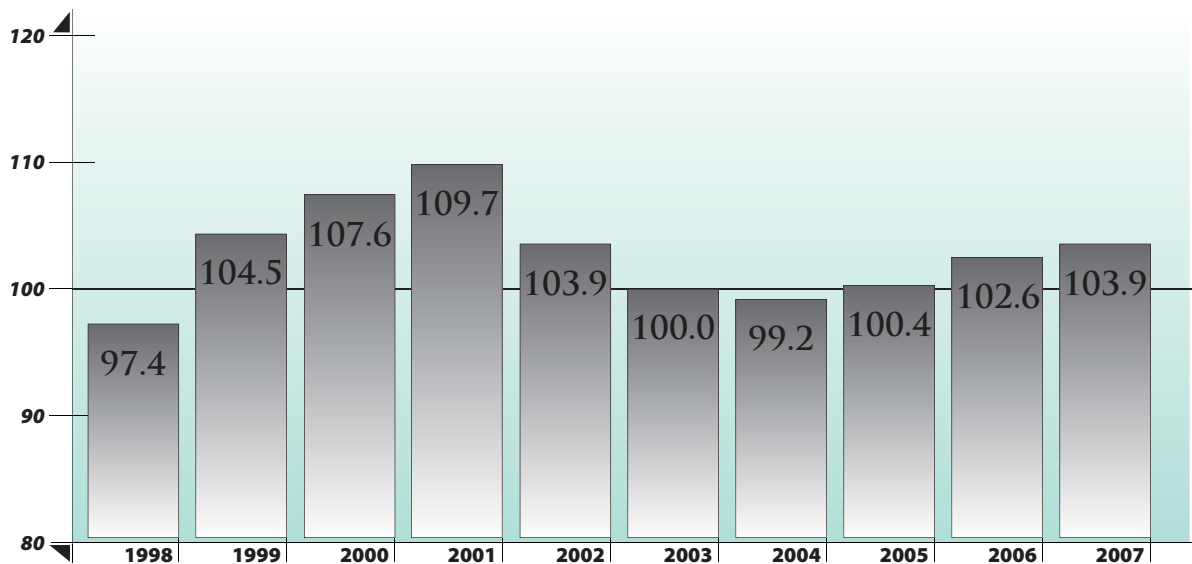


Figure M. National Arts Index Financial Flows Indicators (2003 = 100.0)

The 15 indicators in this component represent financial resources measured in dollars. They function as resources, fuel for the arts workers and organizations that produce artistic activities, goods, products, and experiences. Those indicators measuring financial resources include several measures of government funding. Some examples of financial resources coming into the sector include the royalties earned by composers and songwriters, salaries earned by workers in artistic occupations, and the revenues of nonprofit arts organizations.

All indicators measured in dollars are converted into constant dollars, using the Consumer Price Index (CPI) set to a base of 100.0 in the year 2003. Using “real” or inflation-adjusted dollars shows, more or less, the constant purchasing power of dollars. The “constant dollar” rows in the tables can be read as dollars the way they were understood and used in 2003. Although inflation has been low on an annual basis since the late 1990s, it has been steady. Financial indicators that have increased have actually grown less than they would if measured in current, or nominal, dollars. While it was only 2-3 percent in most of the years covered in the index, this compounded to a total change in of about 27.2 percent from 1998 through 2007, and 32.1 percent through 2008. In 2008, this meant that almost one third of the increase in dollars generated over the ten-year span by arts entities was not because of more volume, (i.e., more art, more performances, more books). Rather, it is the effect of general price level changes on overall revenues. Inflation had a significant effect in particular on sales by publishers and booksellers and sales of recorded music and musical instruments.

Of the 15 Financial Flows indicators, 10 were available for 2008, and they show a decline in the Financial Flows component to 95.0.

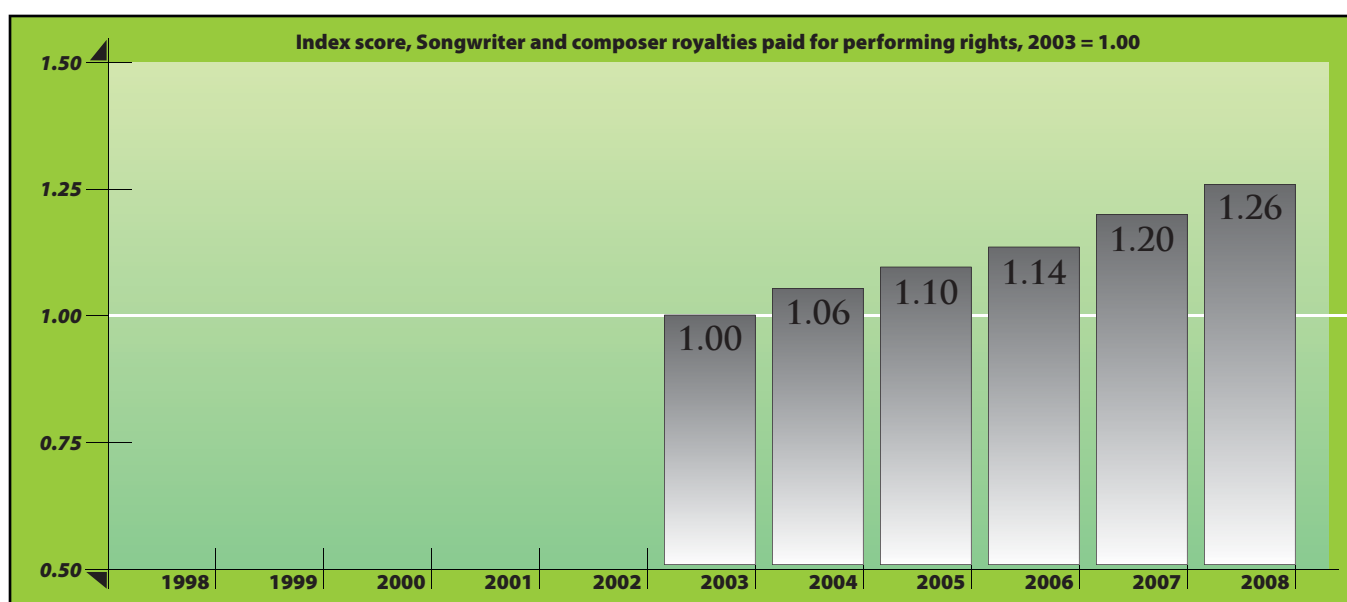
The following 15 pages provide additional detail on what has been an uneven time for the flow of resources available to arts and culture. Considered together, these indicators confirm in specific terms what has been a widely suspected reduction in resources flowing into the arts industries. This chart reveals that the decline was systemic, with an overall drop of 13 percent from the high point in 2001 to 2003. From 2003 to 2007, financial resources flowing into the arts improved. But, heading into a difficult economic period from 2007 through 2009, it is clear that the arts were competing with fewer inputs and resources — especially financial ones— than they had access to earlier in the decade.

The fact that fewer data points are available for the earliest years is an unavoidable problem and makes it more likely that outliers (such as high corporate philanthropy in 1998 and 1999) are affecting the average. This problem corrected itself in more recent years (since 2003) as data were available for every indicator.

1. Songwriter and Composer Performing Rights Royalties

Royalties for use of copyrighted materials are one source of revenue for artistic creators and producers. Royalties are paid to copyright owners for live performance of music, in return for licenses issued to live performance venues and broadcasters. Composers in the U.S. have the choice of affiliating with one of three designated performing rights licensing organizations: American Society of Composers, Authors, and Publishers (ASCAP), Broadcast Music, Inc. (BMI), and Society of European Stage Authors & Composers (SESAC). Of these three, the first two are nonprofit and annually report total receipts and disbursements to copyright owners (either the original composers or publishers). SESAC, which is by far the smallest of the three, does not make this information available.

This indicator measures the total amount of songwriter/composer royalties paid by ASCAP and BMI, adjusted to constant 2003 dollars. This royalty stream grew from 2003 to 2008, from \$1.09 billion to \$1.37 billion, a 20 percent increase over a four-year span, even after adjusting for inflation. This speaks to the resiliency of demand for new musical compositions. This is not a complete picture of the royalties available from copyrighted music: there are also streams of revenues for other uses, as well as emerging approaches to securing and licensing performing rights for transmission of music over the Internet.



	1998-2002	2003	2004	2005	2006	2007	2008
Royalties paid by ASCAP (\$M)		531	610	645	680	742	817
Royalties paid by BMI (\$M)		556	573	623	676	732	786
Total royalties paid (\$M)		1,087	1,183	1,268	1,356	1,474	1,603
CPI set to 2003 = 100.0		100.0	102.7	106.1	109.6	112.7	117.1
Constant dollar songwriter and composer royalties paid for performing rights (\$M)		1,087	1,152	1,195	1,238	1,308	1,368
Indexed to 2003 = 1.00	N/D	1.00	1.06	1.10	1.14	1.20	1.26

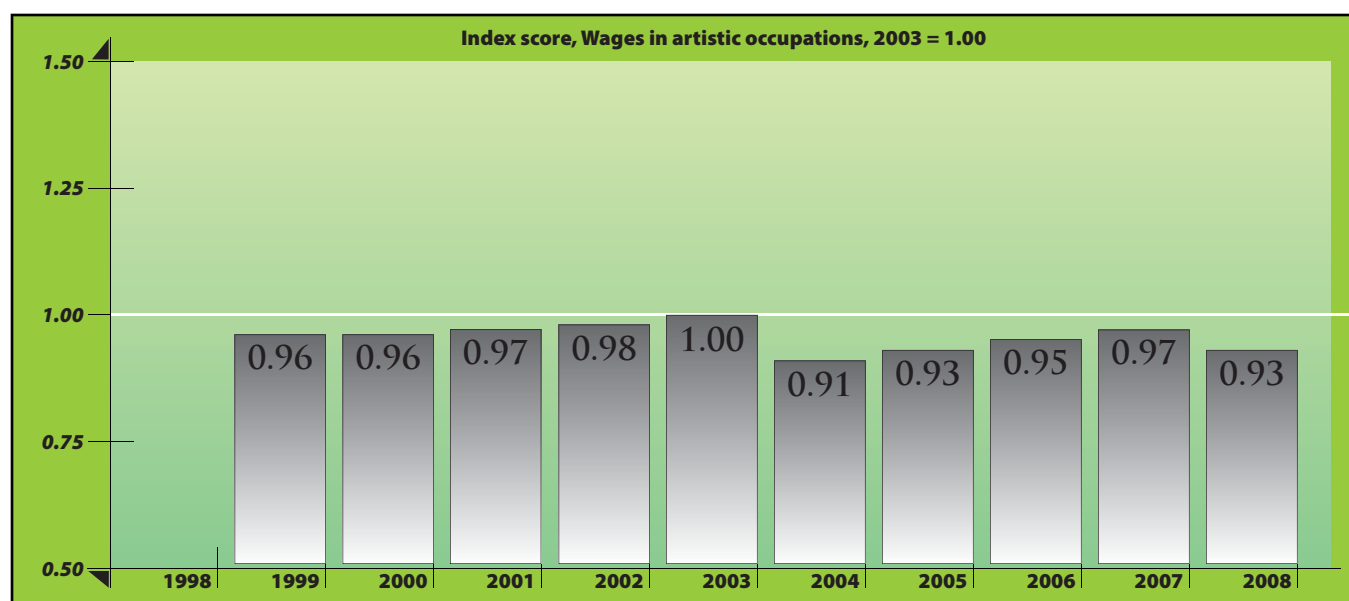
Sources: American Society of Composers, Authors, and Publishers; Broadcast Music, Incorporated

Related Indicator(s): 7, 22, 31, 33, 41—43

2. Wages in Artistic Occupations

Employment can be classified in more than one way—for example, some indicators in this report are based on the North American Industrial Classification System industry classification, which associates workers with the kind of place where they work. A different perspective on the arts labor market looks at the kind of work, or occupation. Defining work by occupation helps to give a more complete picture of how people work in the arts. The Bureau of Labor Statistics (BLS) monitors the workforce using the Standard Occupational Code system (SOC). The SOC system has approximately 450 separate occupational types, of which, 46 (listed in Appendix B) are substantially related to arts and culture. An example is “Floral Designer”—a type of worker who would not be included in a count based on industry, because florists might not generally be considered arts and culture businesses. Data from BLS also indicate average annual wages earned by workers in each occupation.

This indicator measures the average annual salary of all 46 occupations, adjusted to constant 2003 dollars. These are weighted by the number in each occupation as a share of workers in all artistic occupations. These reduce the effect of outliers, so that neither comparatively high-income jobs with few employees (such as architects), or low-income positions with many workers (like cinema ushers) distort the average. Work in some occupations is only part-time, and adjustments were made for those occupations where the percentage of full-time workers was available. In the face of inflation of about 29 percent in current dollars from 1999 to 2008, real wages for these occupations fell over that time. Some of the change resulted from a change in the SOC system in 2004; from 2004 until 2008, real wages for artistic occupations increased only two percent.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Average annual wages in 46 arts and culture occupations (\$)		36,583	38,009	39,333	41,320	42,261	39,479	41,525	43,801	46,006	45,825
CPI set to 2003 = 100.0		90.5	93.6	96.3	97.8	100.0	102.7	106.1	109.6	112.7	117.0
Constant dollar average annual wages in 46 arts and culture occupations (\$)		40,404	40,613	40,865	41,320	42,261	38,455	39,122	39,977	40,827	39,163
Indexed to 2003 = 1.00	N/D	0.96	0.96	0.97	0.98	1.00	0.91	0.93	0.95	0.97	0.93

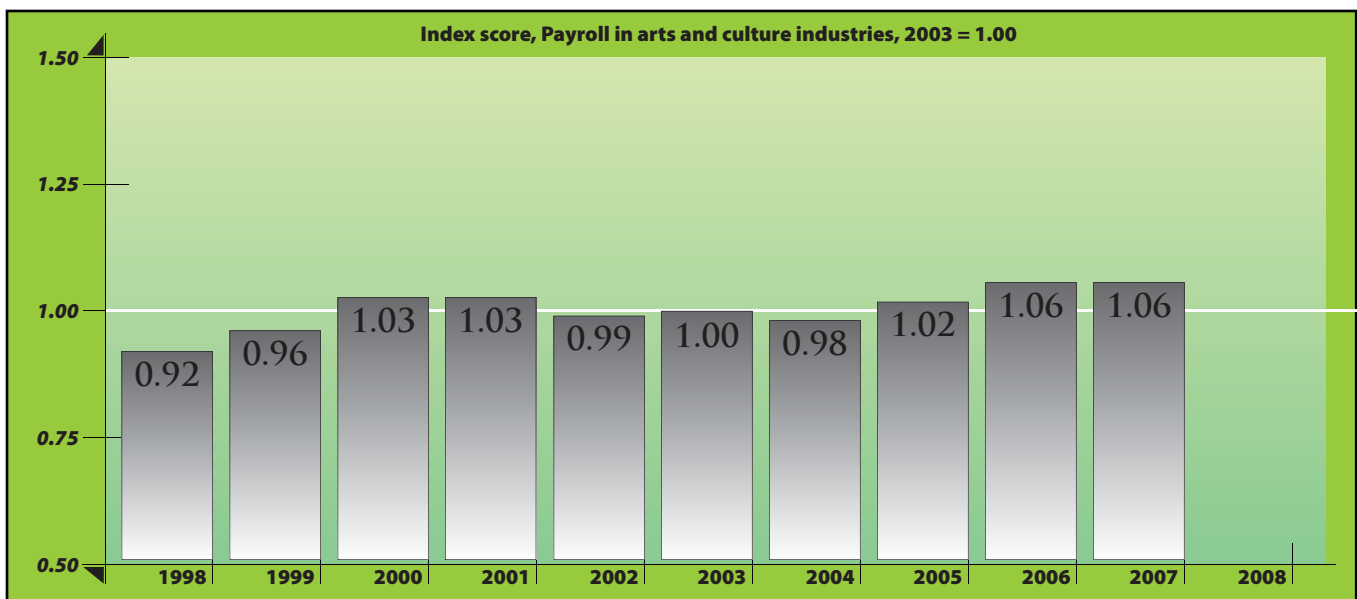
Source, Bureau of Labor Statistics, *Occupational Employment Estimates*, National Endowment for the Arts, *Research Report #48*

Related Indicator(s): 1, 3, 16—21, 25, 28, 56—58

3. Payroll in Arts and Culture Industries

Payroll expenditures by employers, like the number of establishments and employees, are a basic measure of the economic scale of arts and culture. Because arts and culture organizations are more likely to provide services than to manufacture objects in quantity, payroll typically makes up a greater share of total expenditures in these businesses and nonprofits.

This indicator measures constant dollar total payroll in firms in the arts and culture industries, defined by the 43 NAICS codes listed in Appendix A, and used in measures of employment and establishments. These data are gathered by the Census Bureau and published annually in County Business Patterns. This total grew from about \$64 billion in 1998 to \$94 billion in 2007 in current dollars. When inflation is factored in, the rise was more moderate, from \$72 billion to \$84 billion in constant 2003 dollars. This increase in payroll stands in contrast to the relatively flat level of employment and numbers of establishments in these same industries, suggesting that arts industries were gradually paying their staff more considering the time period as a whole.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Payroll in selected arts and culture industries (\$000)	64,180	68,528	75,815	77,866	76,583	78,722	79,481	85,167	91,574	94,302	
CPI set to 2003 = 100.0	88.6	90.5	93.6	96.3	97.8	100.0	102.7	106.1	109.6	112.7	
Constant dollar payroll in selected arts and culture industries (\$000)	72,449	75,685	81,010	80,900	78,328	78,722	77,419	80,239	83,579	83,685	
Indexed to 2003 = 1.00	0.92	0.96	1.03	1.03	0.99	1.00	0.98	1.02	1.06	1.06	N/D

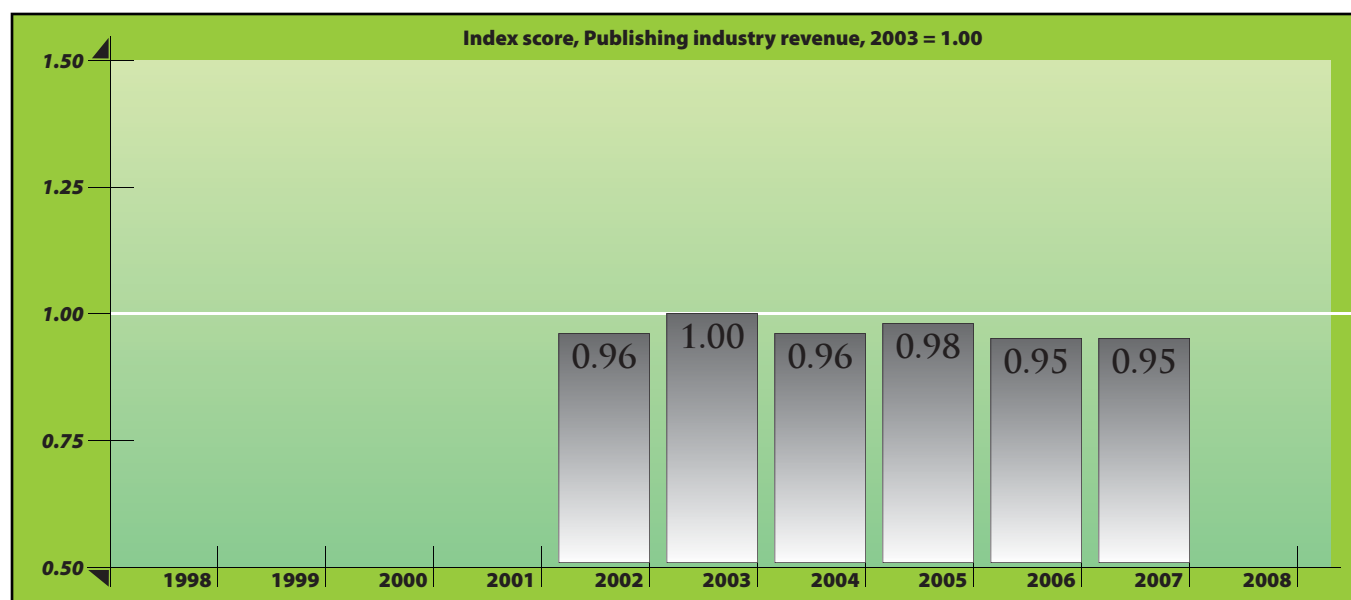
Sources: Bureau of the Census, *County Business Patterns*

Related Indicator(s): 2, 16—19, 56, 57, 58

4. Publishing Industry Revenue

The publishing industry plays a vital role in the dissemination of the written word. Companies in the industry serve as intermediaries, financiers and gatekeepers between authors, poets, playwrights, essayists and their various distributors and readers. Figures from American Association of Publishers (AAP) estimate total publishers' revenues, collected from its 260 publishing firm members, who produce trade, text, mass market paperback and other forms of books. Like so many other forms of media and intellectual property, published materials find their way to readers in new ways and over new media. For example, AAP estimates that e-book sales increased at an annual rate of 55.7 percent between 2002 and 2007, compared to single-digit annual growth rates in all other book product categories (and declines in some other product categories). Because of that, revenues are a better way to measure industry fortunes over time than are counts of volume.

This indicator tracks "Estimated Book Publishing Industry Net Sales," adjusted to constant 2003 dollars. Current dollar net sales grew by about 10 percent from 2002 to 2007, reaching \$25.0 billion. However, the effects of inflation over that time span counteracted that growth —when converted to constant dollars, there was a slight decline in industry revenue starting in 2005.



	1998-2001	2002	2003	2004	2005	2006	2007	2008
Publishers' revenues (\$M)		22,033	23,358	23,006	24,263	24,197	24,960	
CPI set to 2003 = 100.0		97.8	100.0	102.7	106.1	109.6	112.7	
Constant dollar publishers' revenues (\$M)		22,535	23,358	22,409	22,859	22,084	22,150	
Indexed to 2003 = 1.00	N/D	0.96	1.00	0.96	0.98	0.95	0.95	N/D

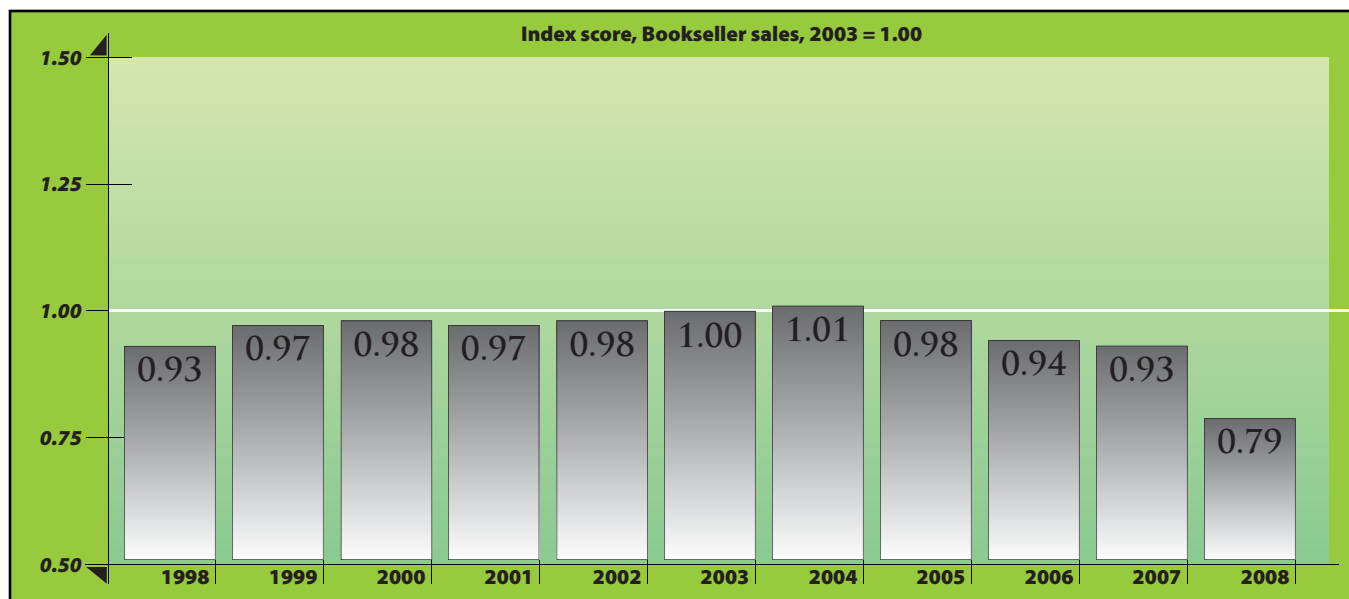
Source: American Association of Publishers

Related Indicator(s): 5

5. Bookseller Sales

Book sales are a primary means of transmission for the written word in general, and for fiction and literature in particular. This measure is based on data collected by the Census Bureau on monthly sales data for some 70 different types of retailers. Of the retailers listed, only booksellers, with NAICS 451211, fall into the arts and culture area. This measure does not distinguish between independent and chain booksellers, making it impossible to judge the health of the prototypical small, independent bookstore in American commerce.

This indicator shows a retail sector that maintained a steady level of increase through 2005 in overall sales, which preceded a multiyear decline in both current and constant dollars. When inflation is factored in, the picture is even less reassuring for years 2005 through 2008.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Bookstore (NAICS 451211) sales (\$M)	13,294	14,185	14,892	15,110	15,450	16,179	16,757	16,861	16,733	17,021	14,869
CPI at 2003 = 100.0	88.6	90.5	93.6	96.3	97.8	100.0	102.7	106.1	109.6	112.7	117.1
Constant dollar bookstore sales (\$M)	15,007	15,667	15,912	15,699	15,802	16,179	16,322	15,885	15,272	15,105	12,693
Indexed to 2003 = 1.00	0.93	0.97	0.98	0.97	0.98	1.00	1.01	0.98	0.94	0.93	0.79

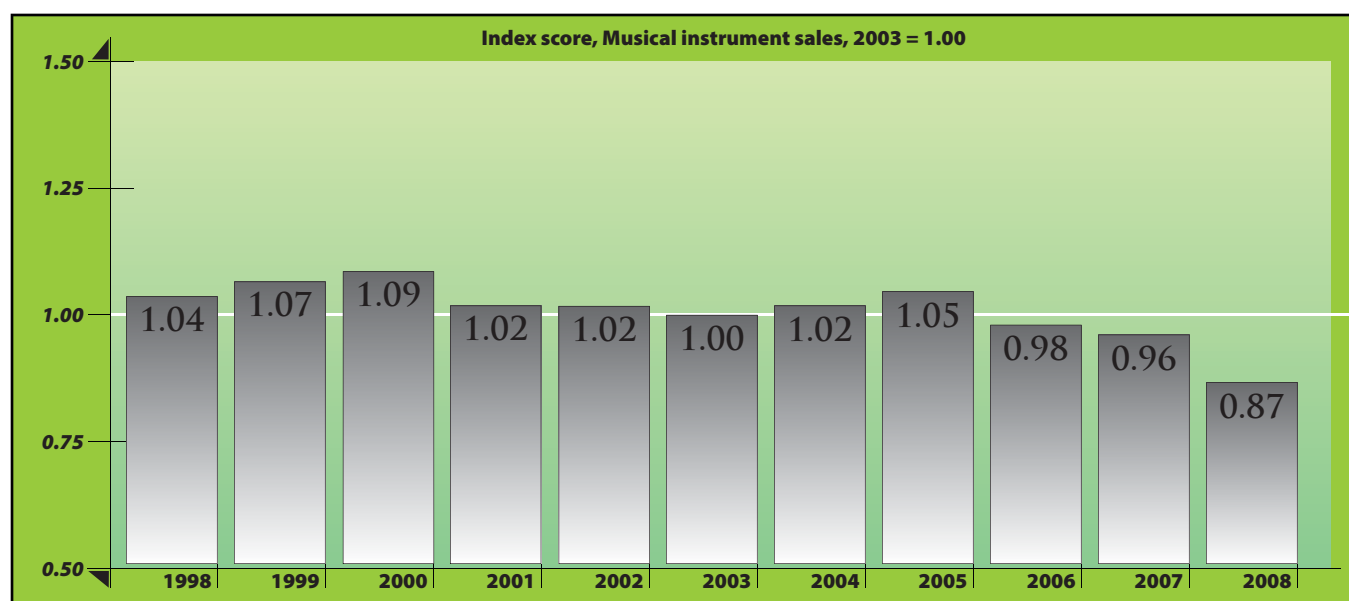
Source: Bureau of the Census, *Monthly Retail Sales*

Related Indicator(s): 4, 51

6. Musical Instrument Sales

Along with drawing, painting, and photography, playing a musical instrument is one of the most common ways for individuals to first become involved in the arts. The nation's cultural traditions, its love for instrumental music, and the role of instruments in supporting live performance by vocalists in pop music are all sources of demand for musical instruments. National Association of Music Merchants (NAMM), measures annual U.S. sales of fretted, keyboard, wind and percussion instruments, as well as printed music, electronics for music making, and sound reinforcement.

This indicator measures total U.S. sales in these musical instrument and related categories, adjusted to 2003 constant dollars. Sales reported in this indicator are at the wholesale level, which means that retail-level instrument sales are certainly higher than the amounts reported here, depending on markups for each kind of instrument and in each retail venue. While instrument sales in current dollars have consistently been more than \$7 billion, they have not kept pace with inflation, and constant dollar sales trended generally downwards since 2000. 2008 was a particularly difficult year, when instrument sales declined 10 percent in constant dollars from the prior year.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Musical instrument sales (\$M)	6,422	6,802	7,154	6,894	6,984	6,990	7,354	7,810	7,483	7,538	7,128
CPI set to 2003 = 100.0	88.6	90.5	93.6	96.3	97.8	100.0	102.7	106.1	109.6	112.7	117.1
Constant dollar musical instrument sales (\$M)	7,249	7,512	7,644	7,163	7,143	6,990	7,163	7,358	6,830	6,689	6,085
Indexed to 2003 = 1.00	1.04	1.07	1.09	1.02	1.02	1.00	1.02	1.05	0.98	0.96	0.87

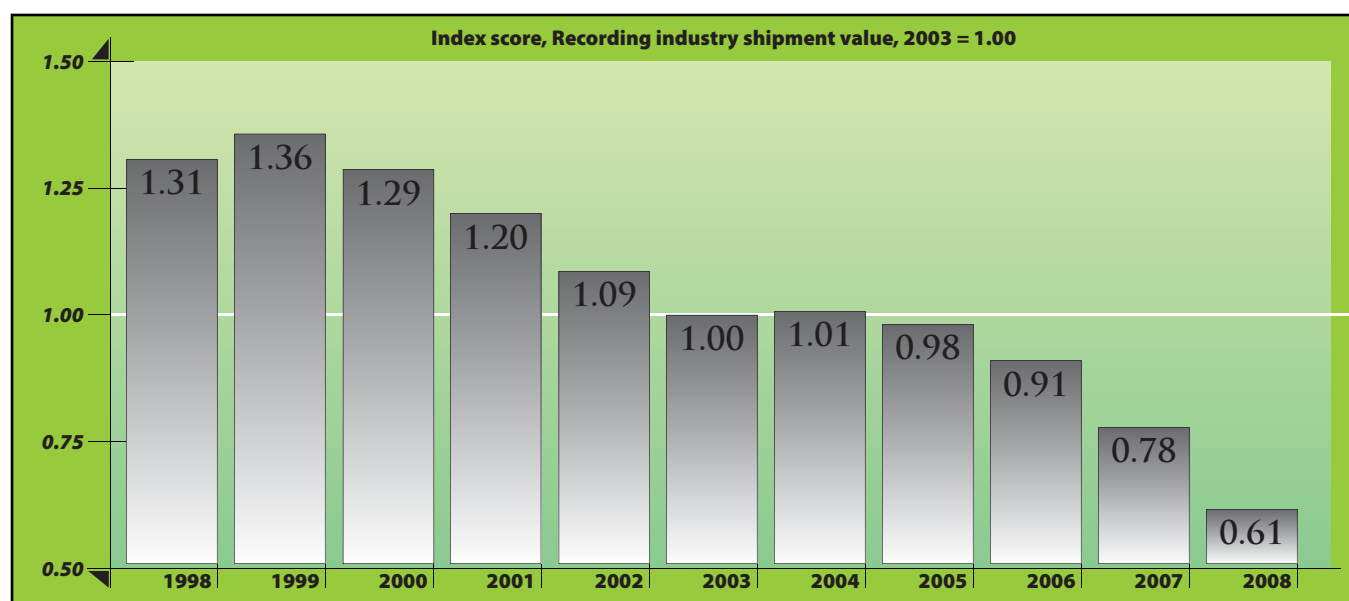
Source: National Association of Music Merchants, *NAMM Global Report featuring Music USA annual reports*

Related indicator(s): 30, 32

7. Recording Industry Shipment Value

Records are the principal channel for music reaching listeners, whether through physical or digital media. Changes in the recording industry provide some of the most visible examples of how digitization of content and file transfers over the Internet are reshaping the arts industries. The Recording Industry Association of America (RIAA) tallies total units sold and total value of units shipped in various forms: CD, cassette, LP, DVD, music video and digital download (the latter since 2004). RIAA statistics cite volume and shipment counts for uses of recorded music ranging from recorded CDs to 30-second cell phone ringtones. Because these different units are counted in many ways, and because of the rapid growth of digital uses of music, there are very wide swings in product counts. RIAA data show that albums downloaded digitally increased from 4.6 million to 56.9 million between 2004 (the earliest year for which data are available) and 2008, while digital single downloads grew from 139 million to 1.03 billion. These swings make it practically impossible to derive a single measure of how many of a standard "unit" is sold that incorporates all of these diverse media. However, information on the dollar value of all uses of music is kept by RIAA and can be used as a proxy for recording industry activity.

This indicator measures the dollar value of recording industry shipments, which incorporate all of those unit volumes at the various prices that recording companies and their distributors charge. This avoids some of the difficulties of unit counts. Despite the trend of increasing numbers of sales of digital music, total industry revenues declined in current dollars and even more sharply in inflation-adjusted dollars. In current dollars, revenues in 2008 were \$8.5 billion.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total value of digital and physical shipments (\$M)	13,711	14,585	14,324	13,741	12,614	11,854	12,345	12,297	11,758	10,372	8,480
CPI set to 2003 = 100.0	88.6	90.5	93.6	96.3	97.8	100.0	102.7	106.1	109.6	112.7	117.0
Constant dollar value of recording industry shipments (\$M)	15,478	16,108	15,305	14,276	12,902	11,854	12,025	11,585	10,732	9,204	7,239
Indexed to 2003 = 1.00	1.31	1.36	1.29	1.20	1.09	1.00	1.01	0.98	0.91	0.78	0.61

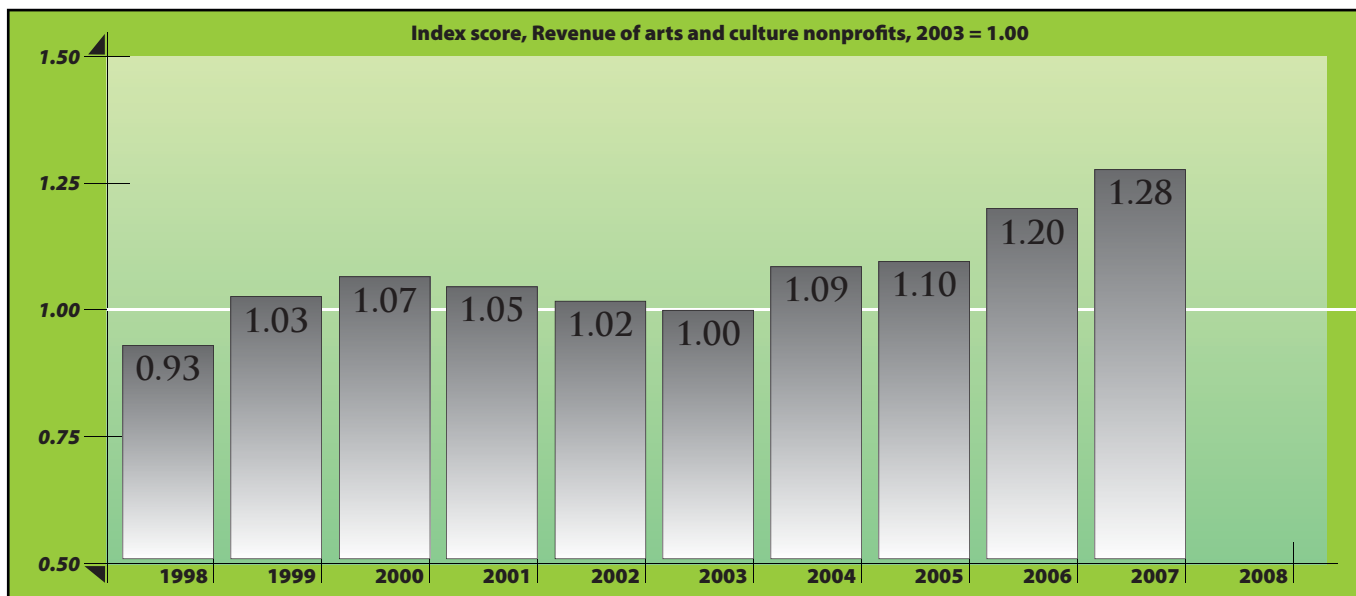
Source: Recording Industry Association of America, *Year-End Shipment Statistics*

Related Indicator(s): 1, 22

8. Revenue of Arts and Culture Nonprofits

Nonprofit arts organizations in the arts can be identified using the National Taxonomy of Exempt Entities (NTEE). Organizations in major Group A, plus group N 52 (fairs and festivals) are the prototypical arts producers in the U.S. They are the theaters, orchestras, museums, choruses, community arts schools, dance companies, and more that collectively form the backbone of the U.S. arts and culture systems. Revenues into these charitable nonprofit organizations come from fees paid by arts consumers and audiences, from grants, contributions and other subsidies and as income from reserves and endowments. Together, these income streams are resources that arts nonprofits use to produce services and programs that accomplish their missions and meet the artistic interests of their communities. While the total number of arts organizations with 501(c) 3 status grew to more than 100,000 by 2007, a little more than one in three (about 35 percent), are large enough to be required to file a Form 990 in any given year.

This indicator measures the total revenues of these nonprofits that file Form 990, converted to constant 2003 dollars. While the total number of these organizations grew by more than half, from about 25,000 in 1998 to 38,000 in 2007, the total revenues increased by about 75 percent in current dollars, increasing in every year. On first glance, this indicates that the growth in revenue was greater than the growth in number of organizations. However, when revenue growth is adjusted for inflation, it becomes only 38 percent in constant dollars. This means that while the total revenues of the field increased, average “real” revenues of each organization fell. This is an effect of having so much entry into the field, that newer arts organizations —of which there are many— typically have less revenue than older ones.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total revenues of arts nonprofits (\$M)	19,652	22,381	23,984	24,139	23,868	23,897	26,848	27,977	31,519	34,461	
CPI set to 2003 = 100.0	88.6	90.5	93.6	96.3	97.8	100.0	102.7	106.1	109.6	112.7	
Constant dollar arts nonprofit revenue (\$M)	22,184	24,719	25,628	25,079	24,411	23,897	26,152	26,358	28,768	30,581	
Indexed to 2003 = 1.00	0.93	1.03	1.07	1.05	1.02	1.00	1.09	1.10	1.20	1.28	N/D

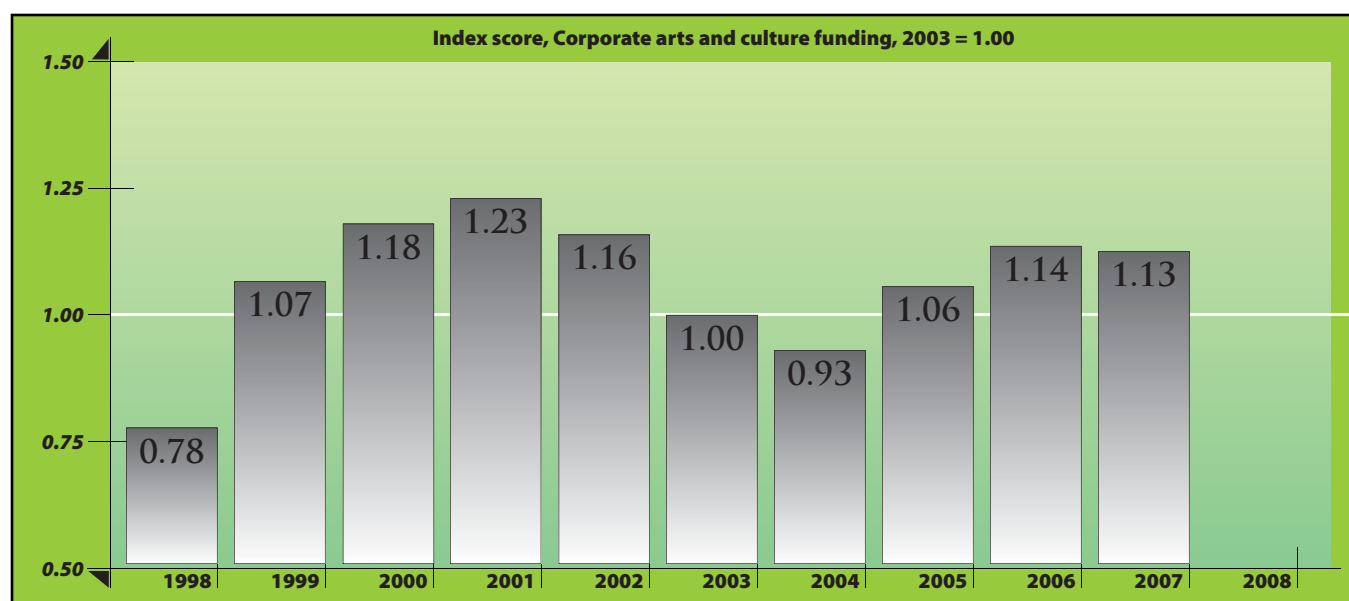
Sources: National Center for Charitable Statistics at the Urban Institute

Related Indicator(s): 26, 29, 76

9. Corporate Arts and Culture Funding

Along with individuals and foundations, businesses are the third major source of private support of the arts. The Conference Board surveys major corporations every year on their charitable contributions, including the sectors to which they give. Response levels range from 189 to 232 companies. The board estimates that in 2006, these contributions represented 62 percent of overall corporate contributions from U.S.-based companies. Respondents to Conference Board surveys, typically, are major corporations. It is important to note that besides these large companies, small businesses that number in the millions also contribute to arts and culture activity, though usually at lower levels.

This indicator measures total corporate giving (by survey respondents) targeted to arts and culture. The survey is annual, but different companies respond each year. Reported support of the arts doubled from \$2.2 billion to \$4.0 billion between 1998 and 2007. However, the effects of inflation eroded much of that increase. Declining sharply after 2001, reported corporate support of the arts (in current and inflation-adjusted dollars) began to increase again after 2004.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total corporate funding of arts and culture (\$B)	2.157	3.049	3.465	3.724	3.541	3.135	2.987	3.529	3.919	4.000	
CPI at 2003 = 100.0	88.6	90.5	93.6	96.3	97.8	100.0	102.7	106.1	109.6	112.7	
Constant dollar corporate funding of arts and culture (\$B)	2.435	3.367	3.703	3.869	3.622	3.135	2.909	3.324	3.578	3.545	
Indexed to 2003 = 1.00	0.78	1.07	1.18	1.23	1.16	1.00	0.93	1.06	1.14	1.13	N/D

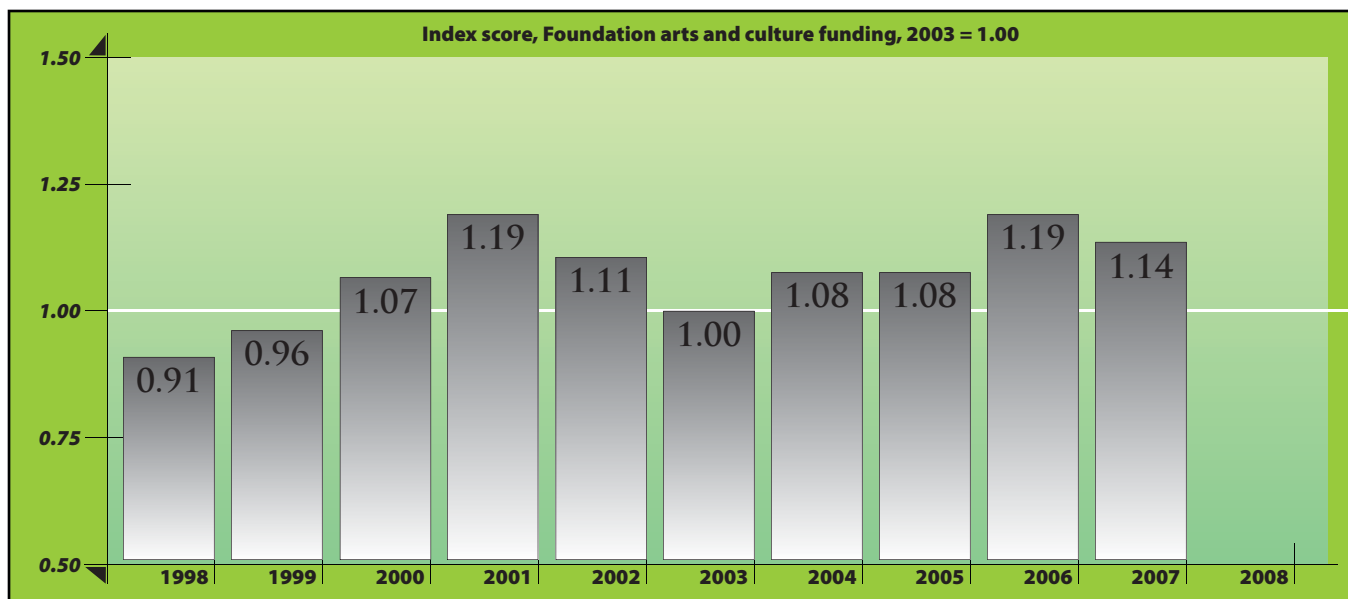
Source: The Conference Board

Related Indicator(s): 11—15, 61, 62, 64, 66

10. Foundation Arts and Culture Funding

Arts funding by foundations is one of the three main elements of private philanthropy in support of the arts, along with individual and business funding. Across all nonprofit service areas, giving by foundations, including independent, corporate, and community foundations, is second only to individuals as a source of private support for nonprofit work.

This indicator measures total funding by foundations to arts organizations. These data originate in the Foundation Center's annual surveys of foundation grants of \$10,000 or more, made by approximately 1,200 of the nation's foundations. Foundation funding thus represents a bright spot for arts funding, especially compared to the slower rise in corporate support. The number of grants of this scale —reported in the Foundation Center's FC Stats program— increased from 97,000 in 1998 to more than 150,000 in 2007. Along with the number of grants, foundation dollar amounts increased from 1998 through 2007 by almost 60 percent, when measured in current dollars, but by only about 25 percent when adjusted for inflation. Foundation grants to arts and culture as reported by the Center actually decreased in current dollars from 2006 to 2007.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total reported foundation grant dollars (\$M)	1,439	1,554	1,799	2,048	1,946	1,790	1,980	2,055	2,330	2,294	
CPI set to 2003 = 100	88.6	90.5	93.6	96.3	97.8	100.0	102.7	106.1	109.6	112.7	
Constant dollar foundation support of the arts (\$M)	1,625	1,717	1,922	2,128	1,990	1,790	1,928	1,936	2,126	2,035	
Indexed to 2003 = 1.00	0.91	0.96	1.07	1.19	1.11	1.00	1.08	1.08	1.19	1.14	N/D

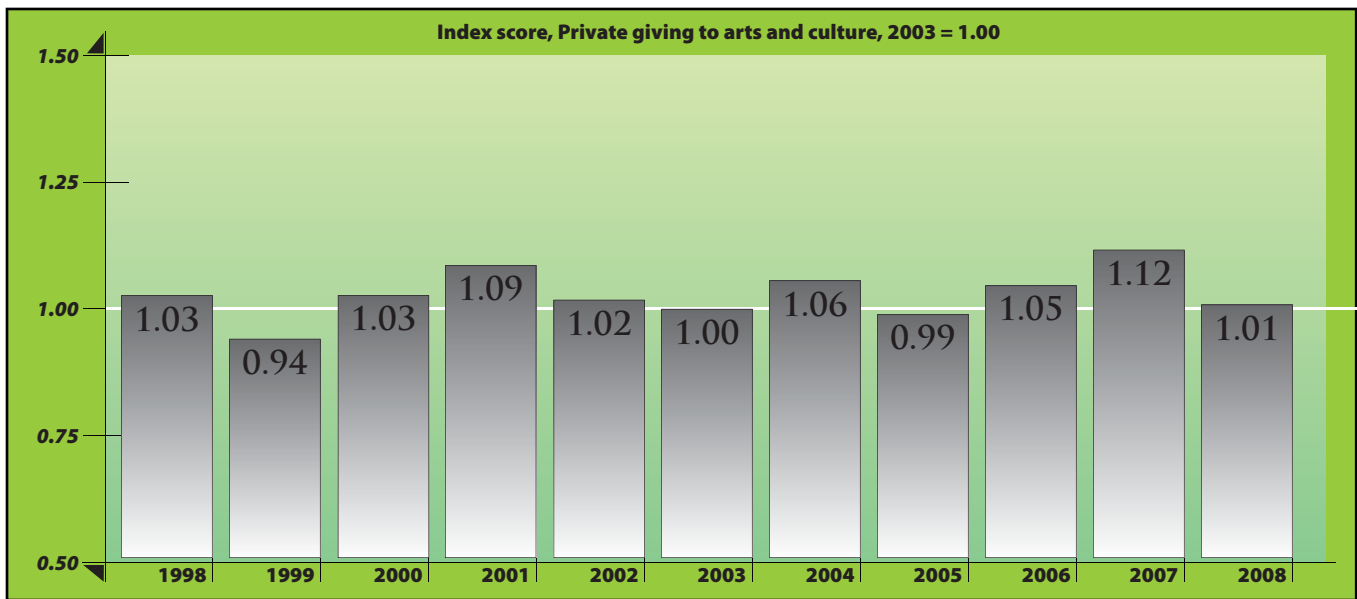
Source: Foundation Center

Related Indicator(s): 9, 11—15, 61

11. Private Giving to Arts and Culture

Private giving to arts organizations comes primarily from individuals, with major components also coming from foundations, corporations, and bequests. Private funds are typically a much larger source or revenue in arts organizations than public funds, making up about 40 percent of the total income stream of nonprofit arts groups. A reliable source of total private philanthropy to the arts is the annual Giving USA report, published by the Giving USA Institute, which is a trade association of major fundraising consulting firms. Giving USA presents estimated total private dollars going to arts and culture, one of several other nonprofit sectors. Arts support was \$13.67 billion in 2007 compared to giving of \$102 billion to religion, \$43 billion to education, \$30 billion to human services, \$28 billion to foundations, and \$23 billion each to public-society benefit and to health.

This indicator measures total private giving to arts and culture organizations, converted to 2003 dollars. Total private giving increased in current dollars most years since 1998, but the effects of inflation have reduced the benefits of that increase. Real, or constant dollar giving, increased especially in recent years. Private support of the arts, however, varies from year to year, because of business cycle effects. While the arts dollars have increased, the share of private sector giving to the arts has decreased.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total private philanthropy (\$B)	9.87	9.24	10.48	11.41	10.83	10.83	11.78	11.38	12.51	13.67	12.79
CPI set to 2003 = 100.0	88.6	90.5	93.6	96.3	97.8	100.0	102.7	106.1	109.6	112.7	117.1
Constant dollar private support of arts and culture (\$B)	11.14	10.21	11.20	11.85	11.08	10.83	11.47	10.72	11.42	12.13	10.92
Indexed to 2003 = 1.00	1.03	0.94	1.03	1.09	1.02	1.00	1.06	0.99	1.05	1.12	1.01

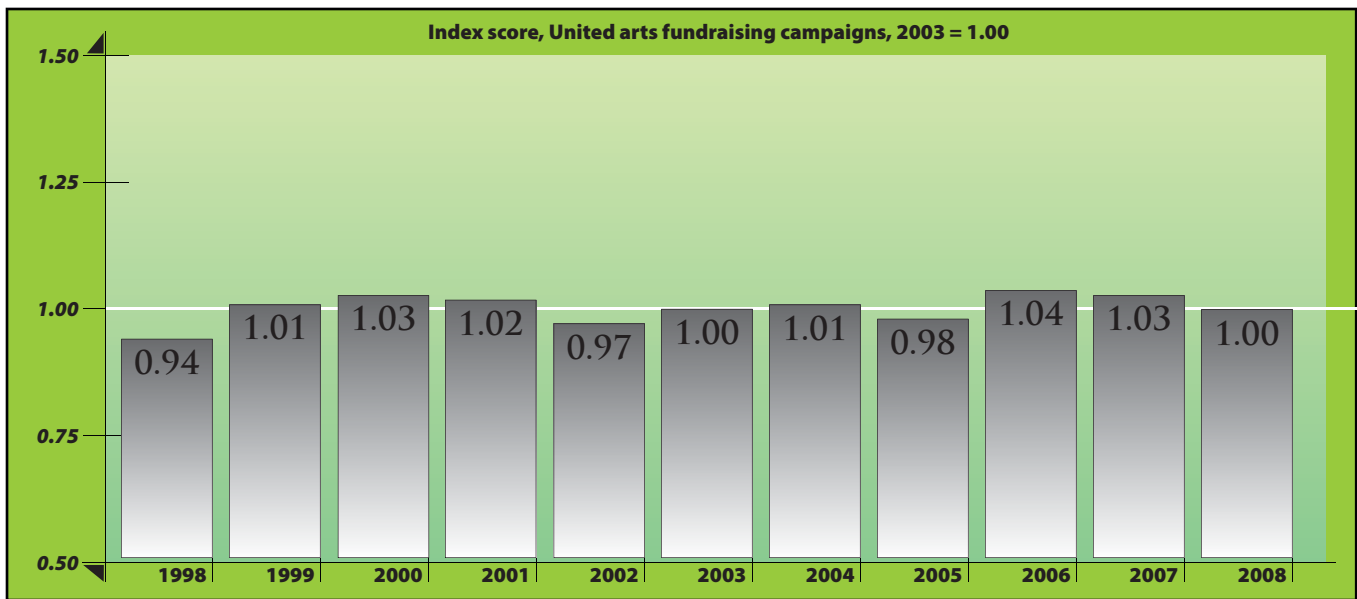
Source: Giving USA

Related Indicator(s): 8—10, 26, 27, 53, 74

12. United Arts Fundraising Campaigns

United arts funds are federated campaigns, community-wide efforts to raise money to support arts and culture. These funds are analogous in some ways to the United Way, which raises community funds for various human service programs. Americans for the Arts studies United Arts Funds to understand their performance and help them improve their results. Of the more than 60 united arts funds, 28 have reported their performance every year since 1998. In current dollars in 2008, they range from as little as \$40,000 to as much as \$12 million, with a median of about \$1.1 million.

This indicator measures the average revenues of these 28 funds in constant 2003 dollars. While a median would show the typical fund's performance, an average is exactly proportional to the total that all 28 united arts funds were able to bring in. While other sources of support for the arts have varied widely, and mostly declined, united arts funds have been able to attract consistent levels of support from year to year, at least keeping up with inflation. Even so, their constant dollar revenues have fallen since 2006.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Average funds raised by 28 united arts funds (\$000)	1,756	1,937	2,040	2,069	2,003	2,109	2,181	2,185	2,399	2,454	2,461
CPI at 2003 = 1.00	88.6	90.5	93.6	96.3	97.8	100.0	102.7	106.1	109.6	112.7	117.1
Constant dollar funds raised by 28 urban arts funds (\$000)	1,982	2,140	2,180	2,149	2,049	2,109	2,124	2,059	2,189	2,178	2,101
Indexed to 2003 = 1.00	0.94	1.01	1.03	1.02	0.97	1.00	1.01	0.98	1.04	1.03	1.00

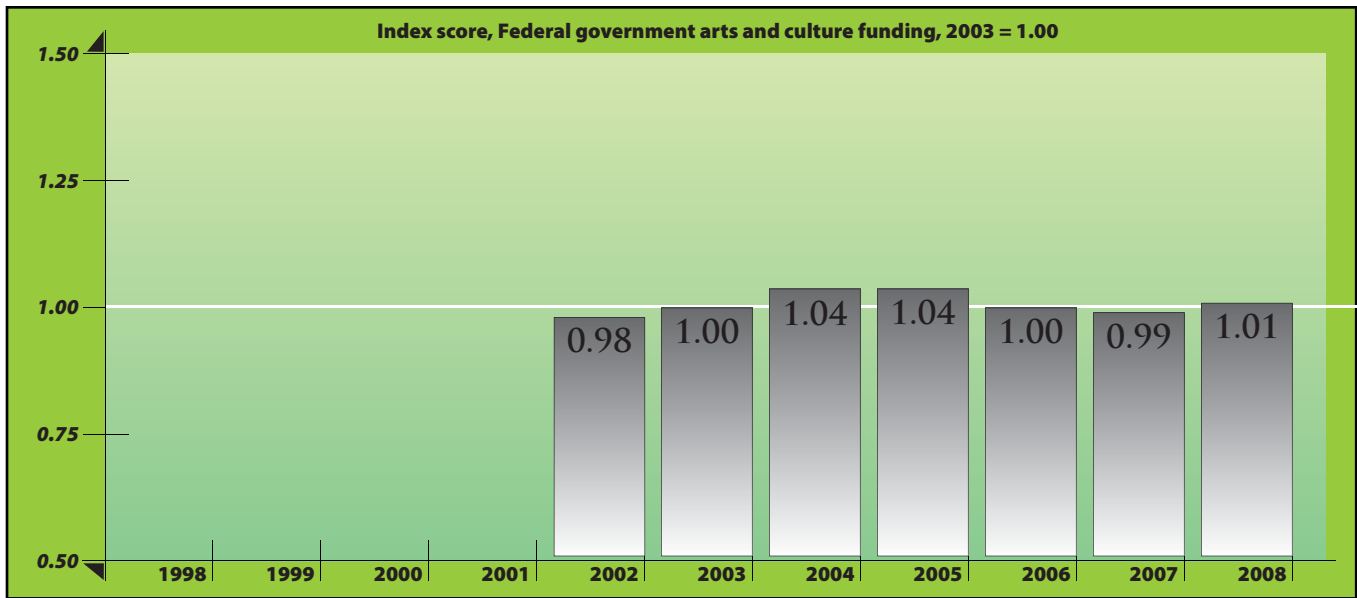
Source: Americans for the Arts

Related Indicator(s): 9—11, 15, 26, 27, 53

13. Federal Government Arts and Culture Funding

The federal government is a vitally important source of funds for arts and culture in the U.S. Much attention is focused on the National Endowment for the Arts (NEA), but it is only one of several federal arts and culture programs. Others include the National Endowment for the Humanities, Institute for Museum and Library Services, and Corporation for Public Broadcasting, all of which, like the NEA, support arts activities around the country. Some attractions in Washington, D.C. have wide impact both as national centers and visitor attractions —among them, the Smithsonian Institution, Holocaust Museum, National Gallery and the Kennedy Center. There are also many (comparatively smaller) arts programs that are immersed in the budgets of other federal agencies.

This indicator measures funding of the listed programs, adjusted to 2003 dollars. Spending peaked in 2004, and then leveled off in current dollars until increasing in 2008. Overall, federal arts spending just kept up with inflation.



	1998-2001	2002	2003	2004	2005	2006	2007	2008
NEA Total (\$000)		115,234	115,732	120,972	121,264	124,406	124,562	144,706
NEH (\$000)		124,504	124,936	135,310	138,054	140,949	141,105	144,707
IMLS (\$000)		221,501	243,890	262,240	280,564	247,144	247,144	263,507
Smithsonian (\$000)		518,860	544,875	596,279	615,158	615,097	634,895	682,629
Kennedy Center (\$000)		38,310	33,690	32,159	33,021	30,347	30,389	42,674
National Gallery of Art (\$000)		85,335	92,842	98,225	102,653	111,141	111,729	117,866
Commission of Fine Arts (\$000)		1,224	1,216	1,405	1,768	1,865	1,873	2,059
Institute of American Indian (\$000)		4,490	5,454	6,173	5,916	6,207	6,207	7,183
Holocaust Memorial (\$000)		36,028	38,412	39,505	40,858	42,150	42,349	44,786
Arts in Education (\$000)		30,000	33,779	35,071	35,633	35,277	35,277	37,533
Corporation for Public Broadcasting (\$000)		350,000	362,800	377,800	386,800	396,000	400,000	400,000
Total federal arts and culture spending (\$000)		1,525,486	1,597,626	1,705,139	1,761,689	1,750,583	1,775,530	1,887,650
CPI set to 2003 = 100.0		97.8	100.0	102.7	106.1	109.6	112.7	117.1
Constant dollar federal arts and culture spending (\$000)		1,560,252	1,597,626	1,660,908	1,659,758	1,597,754	1,575,646	1,611,460
Indexed to 2003 = 1.00	N/D	0.98	1.00	1.04	1.04	1.00	0.99	1.01

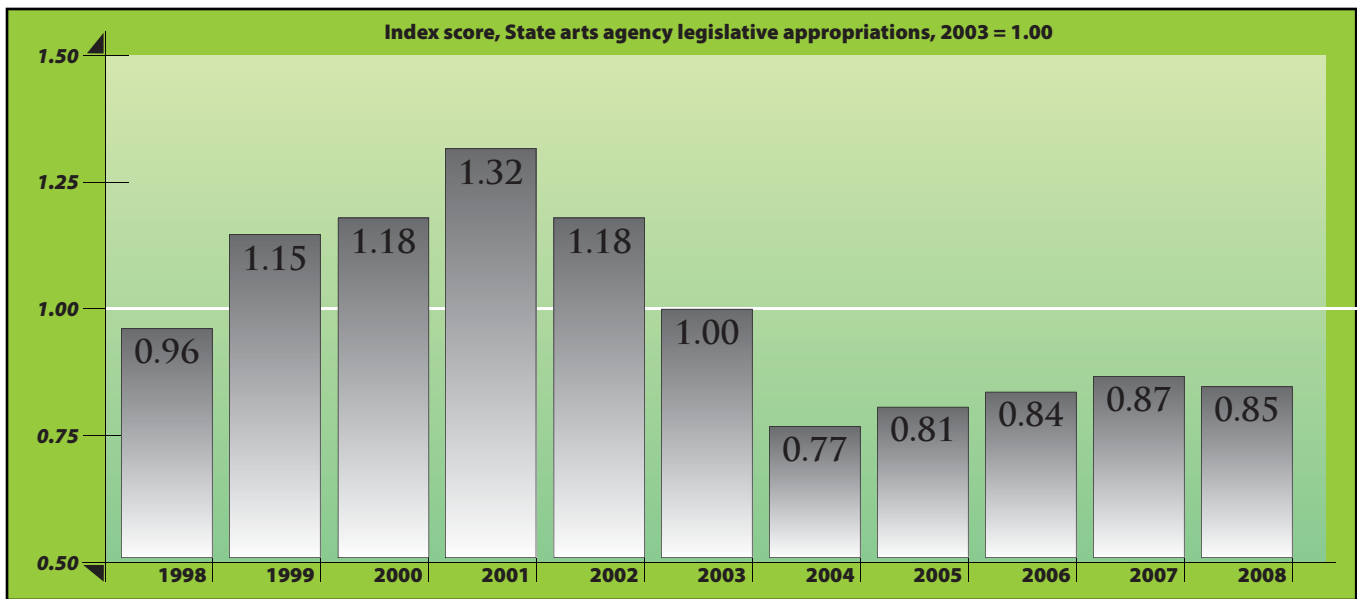
Sources: Congressional Research Service, *Arts and Humanities: Background on Funding Reports*, Government Printing Office *Budget of the United States*

Related Indicator(s): 14, 15, 63, 64

14. State Arts Agency Legislative Appropriations

State governments are important supporters of arts and culture, reaching many communities, organizations and artists. Every state has a state arts agency, which is funded by allocations from state legislators as well as by funds from Congress, passed through the National Endowment for the Arts.

This indicator measures funding in constant dollars provided to state arts agencies from their legislatures, using data from the National Assembly of State Arts Agencies. Arts funding is discretionary, and at the state level has typically tracked the business cycle, increasing in good times and declining when the economy is sliding. During the various “boom and bust” times between 1998 and 2008, total state funding grew by 17 percent in current dollars, from \$304 million to \$354 million. However, when converted to 2003 dollars, this increase disappears, as constant dollar state funding declined by more than 11 percent from start to finish, and by more than 37 percent from its peak in 2001.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
State arts agency legislative appropriations (\$000)	303,784	370,311	392,325	450,577	409,725	355,673	280,990	304,209	328,859	350,122	354,746
CPI set to 2003 = 100.0	88.6	90.5	93.6	96.3	97.8	100.0	102.7	106.1	109.6	112.7	117.1
Constant dollar state arts agency legislative appropriations (\$000)	342,922	408,986	419,209	468,132	419,063	355,673	273,701	286,607	300,149	310,707	304,060
Indexed to 2003 = 1.00	0.96	1.15	1.18	1.32	1.18	1.00	0.77	0.81	0.84	0.87	0.85

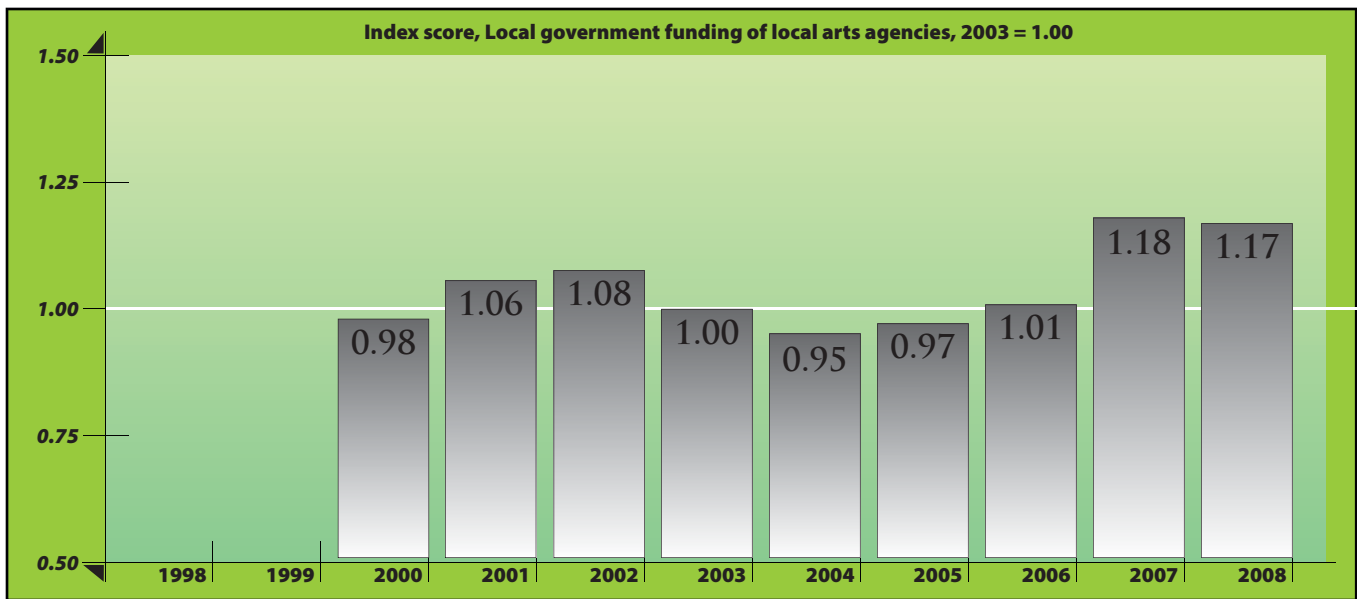
Sources: National Assembly of State Arts Agencies

Related Indicator(s): 13, 15, 65, 66

15. Local Government Funding of Local Arts Agencies

Local governments play a major role in public sector funding of the arts. With thousands of counties, cities, townships and other local entities, there is no consistent measure of local support that covers the entire country. One area in common is that local government funding is channeled through local arts agencies and councils. Arts councils in and of themselves vary widely in their structures and roles. Some are nonprofits that seek funds from private and public sources; others are offices of local government. Some arts councils give grants to artists and arts organizations, while others produce programs directly—and some do both. Through its United States Urban Arts Federation program, Americans for the Arts gathers annual data from the 60 most populous U.S. cities on local government support of local arts agencies.

This indicator measures the total level of funding provided by local governments to those arts agencies. The range of support to individual local arts agencies in this group is wide, ranging from about \$20,000 to more than \$150 million in 2008. The five largest local arts agencies account for about half of the total. During the last decade, local governments provided steadier levels of funding directly to local arts agencies, more than what state governments have provided to their counterparts.



	1998-1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total local government support of local arts agencies in 60 large cities (\$M)		281.702	315.354	325.951	308.339	300.963	316.032	340.685	408.695	395.358
CPI at 2003 = 100.0		93.6	96.3	97.8	100.0	102.7	106.1	109.6	112.7	117.1
Constant dollar local government support of local arts agencies in 60 large cities (\$M)		301.005	327.641	333.380	308.339	293.156	297.747	310.943	362.685	360.820
Indexed to 2003 = 1.00	N/D	0.98	1.06	1.08	1.00	0.95	0.97	1.01	1.18	1.17

Source: Americans for the Arts, United States Urban Arts Federation

Related Indicator(s): 12—14

Chapter 4. Capacity Indicators

There are 14 Capacity indicators that measure the numbers and strength of individuals and organizations providing arts and culture in the U.S. Capacity is also seen in the channels through which specific art forms (movies and music) reach their audiences, in the level of capital investment in arts businesses and nonprofits, and in organizational networks that create a supportive infrastructure. They are presented here in an order roughly from individuals to institutions.

The next two tables show the indicators used in the Capacity component, and the number of indicators that are used to make up the overall Capacity in each year. Those scores are shown in Figure N, below.

Table 4. Capacity Indicators

16.	Artists in the workforce
17.	Workers in arts and culture occupations
18.	Employees in arts and culture industries
19.	“Creative Industries” employment
20.	Arts union membership
21.	Independent artists, writers and performers
22.	CD and record stores
23.	Movie screens
24.	Establishments in arts and culture industries
25.	“Creative Industries” establishments
26.	Registered arts and culture 501(c)(3) organizations
27.	Arts support organizations
28.	Net capital stock of arts and culture industries
29.	Net capital stock of nonprofit arts organizations

Table 5. Capacity Indicators Per Year

1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
8	9	11	11	11	14	14	14	14	14

Averaged across all available data, they produce the following ten-year trend:

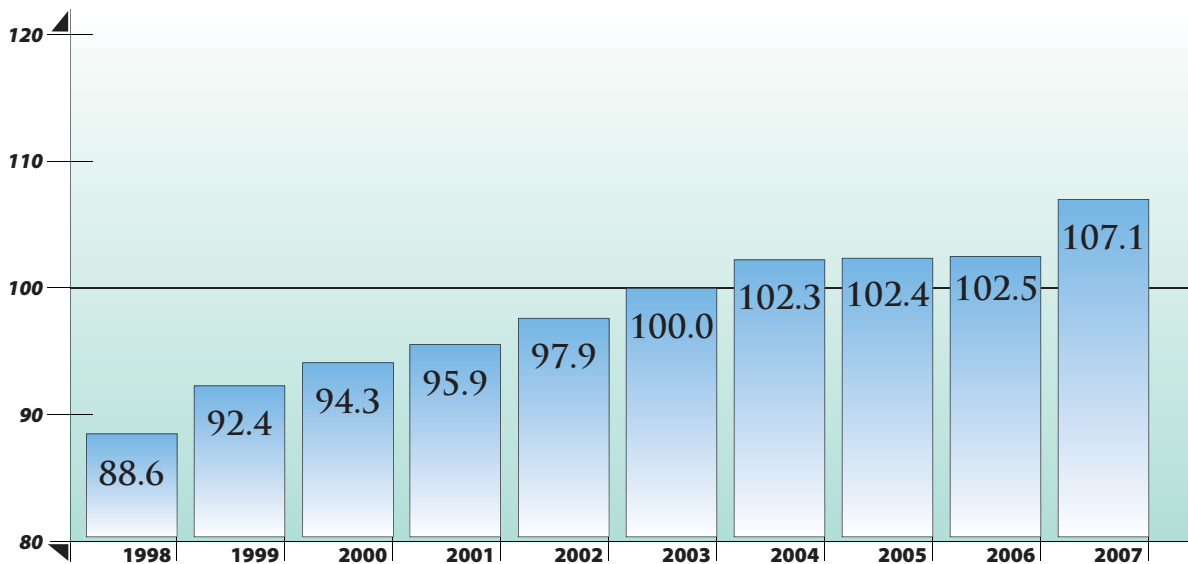


Figure N. National Arts Index Capacity Indicators (2003 = 100.0)

This figure illustrates one of the most striking results we found: the rapid increase in the capacity of the arts industries shown in this component. This was visible in both human and financial terms. In every year from 1998 through 2007, the arts attracted more and more workers, employees, and individual artists. These effects were seen in both the nonprofit and business sectors. A similar growth in capacity was seen at the organization level, with more arts businesses and nonprofits. Nonprofit growth in particular was rapid, but the number of CD stores has dropped sharply, as consumers switch their music buying to the Internet. What is more, the level of capital investment in the arts grew, in the familiar forms of concert halls and exhibition spaces, but also through capital spending on technology.

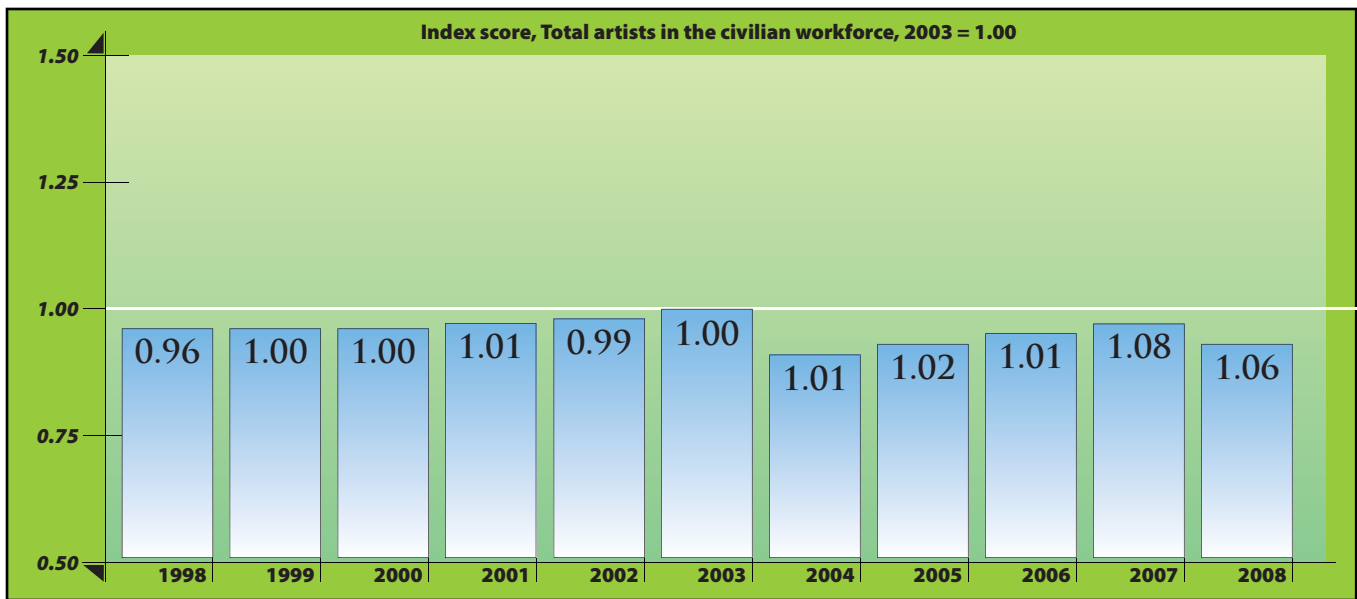
Taken together, every year in that span showed an increase, which is most marked in measurements of the capital assets of arts nonprofits and business, numbers of independent artists, numbers of arts organizations and arts support organizations, and workers in artistic occupations. These are only net increases, meaning that they only report on the total number of organizations, individuals, or the amount of capital each year. They can't tell us about the level of attrition in existing capacity, as some organizations fail or workers find other occupations. It is likely that in 2008, 2009, and beyond, the level of attrition will be more pronounced.

The individual indicators described in the following 14 pages provide additional detail on the overall increase in capacity in the arts and culture industries from 1998 to 2007. Of the 14 Capacity indicators, nine were available for 2008, and they show a decline in the Capacity component to 105.4.

16. Artists in the Workforce

Employment in the arts is perhaps the most fundamental signal of the health and vitality of the arts sector. In this report, three different measures provide alternative views of the arts labor market. This employment indicator is a measure of the kind of work people do. This measure in particular is based on data published by the National Endowment for the Arts (NEA). The NEA's research division uses data from the monthly Current Population Survey (CPS) of the Census Bureau, and classifies workers as "artists" if their primary occupation is one of eleven occupational types related to artistic work in the Bureau of Labor Statistics category scheme.

This indicator measures the total number of artists in the civilian workforce, based on the CPS data published by the NEA. According to this measure, there were between 2.0 million and 2.2 million artists in the workforce from 1998 through 2008. The jump from 2006 to 2007 was driven by increases in the number of architects, designers, producers and directors (four of the eleven). The total declined for 2008, but still remained higher than in most prior years. The CPS determines a respondent's occupation based on the work that he or she does—the work that takes the most time during the prior week. This is an important distinction because of how many artists work part time and/or hold multiple jobs.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Artists in the civilian workforce (000)	2,032	2,113	2,106	2,136	2,103	2,114	2,142	2,164	2,141	2,277	2,240
Indexed to 2003 = 1.00	0.96	1.00	1.00	1.01	0.99	1.00	1.01	1.02	1.01	1.08	1.06

Source: National Endowment for the Arts, *Research Notes 76, 87, 90, and 97*

Related Indicator(s): 17-21, 56-58

17. Workers in Arts and Culture Occupations

This employment indicator is another measure of the kind of work people do. Other indicators have detailed the number of workers in arts industries. However, artistic work is defined by occupation as well as by industry. To illustrate the difference, consider that a theatre company (an organization in an arts industry) may employ one or more accounting staff (who are not specifically artistic workers). Correspondingly, a department store (not an arts and culture industry) may employ designers (who work in artistic occupations).

This indicator measures the total number of workers in 46 arts occupations defined by the Standard Occupational Code system of the Bureau of Labor Statistics (BLS) (see Appendix B). This total increased from 1.30 million to 1.66 million from 1999 to 2008, a rise of about 27 percent. It should be noted that the BLS periodically changes its measurement systems, and did so in 2004, recognizing more detailed types of occupations, and making the overall national estimates more accurate. This is part of the reason for the increase in the number of arts and culture workers between 2003 and 2004. However, the rise in numbers of workers from 2004 through 2008 is with a consistent set of occupations.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Workers in 46 arts and culture occupations (000)		1,298	1,356	1,407	1,401	1,438	1,564	1,566	1,591	1,652	1,661
Indexed to 2003 = 1.00	N/D	0.90	0.94	0.98	0.97	1.00	1.09	1.09	1.11	1.15	1.16

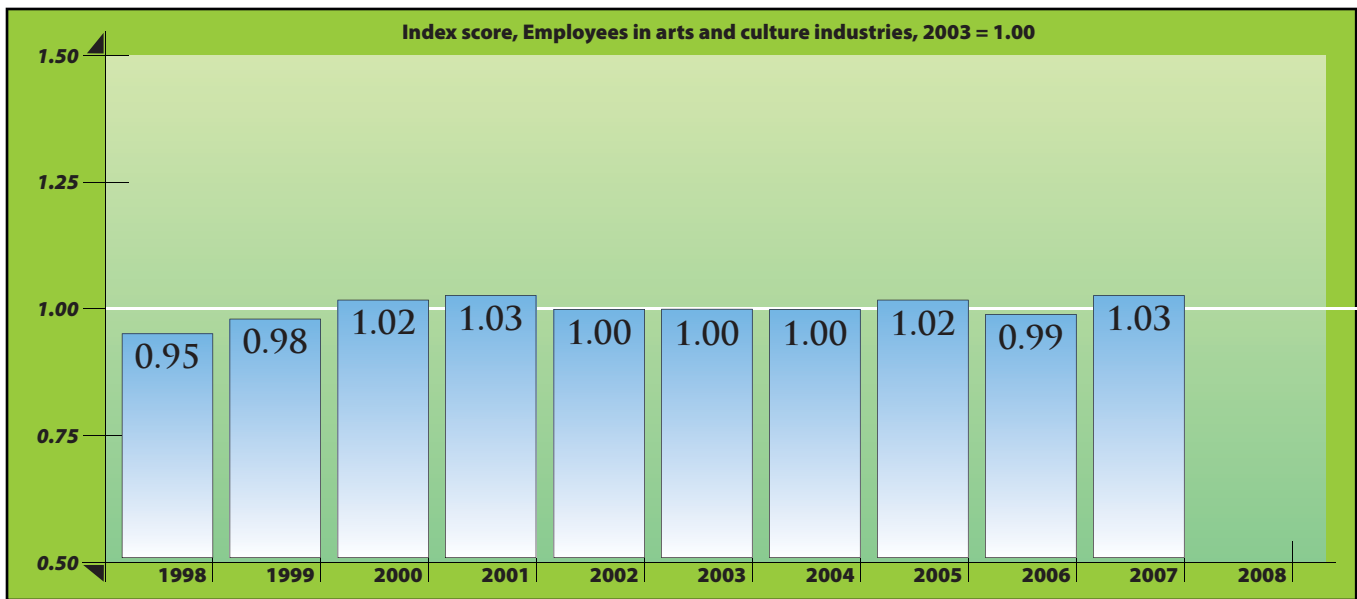
Source: Bureau of Labor Statistics, *Occupational Employment Statistics*

Related Indicator(s): 16, 18-21, 56-58

18. Employees in Selected Arts and Culture Industries

This employment indicator is a measure of where people work. Employment in the arts and culture industries signals overall economic vitality, engagement by workers and is a clear economic benefit of demand for artistic products and services. The federal government classifies businesses by industry using the North American Industrial Classification System, or NAICS. NAICS has about 1,800 six-digit codes, of which, 43 describe firms in the arts and culture industries. Because SIC-coded data are no longer easily available, this set of NAICS codes was selected to match the larger list of SIC codes used in the annual Creative Industries studies. Data on numbers of employers, employees and total payroll are available from the Census Bureau in County Business Patterns. These figures refer specifically to employees of companies in arts industries, not to all artists or to workers in all artistic occupations (which are the basis for other indicators).

This indicator measures the total number of employees working in those 43 industries (listed in Appendix A). According to this measure, there have been between 1.9 million and 2.1 million workers in these industries from 1998 through 2007, with a gradual increase, but no dynamic changes.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Employees in selected arts and culture industries (000)	1,942.8	2,008.8	2,100.2	2,108.9	2,055.0	2,051.8	2,053.0	2,084.0	2,026.0	2,103.3	
Indexed to 2003 = 1.00	0.95	0.98	1.02	1.03	1.00	1.00	1.00	1.02	0.99	1.03	N/D

Source: Bureau of the Census, *County Business Patterns*

Related Indicator(s): 16, 17, 19-21, 56-58

19. 'Creative Industries' Employment

Because employment is such a key measure of overall vitality of the economy and the nation, and because there is more than one way to measure employment, the index includes more than one reliable employment measure. Another research project of Americans for the Arts since 2003 is an annual "Creative Industries" study, examining only businesses involved with the production and distribution of the arts. These studies use data from Dun & Bradstreet, a well-known business information provider. The "Creative Industries" are defined by Americans for the Arts as fitting into one of 643 Standard Industrial Classification (SIC) codes. The SIC is the predecessor to NAICS, and was more detailed, with a total of about 18,500 individual codes at the eight-digit level. For example, the SIC system has 23 separate classifications for specific musical instrument manufacturers, whereas the NAICS system has only one.

This indicator measures the number of employees in creative industry organizations. As we note elsewhere, this measure does not distinguish between artistic and non-artistic workers, even though they are all in artistic industries (e.g., both actors and finance managers might work in a theatre organization). Employment in these industries remained steady at slightly fewer than 3 million, with a drop in 2006, and at least a one-year rebound since then. Viewed as a fraction of employees in all industries where D & B gathers data, the "Creative Industries" share of all employment has ranged from 2.0 percent to 2.2 percent.



	1998-2002	2003	2004	2005	2006	2007	2008
Employees in "Creative Industries" establishments		2,989,394	2,965,893	2,869,403	2,670,553	2,980,869	2,817,405
Indexed to 2003 = 1.00	N/D	1.00	0.99	0.96	0.89	1.00	0.94

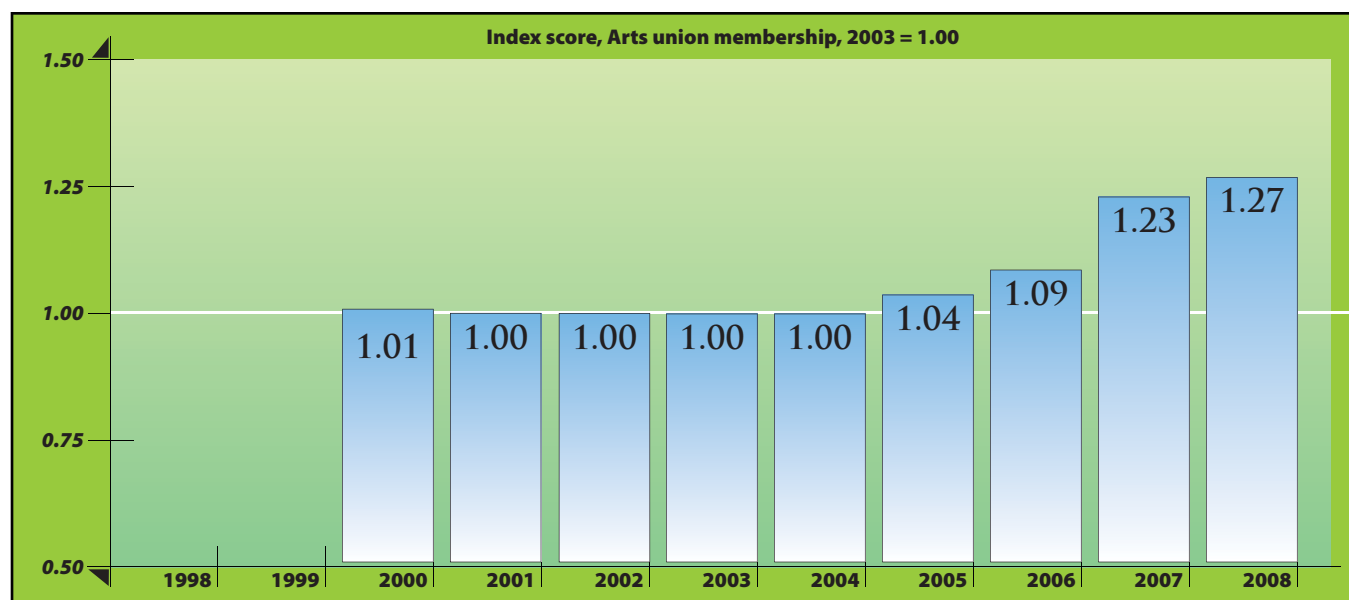
Sources: Americans for the Arts

Related Indicator(s): 16-18, 20, 21, 25, 56-58

20. Arts Union Membership

Professionals in many fields organize in associations and guilds to maintain professional standards and to protect their members' rights in the workplace. Certain unions, especially in performing arts and moviemaking, serve the arts and culture fields as bargaining agents for actors, musicians, writers, directors, choreographers and others. Union membership totals do not equate to the number of jobs, as most arts unions members are typically self-employed and freelance. Nonetheless, we treat labor organizing in the arts as a measure of arts capacity.

This indicator measures total membership in 10 such arts-related unions. Data are from the Office of Labor Management Standards in the U.S. Department of Labor, using self-reported data from those unions. Overall arts union membership was flat before rising sharply, starting in 2006. In the total tally, some of this increase results from multiple union memberships by some performing artists. For example, the Screen Actors Guild and American Federation of Television and Radio Artists may have as much as 40 percent shared membership, reflecting the work of performers in new digital media platforms. Further, some arts workers, such as ticket takers, are represented by unions not listed here (e.g., Teamsters or Service Employees International Union).



	1998-1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Actor's Equity		44,000	44,232	45,096	46,013	46,772	39,397	39,969	41,358	42,166
American Federation of Musicians		110,000	104,000	102,000	98,893	96,632	92,006	89,860	89,460	88,423
American Federation of Television and Radio Artists		62,400	62,084	63,212	64,980	59,431	57,452	70,106	59,788	70,716
American Guild of Musical Artists		5,835	5,835	7,000	6,778	8,775	9,525	6,886	6,821	7,084
American Guild of Variety Artists		3,900	3,900	3,900	3,900	3,900	3,900	3,100	3,500	2,894
Directors Guild of America		12,160	12,460	12,763	12,885	13,124	13,684	13,326	13,775	14,310
International Association of Theatrical Stage Employees		100,000	101,890	103,506	104,102	105,180	105,273	105,366	108,386	110,784
Motion Picture Industry Basic Crafts		5,600	5,600	5,600	5,600	5,600	5,600	6,329	6,015	6,075
Screen Actors Guild		77,278	77,278	74,162	73,759	78,698	107,547	108,484	176,455	178,437
Stage Directors and Choreographers Society		1,326	1,752	1,765	1,854	1,948	2,031	2,169	2,274	2,371
Writers Guild of America East		3,900	4,107	4,173	4,161	4,229	3,810	3,770	3,800	3,791
Writers Guild of America West		8,355	8,377	7,646	7,601	7,580	7,627	18,032	18,519	18,881
Total arts union membership		434,754	431,515	430,823	430,526	431,869	447,852	467,397	530,151	545,932
Indexed to 2003 = 1.00	N/D	1.01	1.00	1.00	1.00	1.00	1.04	1.09	1.23	1.27

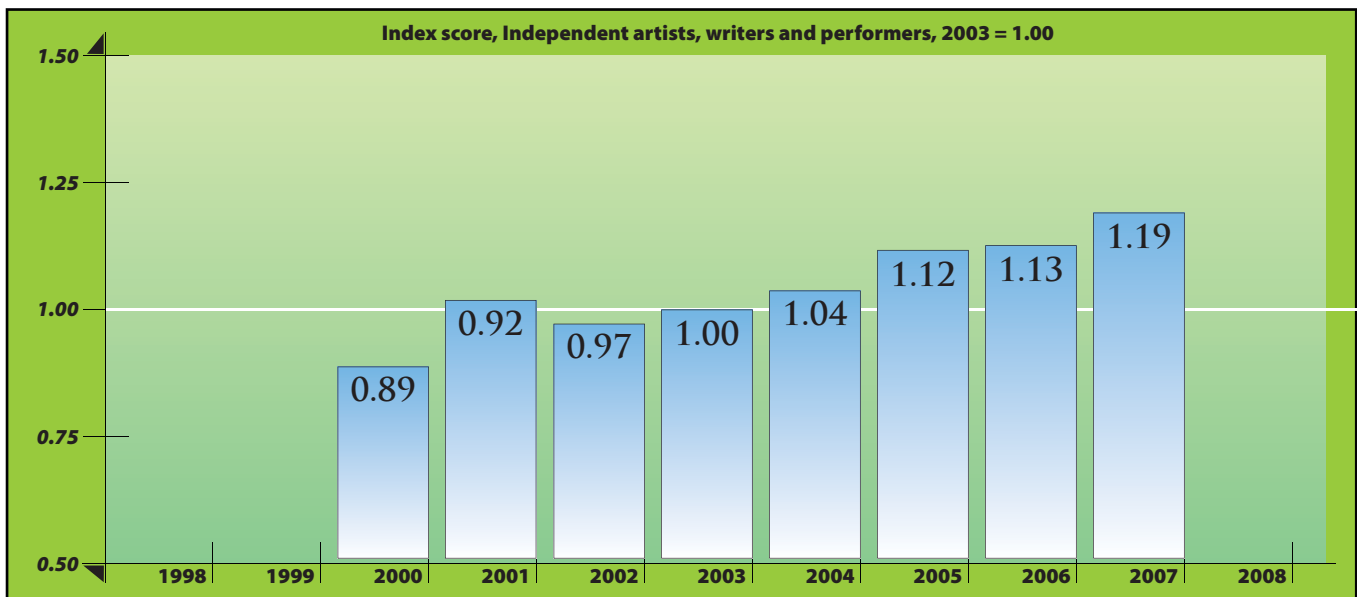
Source: Department of Labor, Office of Labor Management Standards

Related Indicator(s): 2, 3, 16—19, 21

21. Independent Artists, Writers and Performers

While much of the attention paid to the arts in the public arena is to established arts organizations and institutions, individuals also enter the arts as entrepreneurs and proprietors. Individual arts entrepreneurs or soloists are active as poets, painters, musicians, dancers, actors and in many other artistic disciplines. The solo artist who works without employees is one such entrepreneur. Many independent artists ply their cultural trade on a part-time basis, combining arts entrepreneurship with other jobs and work. Data on the number of “non-employers” in business are kept by the Census Bureau.

This indicator measures the total number of individual artists in NAICS 7115 who are not employers, labeled “Independent artists, writers, and performers.” This figure grew every year between 2000 and 2007, from 509,000 to 679,000. Of these, more than 97 percent are sole proprietors, with small numbers of corporations and partnerships. The steady growth in proprietor numbers—an increase of one-third during a seven-year period—is a mark of continuing interest, and shows enthusiasm on the part of individual artists to be commercial competitors.



	1998-1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Independent artists, writers and performers		508,608	525,921	553,776	570,577	595,845	639,149	646,865	679,247	
Indexed to 2003 = 1.00	N/D	0.89	0.92	0.97	1.00	1.04	1.12	1.13	1.19	N/D

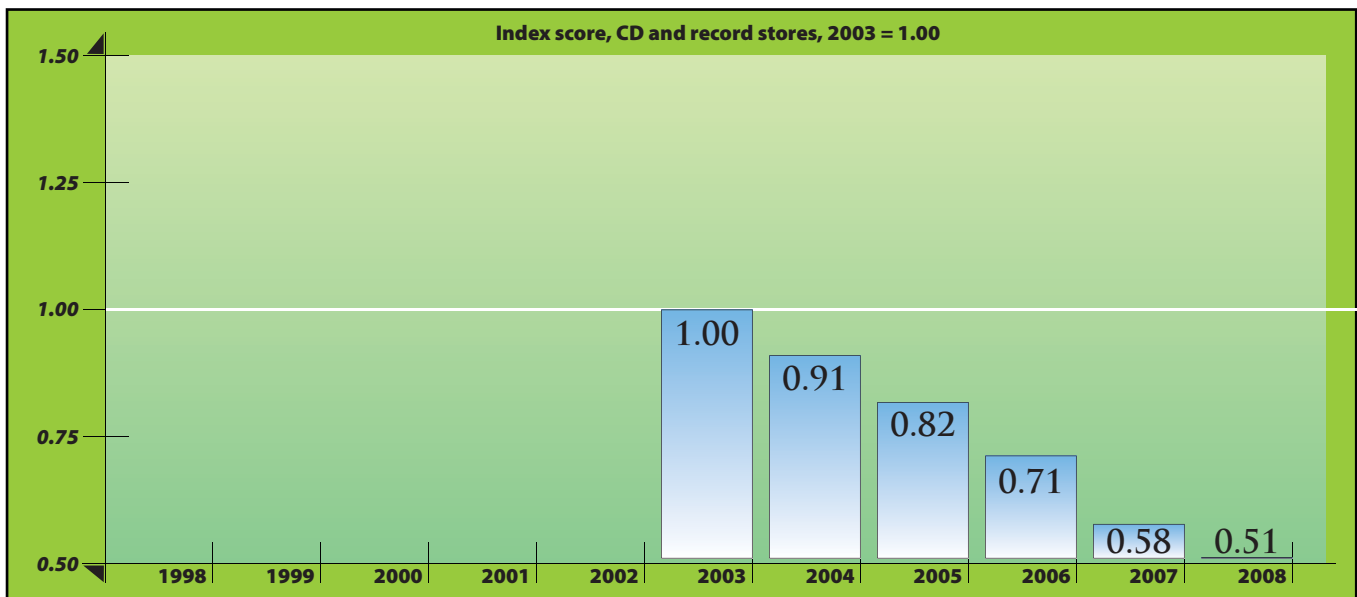
Sources: Bureau of the Census, *Non-Employer Statistics*

Related Indicator(s): 1, 16—20, 56—57

22. CD and Record Stores

Arts and culture products like books and records often reach their end consumer markets through traditional retailers. The number of retail outlets helps to indicate the capacity of the marketplace to serve the needs of music customers. Clearly, much of this traffic has moved to the Internet, changing the ways that recording artists and record labels each find their listeners. The Almighty Institute of Music Retailing is a company that monitors the retail sector, maintaining a database that is updated three times each year. The Institute covers all retailers including “big box” retailers, department stores, record company chains and independent “mom and pop” record stores, as long as they regularly stock a minimum of 200 unique new recordings.

This indicator measures the number of the independent retail locations and record store chains in the U.S. that fit this description. These are the stores that specialize in music retailing. The data show that record retailing has suffered as fewer small competitors remain in business, and as big box retailers, legal downloads, and online retail have been capturing market share. In 2003, there were more than 5,500 such independent retailers, but the number had declined by almost half, to 2,800, by 2008.



	1998-2002	2003	2004	2005	2006	2007	2008
CD and record stores		5,515	5,000	4,540	3,910	3,200	2,800
Indexed to 2003 = 1.00	N/D	1.00	0.91	0.82	0.71	0.58	0.51

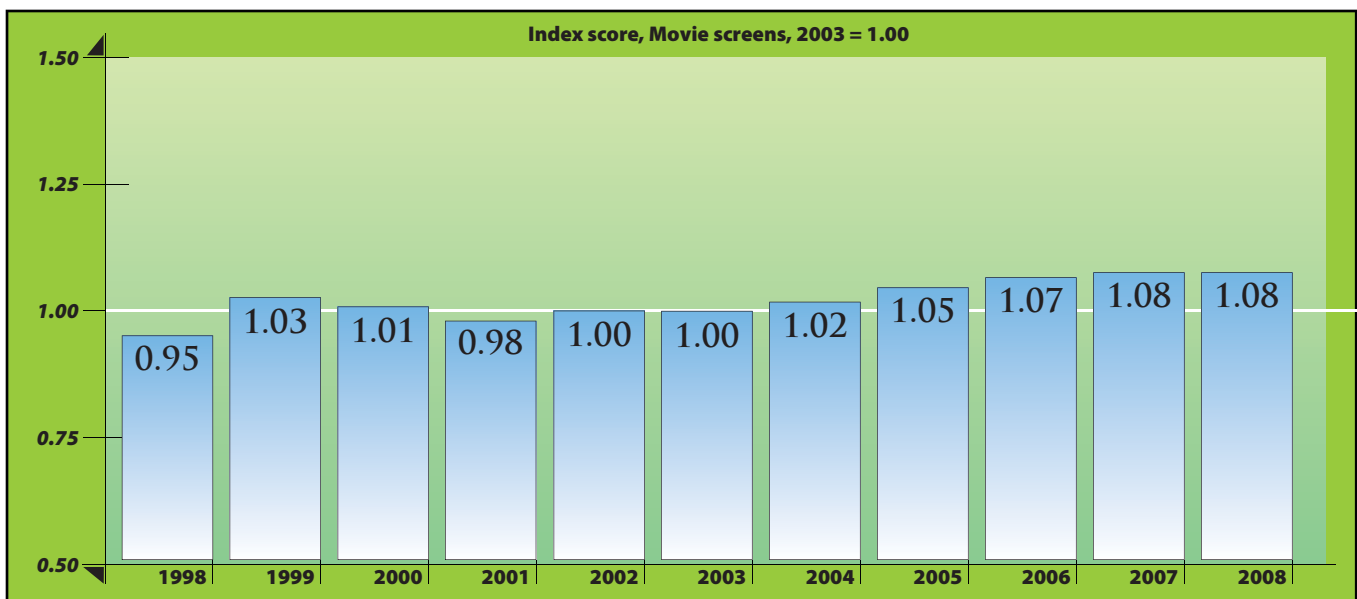
Source: Almighty Institute of Music Retailing

Related Indicator(s): 1, 16-21

23. Movie Screens

Film production reaches audiences on screens in movie houses, via their televisions, through film distribution or (increasingly) in the form of digital files. While some of this distribution migrates to the Internet, and bypasses movie houses, the viewing experience of the cinema is still a vital element of the movie ecology.

This indicator measures the number of movie screens, as reported by the National Association of Theatre Owners. Movie screens increased from about 34,000 in 1998 to about 39,000 in 2007. This translates into almost 130 screens available per million people, making movie screens one of the most widely available venues for public arts and culture presentations. It should be noted that there are fewer cinema facilities than movie screens, because multiplex cinemas house multiple screens.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Movie screens	34,168	37,131	36,280	35,173	35,836	35,995	36,652	37,740	38,426	38,794	38,834
Indexed to 2003 = 1.00	0.95	1.03	1.01	0.98	1.00	1.00	1.02	1.05	1.07	1.08	1.08

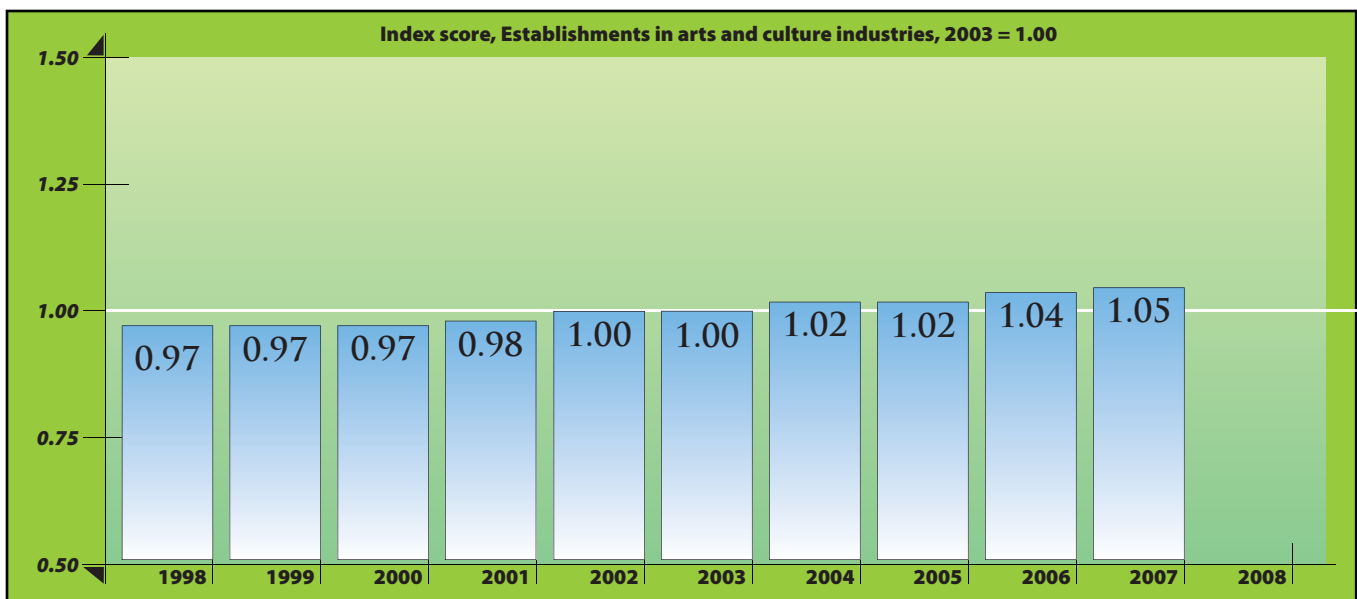
Source: Motion Picture Association of America, *MPAA Theatrical Statistics* annual reports

Related Indicator(s): 28, 45

24. Establishments in Arts and Culture Industries

Arts organizations and businesses are the backbone of arts and culture activities, as producers of arts goods, services and arts experiences. Both profit-seeking and nonprofit organizations have important roles to play. They are repositories of artistic and creative technique, maintain artistic traditions and provide employment for artistic workers.

This indicator measures the number of all establishments that are in arts and culture industries, using the same 43 NAICS codes and County Business Patterns data that are used to describe total employment. Almost 230,000 arts firms—both commercial and nonprofits—play important roles as intermediaries between individual artists & creative ensembles and audiences. The tally of arts establishments grew slowly, but steadily, from 1998 through 2007.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Establishments in selected arts and culture industries	210,627	210,599	210,785	211,448	216,995	216,480	216,480	220,185	225,880	228,377	
Indexed to 2003 = 1.00	0.97	0.97	0.97	0.98	1.00	1.00	1.00	1.02	1.04	1.05	N/D

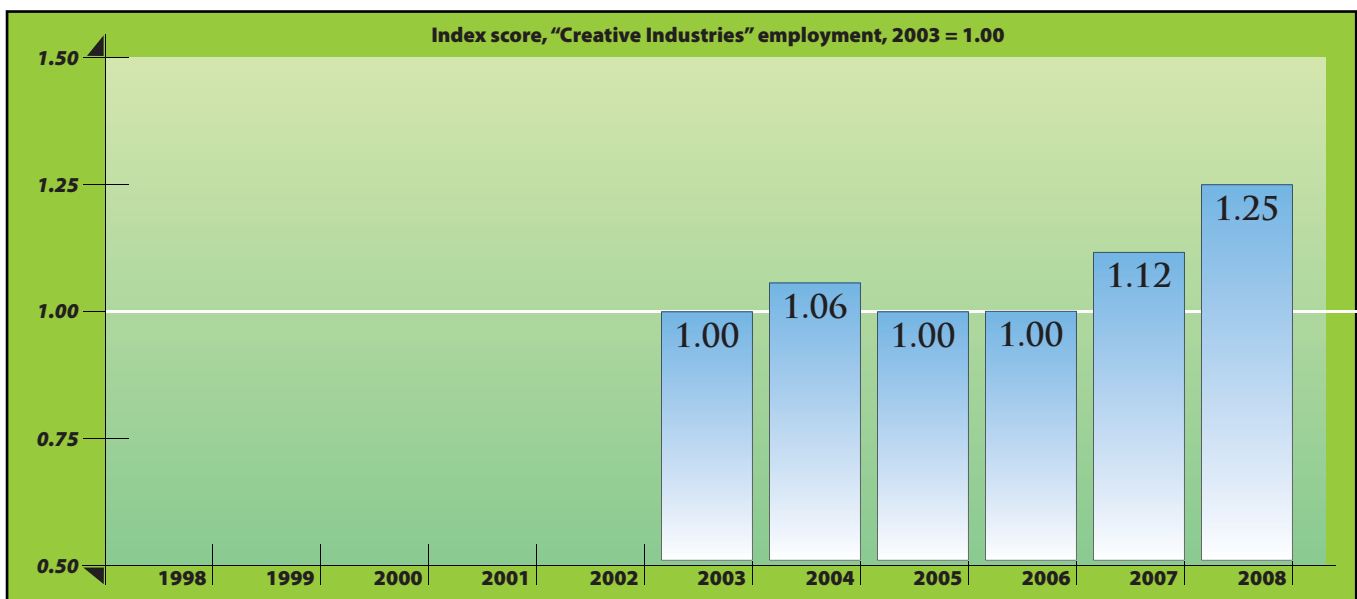
Source: Bureau of the Census, *County Business Patterns*

Related Indicator(s): 22, 23, 25-27

25. 'Creative Industries' Establishments

In addition to studying the numbers of employees, the studies of the Americans for the Arts "Creative Industries" count the total number of establishments. This count includes different kinds of establishments, such as sole proprietors, business companies of any size and nonprofits. "Establishments" refers to locations, so that companies with more than one location are counted more than once. The "Creative Industries" are defined by the same set of SIC codes used in the count of "Creative Industries" employees.

This indicator measures the number of employees in the "Creative Industries." There were more than 680,000 such employees in 2008, an increase of 25 percent since 2003. As in the case of employment, the "Creative Industries" maintain a steady share of total establishments —between 4.2 percent and 4.4 percent of all establishments counted by Dun & Bradstreet.



	1998-2002	2003	2004	2005	2006	2007	2008
"Creative Industries" establishments		548,281	578,487	546,466	546,558	612,095	686,076
Indexed to 2003 = 1.00	N/D	1.00	1.06	1.00	1.00	1.12	1.25

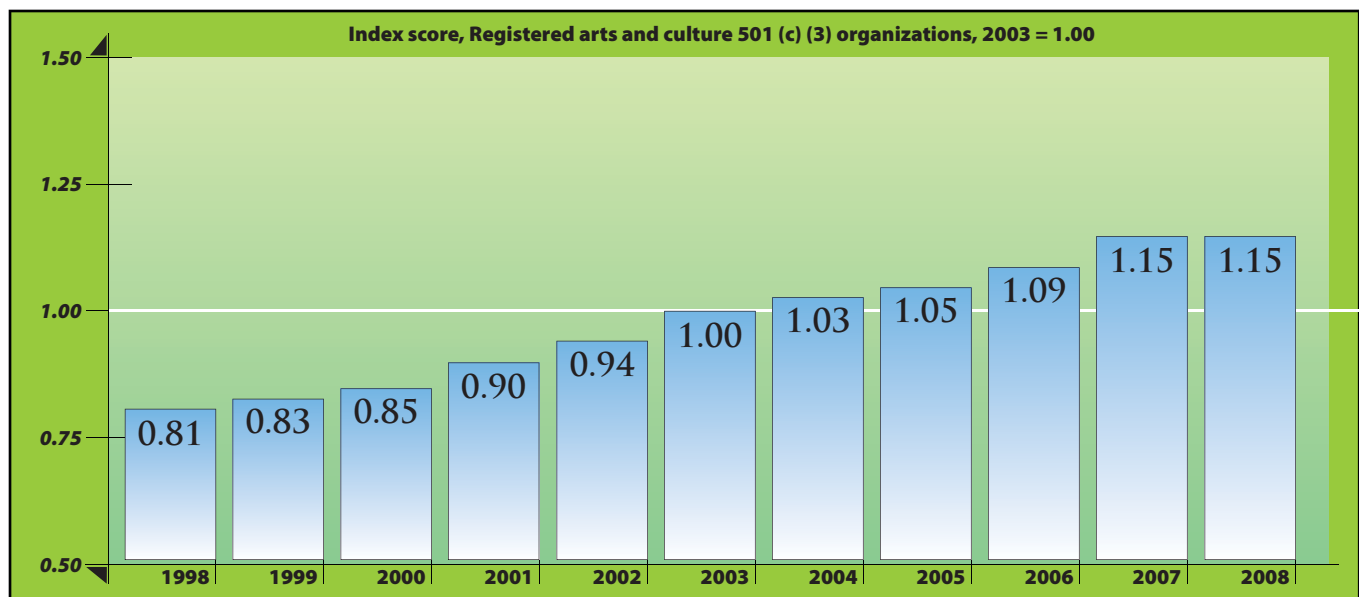
Sources: Americans for the Arts

Related Indicator(s): 19, 24, 26, 60

26. Registered Arts and Culture 501(c)(3) Organizations

The vigor of the arts rests in many ways on thousands of nonprofit organizations that present and organize arts programs in communities around the country. In many arts and humanities disciplines (visual and performing arts, historical and museum organizations and arts education), nonprofit status is the norm. Most of these are charitable organizations as defined by section 501(c)(3) of the Internal Revenue Code.

This indicator is based on the National Taxonomy of Exempt Entities (NTEE), which includes about 400 different organizational types. Of special interest are those in 43 different categories in NTEE Major Group "A" (Arts Culture and Humanities), such as music, theatre, visual arts, dance, museums, media, and those in group N52, Fairs and Festivals. The data come from the National Center for Charitable Statistics in the Urban Institute. The total number of organizations in these categories increased from about 72,000 in 1997 to almost 104,000 in 2008. It should be noted that only about 35 percent of these organizations file IRS Form 990 in any given year. The most likely reason for this is that they are small; organizations with less than \$25,000 in total revenues are not required to file Form 990.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Registered arts and culture 501(c)(3) organizations	72,751	75,037	76,981	80,889	84,518	90,354	93,151	94,503	98,359	103,563	103,937
Indexed to 2003 = 1.00	0.81	0.83	0.85	0.90	0.94	1.00	1.03	1.05	1.09	1.15	1.15

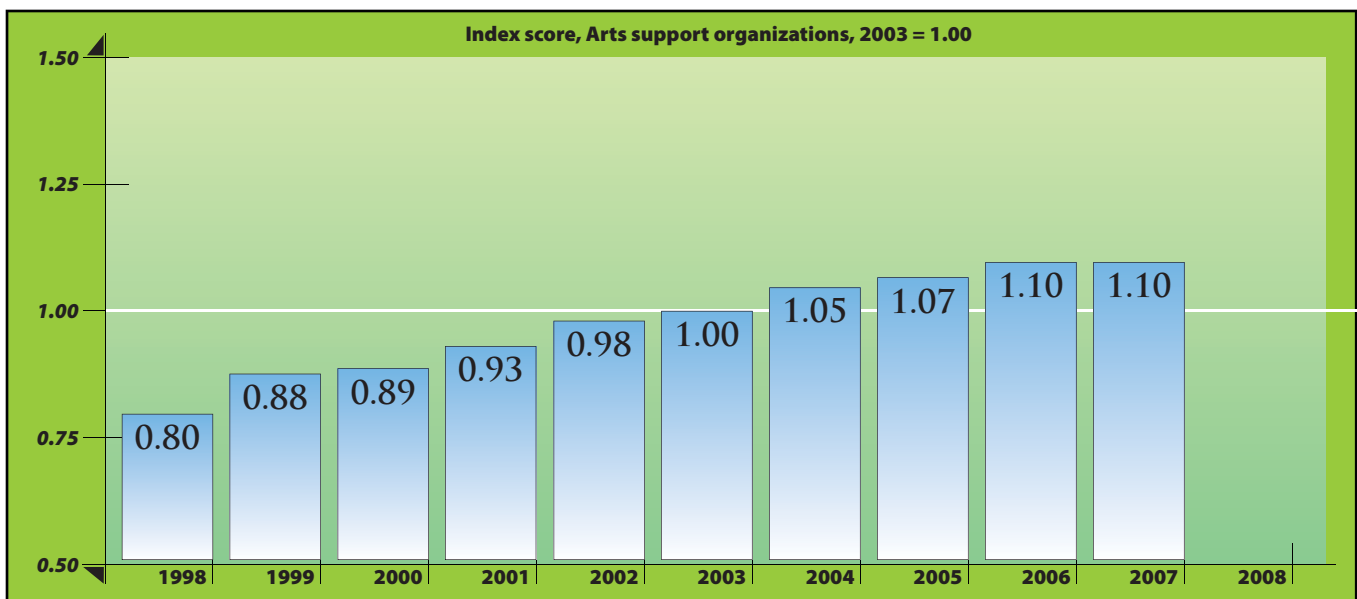
Source: National Center for Charitable Statistics at the Urban Institute

Related Indicator(s): 8, 24, 25, 27, 29

27. Arts Support Organizations

A healthy arts ecology clearly requires organizations whose primary mission is to actually create arts products, services and experiences. Those producing organizations can benefit from the help of partners to support them through advocacy, fundraising and research. Examples include local arts agencies, united arts funds, national service organizations for many artistic disciplines, auxiliary groups or guilds raising money for specific arts organizations, advocacy groups focused on cultural policy, researchers on philanthropy, and more (many such organizations have generously provided data for this report).

This indicator measures the number of arts organizations classified in the National Taxonomy of Exempt Entities as Alliance/ Advocacy Organizations, Research Institutes and/or Public Policy Analysis, Monetary Support —Single Organization, Monetary Support— Multiple Organizations and Nonmonetary Support Not Elsewhere Classified. The number of such support organizations increased from about 2,600 in 2000 to more than 3,600 in 2007.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Arts support organizations	2,647	2,893	2,945	3,061	3,223	3,305	3,458	3,546	3,627	3,620	
Indexed to 2003 = 1.00	0.80	0.88	0.89	0.93	0.98	1.00	1.05	1.07	1.10	1.10	N/D

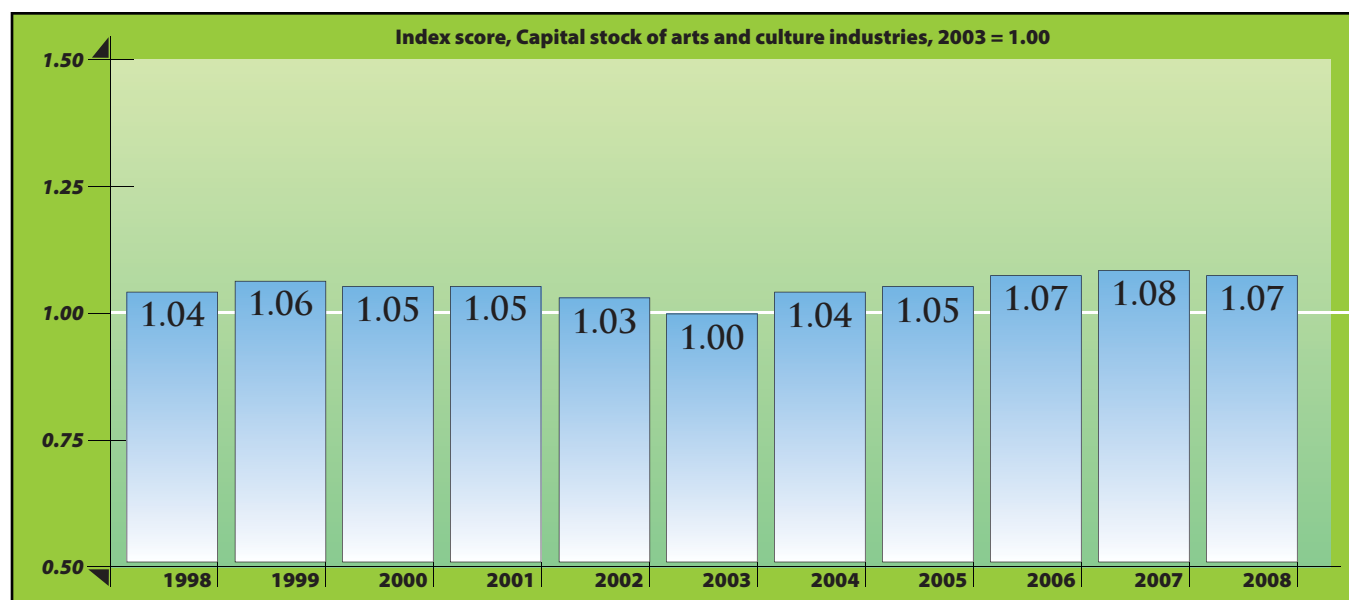
Source: National Center for Charitable Statistics at the Urban Institute

Related Indicator(s): 7, 75

28. Capital Stock of Arts and Culture Industries

Most forms of artistic production need one or another kind of capital equipment, if not to produce the most basic form (the song or the dance), then certainly to reach larger audiences. "Capital" here refers to long-lasting assets that organizations use to produce output. In accounting statements, capital assets are designated as "property, plant, and equipment" or some similar language. The Bureau of Economic Analysis (BEA) estimates the depreciated value of capital stock of firms in different industries at the national level, classified at the four-digit level in NAICS.

This indicator tracks inflation-adjusted net capital in industries related to arts and culture (Motion Picture and Sound Recording and Book Publishing). The bureau's data do not describe all six-digit NAICS industries, so the share of the entire publishing industry (which includes software, directories, and magazines as well as books) was adjusted using the share of revenue earned by different kinds of publishers. Companies in industries that create and disseminate literature, film and music invested more every year (except during the early-decade recession). In any year, some capital spending is for expansion, and some is to replace equipment that has been fully depreciated, so total capital spending is probably understated in the table. Current dollar capital increased 37 percent to \$65 billion in 2008, but constant dollar change was only three percent.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Net capital stock of NAICS 511											
Publishing Industries (\$M)	44,238	47,371	50,099	51,736	50,752	51,412	52,968	54,404	57,340	60,665	65,323
Book publisher share of 511 revenues	17.5%	17.6%	17.5%	18.5%	19.1%	18.5%	19.4%	18.8%	18.7%	19.0%	19.0%
Book publisher share of 511 capital (\$M)	7,740	8,333	8,750	9,567	9,718	9,496	10,261	10,231	10,749	11,540	12,426
Net capital stock of NAICS 5120 Motion Picture and Sound Recording Industries (\$M)	30,128	30,997	31,567	31,890	31,697	31,620	33,467	35,543	37,500	38,267	39,108
Total net capital stock of selected industries (\$M)	37,868	39,330	40,317	41,457	41,415	41,116	43,728	45,774	48,249	49,807	51,534
CPI at 2003 = 100.0	88.6	90.5	93.6	96.3	97.8	100.0	102.7	106.1	109.6	112.7	117.0
Constant dollar total net capital of selected industries (\$M)	42,747	43,438	43,080	43,072	42,359	41,116	42,594	43,126	44,037	44,200	44,042
Indexed to 2003 = 1.00	1.04	1.06	1.05	1.05	1.03	1.00	1.04	1.05	1.07	1.08	1.07

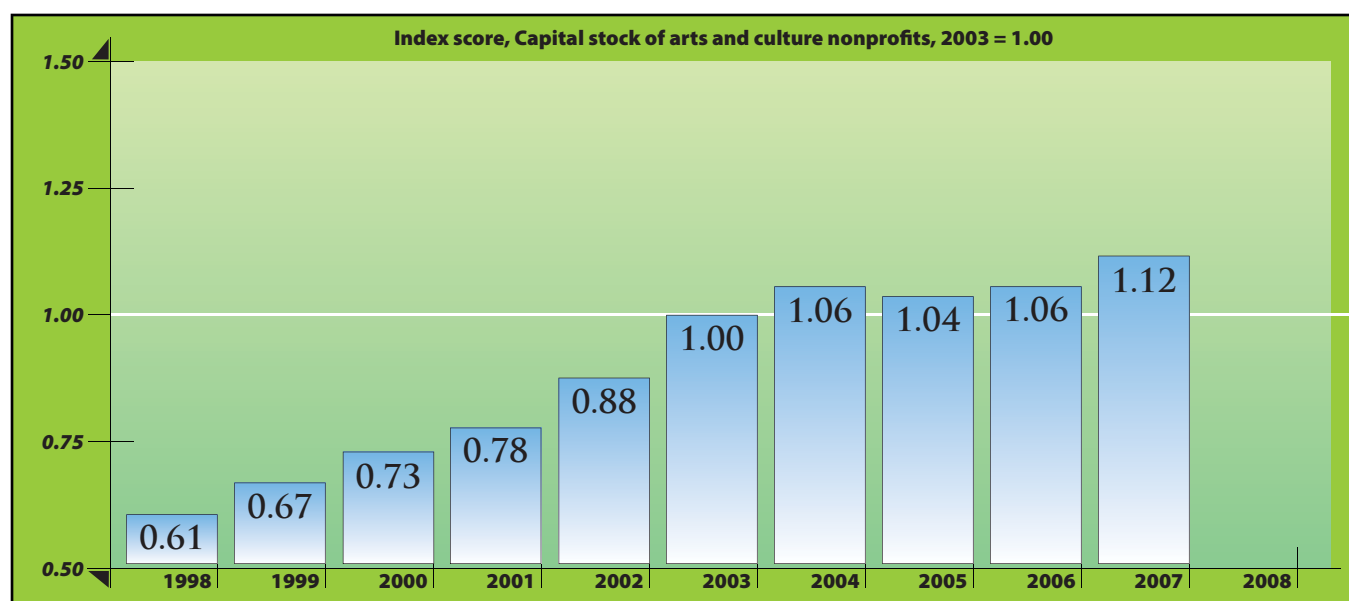
Sources: Bureau of Economic Analysis, Bureau of Labor Statistics, Bureau of the Census, *Service Annual Survey*

Related Indicator(s): 24, 29

29. Capital Stock of Arts and Culture Nonprofits

The physical capital of nonprofit arts organizations includes property, plant, equipment and facilities. Museums, theatres, concert halls and the equipment in them are examples of this kind of asset. These are one measure of the capacity of nonprofits to provide services and activities, even while they only reach their full potential for the arts when artists and audiences fully activate them. In the business sector, the NAICS system can be used to identify companies that operate in one industry or another. In the nonprofit sector, the NTEE system is used.

This indicator measures the constant dollar average annual value of physical capital on the balance sheets of nonprofits in NTEE Major Group A, plus group N52 (fairs and festivals) —net of depreciation. The average is the sum of beginning and end-of-year values for each year, divided by two, then converted to 2003 dollars to adjust for inflation. After several years of steady increase from 1998 through 2004, capital stock leveled off, then grew again through 2007, ending at \$24.3 billion in constant dollars. Because these figures are reduced from their original value by depreciation, and because they are converted to constant dollars, they reflect a vigorous level of capital investment. Further, as in the figures for nonprofit revenue, they only describe the 35 percent of arts organizations that file Form 990. The overall growth in capital spending is probably greater than reported, because the reports do not distinguish between capital spending for expansion, and capital spending to replace equipment that has been fully depreciated.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Average capital assets net of depreciation (\$M)	11,178	12,474	14,080	15,471	17,744	20,563	22,480	22,610	23,867	27,424	
CPI set to 2003 = 100.0	88.6	90.5	93.6	96.3	97.8	100.0	102.7	106.1	109.6	112.7	
Constant dollar net capital assets (\$M)	12,618	13,777	15,045	16,074	18,149	20,563	21,897	21,302	21,784	24,336	
Indexed to 2003 = 1.00	0.61	0.67	0.73	0.78	0.88	1.00	1.06	1.04	1.06	1.12	N/D

Sources: National Center for Charitable Statistics at the Urban Institute

Related Indicator(s): 8, 28, 76

Chapter 5. Arts Participation Indicators

There are 25 indicators of arts participation, mainly showing arts and culture activity in the marketplace. They measure the activity and experience in the arts in the form of personal engagement; being a part of audiences for public broadcasting, museums, and live performances; and spending on cultural experiences and products. Like some of the Financial Flows indicators, the indicators in this section offer visible and easily recognized measures of the arts as they answer the questions, “how much art is being produced,” and “how many people are consuming the arts?” Here, however, they are tracked mainly in terms of numbers of people.

The next two tables show the indicators used in the Arts Participation component, and the number of indicators that make up the overall Arts Participation score in each year. Those scores are shown in Figure O, below.

Table 6. Arts Participation Indicators

30.	Personal arts creativity experiences
31.	Copyright applications
32.	Personal expenditures on arts and culture
33.	New work in theatre, orchestra, opera, Broadway and film
34.	Volunteering for the arts
35.	Performance of SAT test takers with four years of art or music
36.	Arts majors by college-bound seniors
37.	Visual and performing arts degrees
38.	Noncommercial radio listenership
39.	Public television viewing
40.	Foreign visitor participation in arts and culture leisure activity
41.	Attendance at Broadway shows in New York
42.	Attendance at touring Broadway shows
43.	Attendance at live popular music
44.	Attendance at symphony, dance, opera and theatre
45.	Motion picture attendance
46.	Museum visits
47.	Art museum visits
48.	Opera attendance
49.	Symphony attendance
50.	Nonprofit professional theatre attendance
51.	Citations of arts and culture in bibliographic databases

Table 7. Arts Participation Indicators Per Year

1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
14	14	15	15	18	22	22	22	22	22

Averaged across all available data, they produce the following ten-year trend:

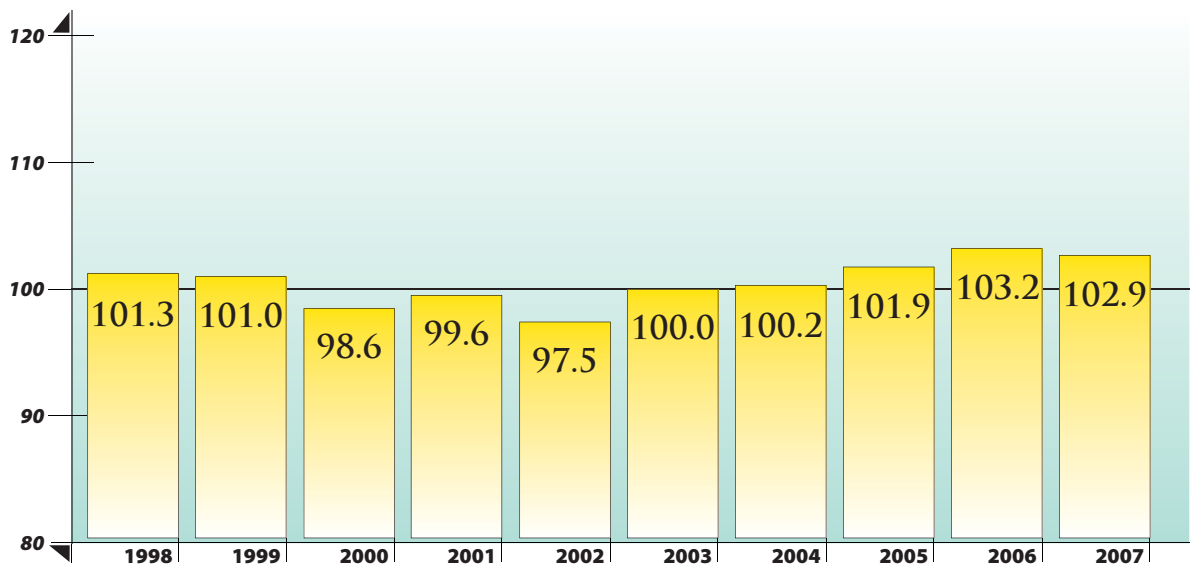


Figure O. National Arts Index Arts Participation Indicators (2003 = 100.0)

The Capacity indicators in Chapter 4 showed a steady increase over the ten-year span. An initial look at the chart suggests that this has not been echoed in the consumption and delivery of art services. This is one of the more striking findings of this research, that the vigor of the arts industries did not generate a steadily increasing level of participation and engagement. Capacity has expanded, but demand has not kept pace when measured in the number of people who are consuming, as opposed to the dollars generated.

The participation measure is composed of 22 indicators. Taken together, they steadily increased since 2002, but very slowly. The 2006 index score of 103.3 is the highest of the 10 years studied, and the slight decline in 2007 may only have been a warning of more substantial decreases to follow. In important ways, demand for long-standing art forms lagged over the ten-year period. These indicators show major shifts in how Americans are consuming the arts, some of which are positive, others more or less stable, but many negative.

Attendance at mainstream nonprofit arts organizations is in a long-term decline. Market data gathered by Scarborough Research (200,000 surveys annually in the largest 81 metropolitan areas) indicates a steady decline in the percentage of the population attending museums and performing arts events (symphony, dance, opera, theater)—decreases of 13 percent and 17 percent, respectively, between 2003-2008.

Personal arts creation by the public, however, has generally been increasing (making art, playing music). Technology has also had an impact: while the number of CD stores has been reduced by half in just past five years, online downloads of singles and albums grew four-fold in three years. Attendance at Broadway shows and participation by foreign visitors in American arts and culture increased by varying amounts. College students maintain vigorous interest in the arts in their choice of majors.

Arts participation and vitality is being heavily driven by smaller, community-based and culturally specific arts organizations. The number of these organizations has grown faster than the rate of growth for all nonprofit arts organizations and even faster than the rate of the minority population in the U.S. Additional analysis of their financial data reveals that they are more likely to complete their fiscal year without a deficit than the remaining universe of nonprofit arts organizations.

Overall, levels of production and consumption of the arts were not very satisfying. The concern that these indicators raise is that despite the virtues of the arts, the attention they receive, and the vigorous increase in arts capacity, demand is not vigorous. Some of these effects will be seen again in Chapter 7, which looks at the competitiveness of the arts.

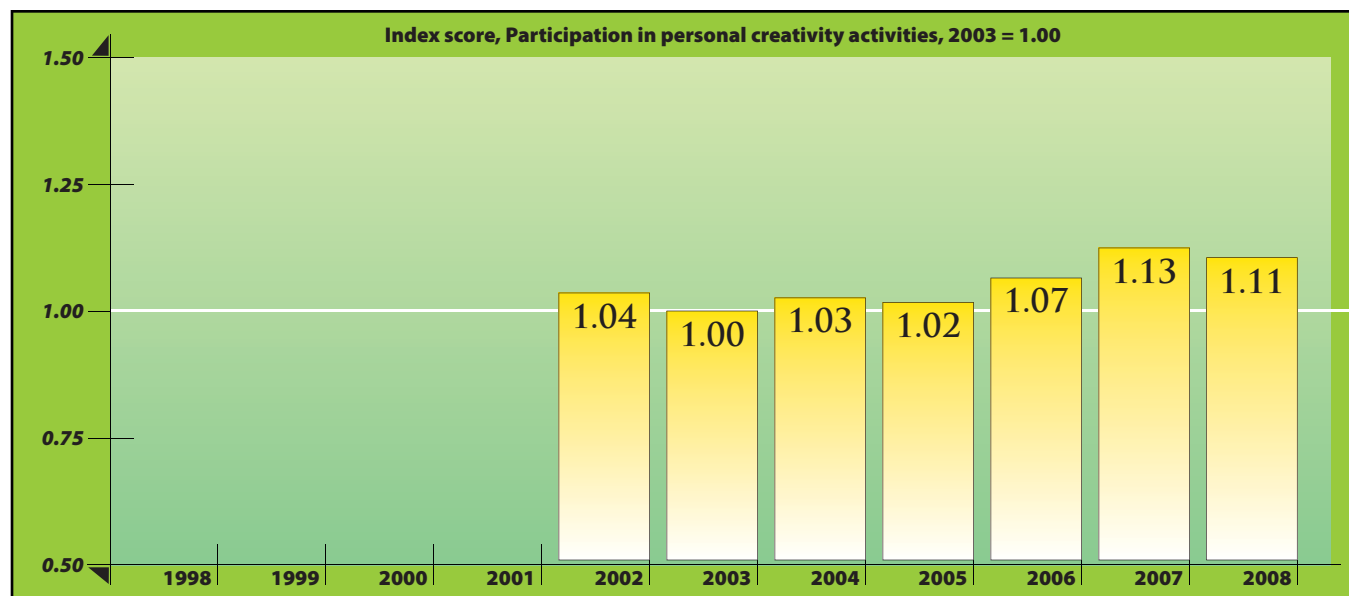
The individual indicators described in the following 22 pages provide additional detail on the sometimes stable, but mostly declining levels of consumption and participation in arts industries, including goods, services, and experiences in arts and culture from 1998 to 2007.

The estimate of the 2008 Arts Participation component score was 99.2, based on 16 indicators that were available as this report was finalized. This is a 3.7 percentage point drop from the 2007 score.

30. Participation in Personal Creativity Activities

Personal engagement in the creative process is a basic driver of arts and culture vitality, typically driven by individual creativity, a desire to express oneself and interest in creative technique. Some evidence of personal engagement and creativity is shown in the indicator that measures purchases of musical instruments. Writing poetry and prose, or exploring movement through dance and drama through theatre performance are other examples of this engagement, as is the creation of visual art work through painting or drawing. Photography is another individual creative process, one that has both grown in accessibility and declined in expense with the advent of digital photography.

This indicator uses Mediamark data reported in the Statistical Abstract of the United States to measure activity in making music, painting, drawing and/or photography. These activities have engaged tens of millions of Americans in recent years, with total participation peaking at 60 million in 2007 and remaining close in 2008. It should be noted that these totals do not differentiate between those people who participate in only one of these creative activities and those who participate in all of them; there are certainly people who paint *and* take photographs *and* play musical instruments. Thus, this is a maximum number of participants. Correspondingly, this is not a comprehensive list of all creative activities, only those covered by this data source. For example, the Statistical Abstract reported that between 2 and 3 million people also participated in ceramics in years through 2006—but stopped reporting these data in 2007. It also does not explicitly count the 6.3 million Americans whose main volunteer service is to make music—presumably, many of them as choral singers, among other community music settings.



	1998-2001	2002	2003	2004	2005	2006	2007	2008
Participants in painting, drawing (000)		15,145	14,089	14,020	13,746	12,356	15,146	14,425
Participants in photography (000)		24,973	23,794	24,645	25,561	28,504	28,340	28,445
Play musical instrument (000)		15,744	15,828	16,680	15,727	16,852	17,108	16,526
Total participation in music making, painting, drawing and/or photography (000)		55,862	53,711	55,345	55,034	57,712	60,594	59,396
Indexed to 2003 = 1.00	N/D	1.04	1.00	1.03	1.02	1.07	1.13	1.11

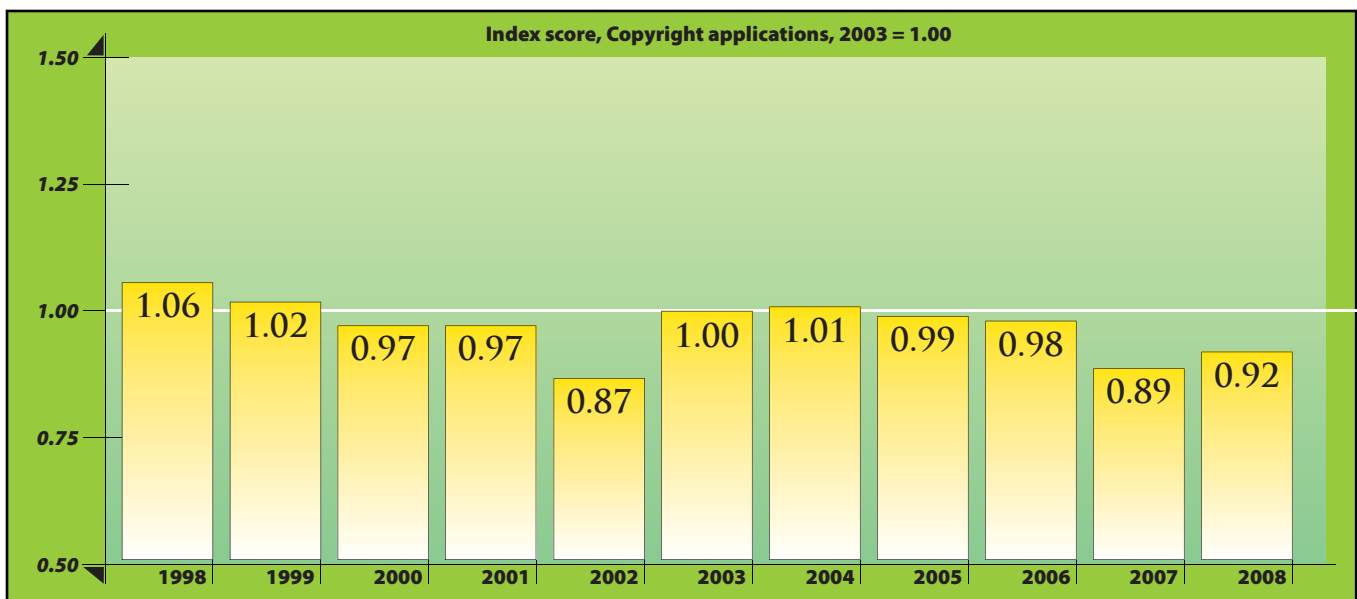
Source: Bureau of the Census, *Statistical Abstract of the United States*

Related Indicator(s): 31, 21, 52, 54

31. Copyright Applications

The copyright system gives the creators or authors of original material a way to register ownership of their creations, which may include literary, dramatic, musical, artistic and certain other intellectual works. The rights of copyright are distribution, duplication, public performance and/or exhibit, and preparation of derivative works. In the common law, copyright exists from the moment a work is created, but registering a work creates a more formal and legally defensible documentation of ownership. Of course, the formal copyright system is inherently only the tip of the iceberg —many more artistic creations are not registered. However, these additional protections are meaningful to many creators for artistic and/or commercial reasons. The Copyright Office in the Library of Congress administers copyright in the United States. Creators of new work such as authors, composers, lyricists, playwrights and others claim copyright by submitting a copy of their work, along with an information form. The Copyright Office then formally registers the claim.

This indicator measures the number of claims to copyright made in each year in the U.S. Claims flow in from the creators of artistic work, rather than out from the Copyright Office. There is a time lag from when a copyright claim is submitted to when it is registered. In recent years, there have been an unusually high number of claims in process. Therefore, claims submitted by creators of new work represent a better measure of underlying artistic activity. The number of claims declined about 14 percent from 1998 through 2008. Part of this may be attributable to an increase in registration fees in 1999 and 2006, making it more costly for creators to register their work.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Copyright claims submitted	645,000	619,022	588,498	590,091	526,138	607,492	614,235	600,535	594,125	541,212	561,428
Indexed to 2003 = 1.00	1.06	1.02	0.97	0.97	0.87	1.00	1.01	0.99	0.98	0.89	0.92

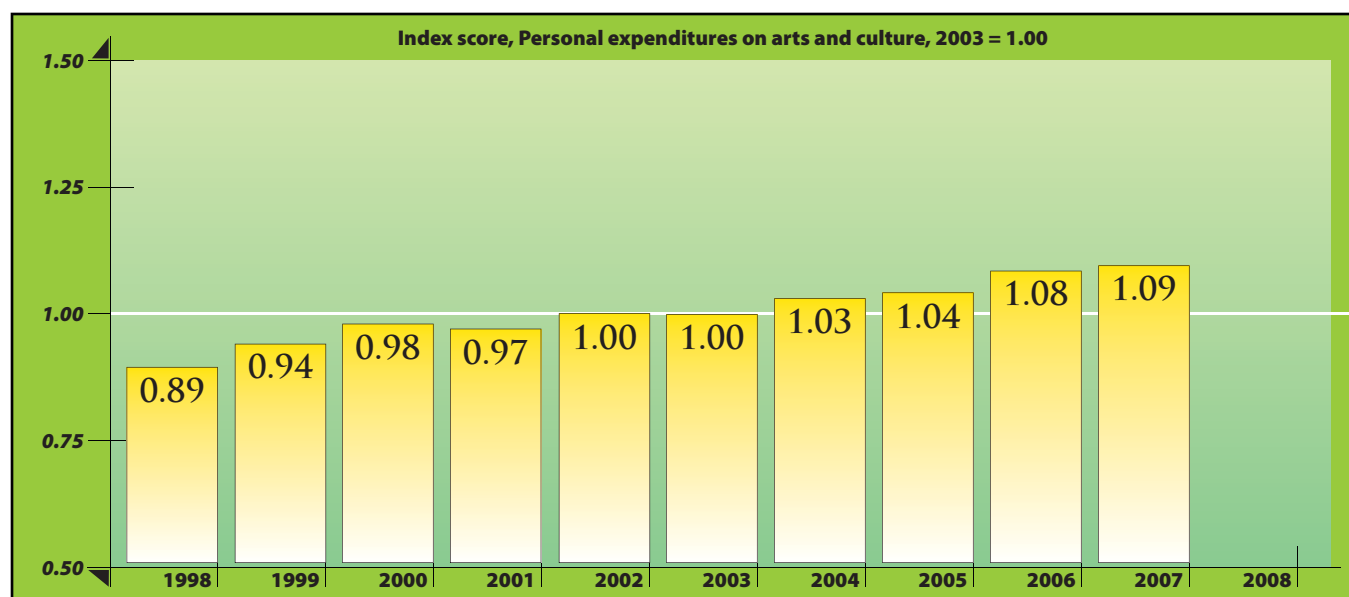
Source: Copyright Office, annual reports

Related Indicator(s): 30, 54

32. Personal Expenditures on Arts and Culture

Personal consumption spending is motivated by underlying demand by individuals and households through the entire population. Personal spending makes up about two-thirds of all economic activity in the U.S. In the National Income and Product Accounts, the Bureau of Economic Analysis presents yearly data on total personal consumption expenditure on different kinds of consumer items. Of the 100-odd kinds of expenditures listed, four specific types are closely related to arts and culture.

This indicator measures the total of those expenditures, and is the largest-scale economic indicator in this Index. The items covered include arts and culture goods, services and experiences: books, recorded audio and video media, and tickets to live performing arts and movies. Between 1998 and 2007, these expenditures increased from \$108 billion to \$169 billion in current dollars, a total growth of 44 percent. The tempering effects of inflation reduce that to a constant dollar rise of 16 percent over 10 years, a fairly steady pace.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Books and maps (\$B)	28.8	31.5	33.7	34.6	37.1	38.7	40.4	41.8	44.0	46.3	
Video and audio goods, including musical instruments (\$B)	62.7	67.8	72.8	73.6	75.4	76.5	81.7	86.8	95.0	97.5	
Motion picture theaters (\$B)	7.2	7.9	8.6	9.0	9.6	9.9	9.9	9.1	9.4	9.7	
Legitimate theaters and opera, and entertainments of nonprofit institutions (\$B)	9.2	9.9	10.3	10.9	11.7	11.9	12.5	13.2	14.3	15.5	
Total of selected goods (\$B)	107.9	117.1	125.4	128.1	133.8	137.0	144.5	150.9	162.7	169.0	
CPI set to 2003 = 100.0	88.6	90.5	93.6	96.3	97.8	100.0	102.7	106.1	109.6	112.7	
Constant dollar personal consumption on selected products (\$B)	121.8	129.3	134.0	133.1	136.8	137.0	140.8	142.2	148.5	150.0	
Indexed to 2003 = 1.00	0.89	0.94	0.98	0.97	1.00	1.00	1.03	1.04	1.08	1.09	N/D

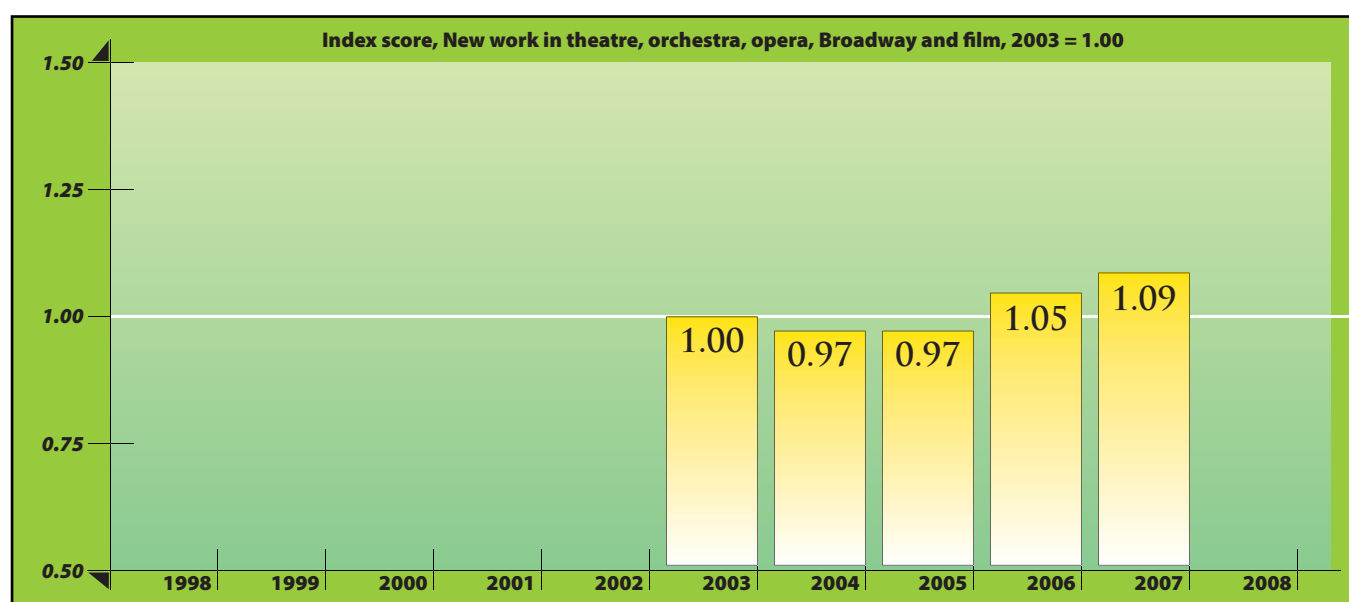
Sources: Bureau of Economic Analysis, Bureau of Labor Statistics, Bureau of the Census, *Service Annual Survey*

Related Indicator(s): 29

33. New Work in Theatre, Orchestra, Opera, Broadway and Film

The creation of new artistic work is critical to a successful arts ecology. The major performing arts disciplines are exciting settings for the presentation of new work. Data on premieres by American theatre companies, symphony orchestras, operas, Broadway producers and filmmakers are available from their national service organizations: The Broadway League, League of American Orchestras, Motion Picture Association of America, Opera America and Theatre Communications Group. These service organizations do valuable work in gathering information on their members' activities and providing a summary of that information for the public.

This indicator measures the number of world premieres and new films presented by these arts organizations as they report to their associations. The figures below are the only ones reported to these organizations, and therefore probably understate the numbers. There is a time lag between the concept for a new work and its eventual premiere, because performing arts seasons and films are planned years in advance. It is probable that the 2004-to-2007 increase occurred some time beforehand, reflecting optimism and willingness to invest among producers in different disciplines. Of the different sources for new productions, film is the most dynamic, while the live performing arts disciplines maintained approximately the same level of new work from 2003 through 2007. During the longer term, there have also been large proportional jumps in the reported premieres in symphony and in theatre.



	1998-2002	2003	2004	2005	2006	2007	2008
World premieres performed by American opera companies		8	13	9	8	10	
New productions on Broadway		36	33	39	39	35	
World premieres performed by American orchestras		104	109	79	111	124	
World premieres performed by American theatres		348	288	262	310	337	
Movies released		528	549	607	603	610	
Total new work in opera, Broadway, symphony, theatre and film		1,024	992	996	1,071	1,116	
Indexed to 2003 = 1.00	N/D	1.00	0.97	0.97	1.05	1.09	N/D

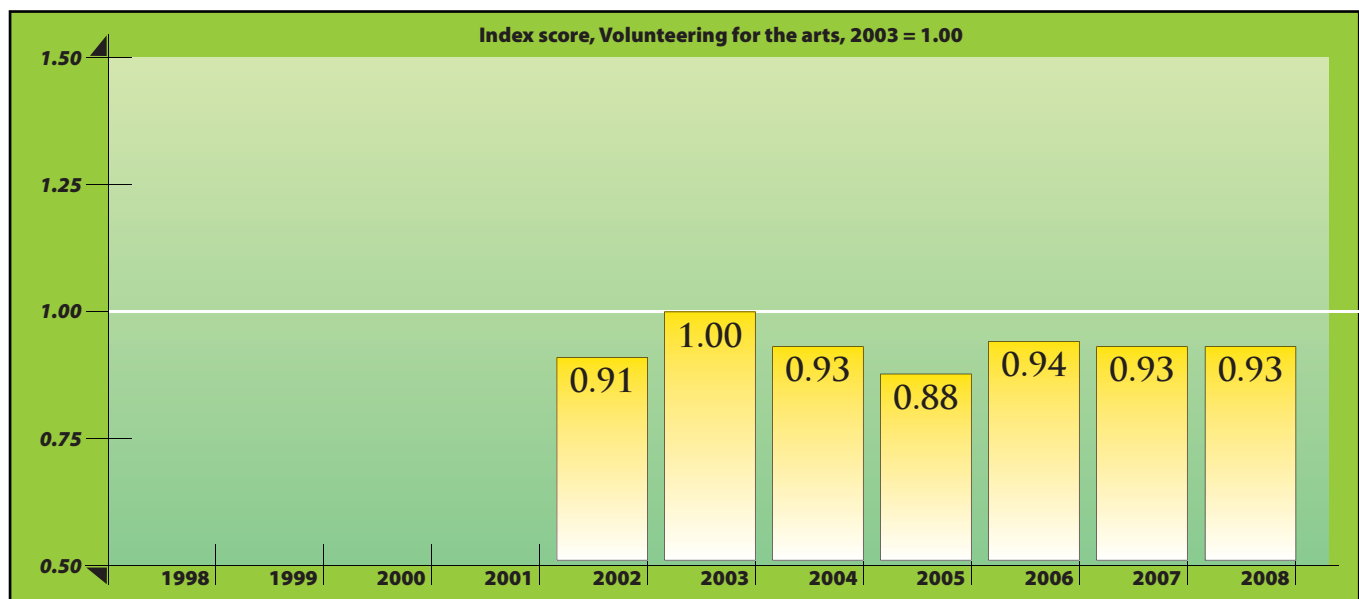
Source: Opera America, Broadway League, League of American Orchestras, Theatre Communications Group, Motion Picture Association of America

Related Indicator(s): 21, 31, 41—45, 48-50

34. Volunteering for the Arts

Nonprofit arts organizations can accomplish their missions using a combination of paid staff and volunteers. Some arts organizations, like choruses and community theatre, only use or mainly use volunteers, while others are more likely to be fully staffed with professionals (such as urban symphonies). Overall, voluntarism is critical to the arts. In its annual Current Population Survey (CPS), the Census Bureau gathers data on Americans' volunteer activity, including the organizations where they volunteer.

This indicator measures the number of volunteers who identify an arts and culture organization as the 1st, 2nd or 3rd choice among the organizations they serve. In the list of possible organizations, arts ranked between 10th and 12th from 2003 to 2007, behind religion, youth sports, social and community groups, health and education —among other types. The number of arts volunteers reported in the CPS has stayed between 1.8 million and 2.0 million in the years since the CPS started reporting volunteering activity. The number of arts volunteers, however, is believed to be —with certainty— much higher than these numbers suggest. In the 2005, 2006 and 2007 editions of the CPS, the Census Bureau gathered additional data on the work that volunteers perform. In 2007, an estimated 6.3 million volunteers said that they serve mainly as musicians. This most likely refers to choral singers in worship and community settings —among other avocational artists.



	1998-2001	2002	2003	2004	2005	2006	2007	2008
Volunteering for arts and culture organizations (1st)		1,092,554	1,205,615	1,029,455	1,037,312	1,166,473	1,084,873	1,082,362
Volunteering for arts and culture organizations (2nd)		476,682	568,618	595,106	517,735	480,229	503,286	552,077
Volunteering for arts and culture organizations (3rd)		249,940	232,451	236,249	210,708	237,449	278,439	240,973
Volunteering for arts and culture organizations (1st, 2nd or 3rd)		1,819,176	2,006,684	1,860,810	1,765,755	1,884,151	1,866,598	1,875,412
Indexed to 2003 = 1.00	N/D	0.91	1.00	0.93	0.88	0.94	0.93	0.93

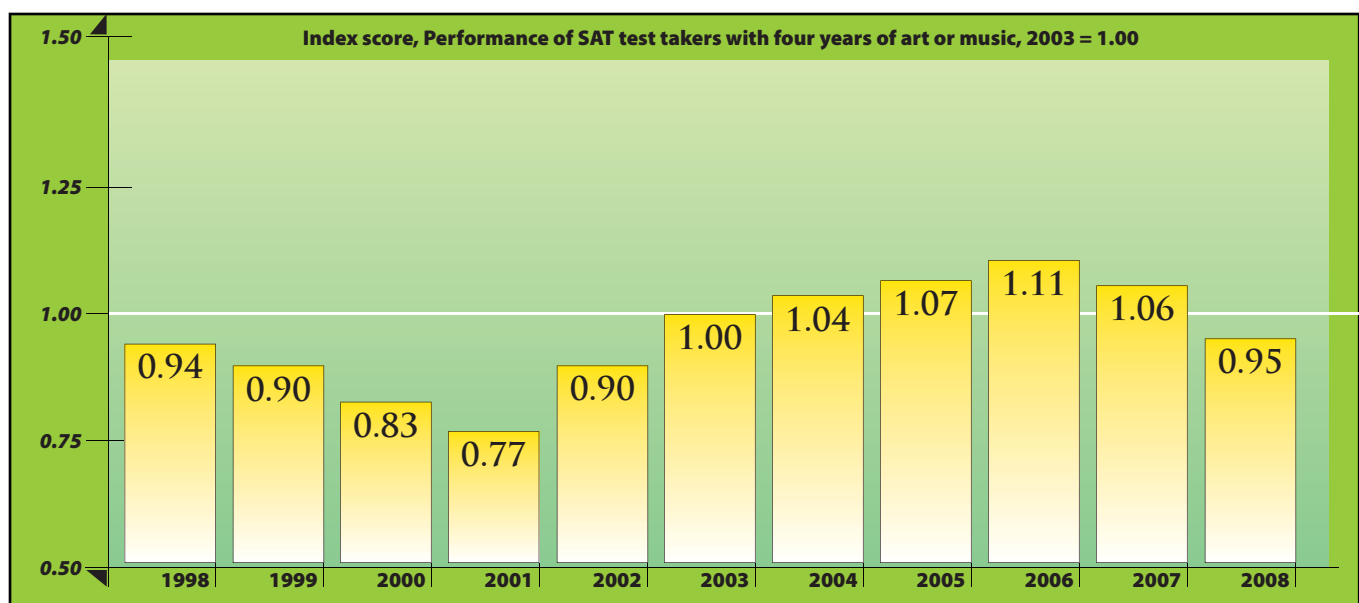
Source: Bureau of the Census, *Current Population Survey*

Related Indicator(s): 16—21, 26, 27, 56, 57

35. Performance of SAT Test Takers with Four Years of Art or Music

Arts education is generally associated with higher scores on student achievement tests. One way to evaluate this is to compare standardized testing scores such as the SAT 1 Reasoning Test offered by the College Board. SAT scores are a measure primarily used by college admissions officers as a factor in college admission decisions, and typically predict about nine percent of the variation in first-year GPA. The Board publishes SAT 1 scores of college-bound seniors that illustrate the impact of studying the arts in school.

This indicator is the percentage difference in SAT I scores between students with four years of art or music courses and the scores of all other test takers. It is calculated by taking the total of verbal and math for 1998 to 2005 (critical reading and math in 2006 and 2007), subtracting a minimum score of 400 that is reached by every test taker, and calculating the percent difference between those with four years of arts courses and all other test takers. This adjusted margin averaged almost nine percent from 1998 to 2008 and rose steadily from 2001 through 2006, then declined through 2008. While they are consistent, these results and trends should be interpreted carefully and do not imply that taking arts courses is the sole reason for this difference. Other factors influencing test scores include the type of school, student socioeconomic status, and other high school coursework, so high school students with multiple years of arts education may not be representative of all college-bound seniors. Without information on within- or between-group variation, it is not possible to draw any inferences about the statistical significance of these margins.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Mean score of SAT 1 test takers with four years art and/or music	1,071	1,069	1,068	1,065	1,070	1,075	1,074	1,084	1,053	1,050	1,063
Mean score of all other SAT 1 test takers	1,013	1,013	1,016	1,017	1,014	1,013	1,010	1,017	1,014	1,014	1,005
Mean score of SAT 1 test takers with four years art and/or music less minimum score	671	669	668	665	670	675	674	684	653	650	663
Mean score of all other SAT 1 test takers less minimum score	613	613	616	617	614	613	610	617	614	614	605
Performance margin for four years	9.5%	9.1%	8.4%	7.8%	9.1%	10.1%	10.5%	10.9%	11.2%	10.7%	9.6%
Indexed to 2003 = 1.00	0.94	0.90	0.83	0.77	0.90	1.00	1.04	1.07	1.11	1.06	0.95

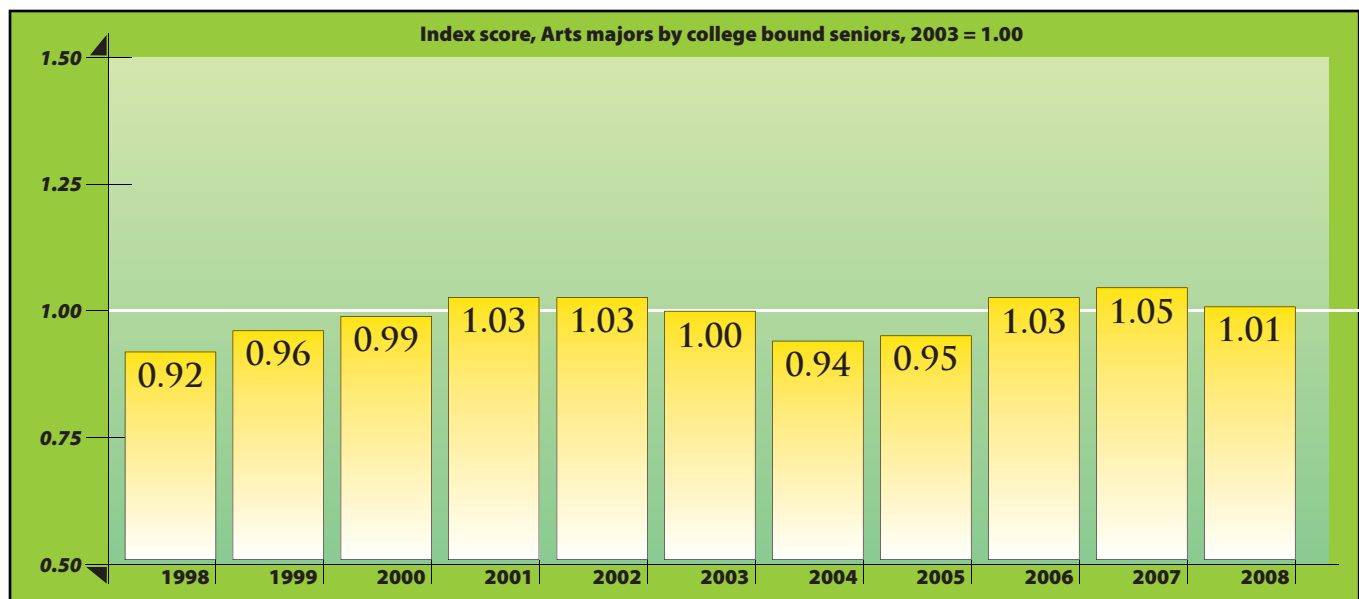
Source: The College Board, *College-Bound Seniors annual reports*

Related Indicator(s): 36, 37, 59

36. Arts Majors by College-Bound Seniors

High school students taking the SAT I are asked to indicate a major that they may pursue. Certainly many students in all prospective majors change their path to pursue new majors, so their responses are not sole indicator of students' final educational plans. Still, they do point to later graduation and career expectations and inform colleges and universities about trends in demand for particular programs. While some students will change out of arts majors, there are others who change into and add majors and minors in the arts disciplines.

This indicator measures the share of college-bound seniors taking the SAT I reasoning tests who declare an initial interest in a major in the performing or visual arts. The number of such students rose from about 70,000 in 1998 to 85,000 in 2007, while the share has ranged close to seven percent.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
SAT test takers declaring a major in visual or performing arts	70,323	75,808	78,736	80,154	79,865	75,823	76,172	84,367	84,828	88,575	84,496
All SAT test takers declaring a major (million)	1098.4	1129.4	1142.8	1118.6	1104.3	1084.8	1164.2	1276.7	1173.6	1203.7	1160.0
Visual and performing arts degree share of intended majors by SAT I test takers	6.4%	6.7%	6.9%	7.2%	7.2%	7.0%	6.5%	6.6%	7.2%	7.4%	7.1%
Indexed to 2003 = 1.00	0.92	0.96	0.99	1.03	1.03	1.00	0.94	0.95	1.03	1.05	1.01

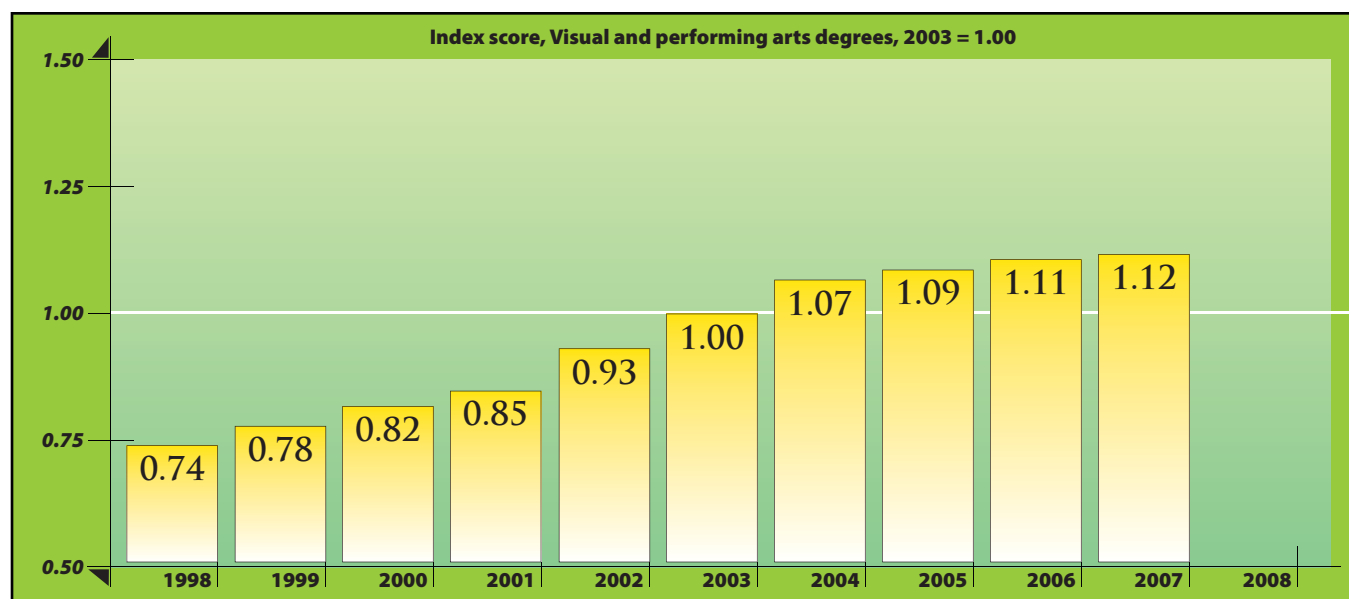
Source: The College Board, *College-Bound Seniors annual reports*

Related Indicator(s): 35, 37, 55, 59

37. Visual and Performing Arts Degrees

Educated artists make long-lasting contributions to artistic creation and activity. They sustain quality, technique, and artistic traditions. The personal investment in an associate, bachelor's, master's, or doctoral degree in the arts is not just a signal of an individual's personal interest and accomplishment—it also holds the promise for future artistic creation. Growing demand for arts training is self-sustaining, too, as some trained artists themselves become educators, and as graduates at one level continue on to further study.

This indicator measures the total number of associate, bachelor's, master's and doctoral degrees in the visual and performing arts. The data for this measure are from the National Center for Educational Statistics in the federal Department of Education. This Center uses the Classification of Instructional Programs (CIP), an exhaustive list of postsecondary instructional programs and majors. From 1998 to 2007, more than 1 million degrees were awarded in the visual and performing arts, with annual graduations growing from 79,000 to more than 120,000—an increase of 52 percent.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Visual and performing arts (VPA) associates degree	14,980	17,640	17,100	18,435	20,911	23,120	23,949	22,650	21,754	20,244	
VPA bachelors degree	52,077	54,404	58,791	61,148	66,773	71,474	77,181	80,955	83,297	85,186	
VPA masters degree	11,145	10,753	10,918	11,404	11,595	11,986	12,906	13,183	13,530	13,676	
VPA doctoral degree	1,163	1,130	1,127	1,167	1,114	1,293	1,282	1,278	1,383	1,364	
All VPA degrees	79,365	83,927	87,936	92,154	100,393	107,873	115,318	118,066	119,964	120,470	
Indexed to 2003 = 1.00	0.74	0.78	0.82	0.85	0.93	1.00	1.07	1.09	1.11	1.12	N/D

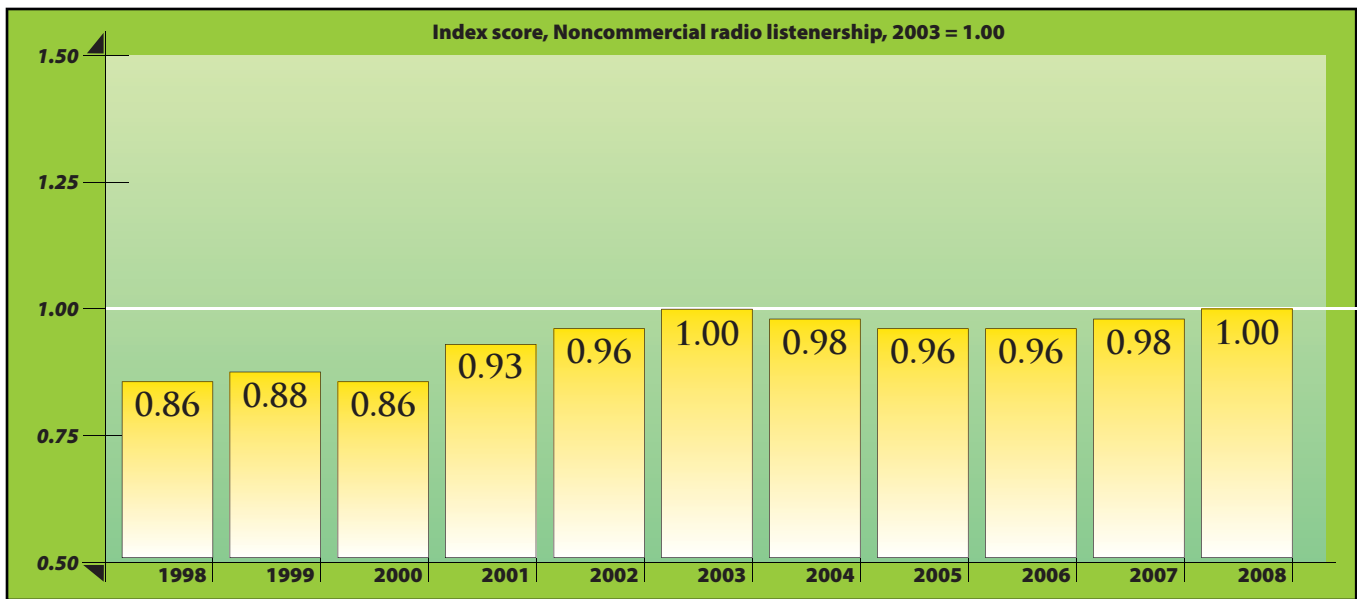
Source: National Center for Education Statistics, Department of Education, *Digest of Education Statistics*

Related Indicator(s): 35, 36, 55, 59

38. Noncommercial Radio Listenership

Public broadcasting, both radio and television, has long been regarded as one of the principal means of transmitting culture. Public radio incorporates a wide range of radio station types, from the well-known National Public Radio stations to more community- or campus-based stations.

This indicator measures the share of the U.S. population age 12 and older that listens to noncommercial radio supported by the Corporation for Public Broadcasting at least once during the year. The measure is calculated by Radio Research Consortium (RRC), the firm that publishes the industry standard Arbitron ratings. These figures are reported as share data by RRC. Public radio, in all its forms, attracted a share of listeners that rose to 11.3 percent of adults in 2003 and has maintained that level ever since. Because the population has been growing, this represents a progressively larger listenership.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Share of U.S. population listening to noncommercial radio	9.7	9.9	9.7	10.5	10.8	11.3	11.1	10.9	10.8	11.1	11.3
Indexed to 2003 = 1.00	0.86	0.88	0.86	0.93	0.96	1.00	0.98	0.96	0.96	0.98	1.00

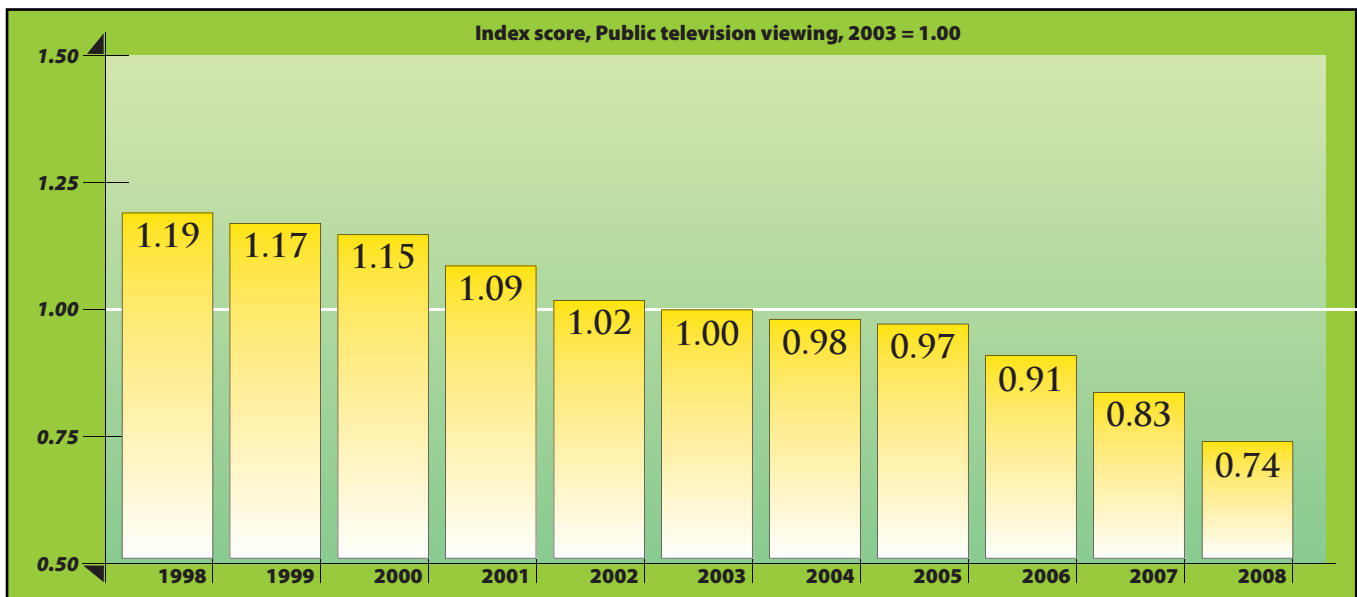
Source: Radio Research Consortium

Related Indicator(s): 39

39. Public Television Viewing

While public radio is fragmented among different kinds of stations, public television broadcasting is primarily in the domain of affiliates of the Public Broadcasting System (PBS). The national programming of PBS in educational, cultural, news, and scientific content is broadcast in full or in part over a network of 356 TV stations. While there are other noncommercial and cable access TV stations, PBS is recognized as an especially significant contributor to arts and culture.

This indicator measures the so-called “household cume,” the percentage of homes that tune to a particular station for six minutes or more during a measurement time period. These data were provided by PBS from the Nielsen Television Index. They measure average public television cumulative households viewing (24 hours/7 days) using the average of one week per month in September and October each year. The percentage of households that view public television broadcasting has declined fairly consistently from 56 percent to 39 percent. It is likely that some of the decline is attributable to shifts in viewing from broadcast networks and towards cable, satellite and Internet transmission, as well as changes in data collection by Nielsen during the change to digital TV broadcasting.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Household Cume	55.9	55.1	54.0	51.4	47.8	47.0	46.2	45.4	42.9	39.0	34.8
Indexed to 2003 = 1.00	1.19	1.17	1.15	1.09	1.02	1.00	0.98	0.97	0.91	0.83	0.74

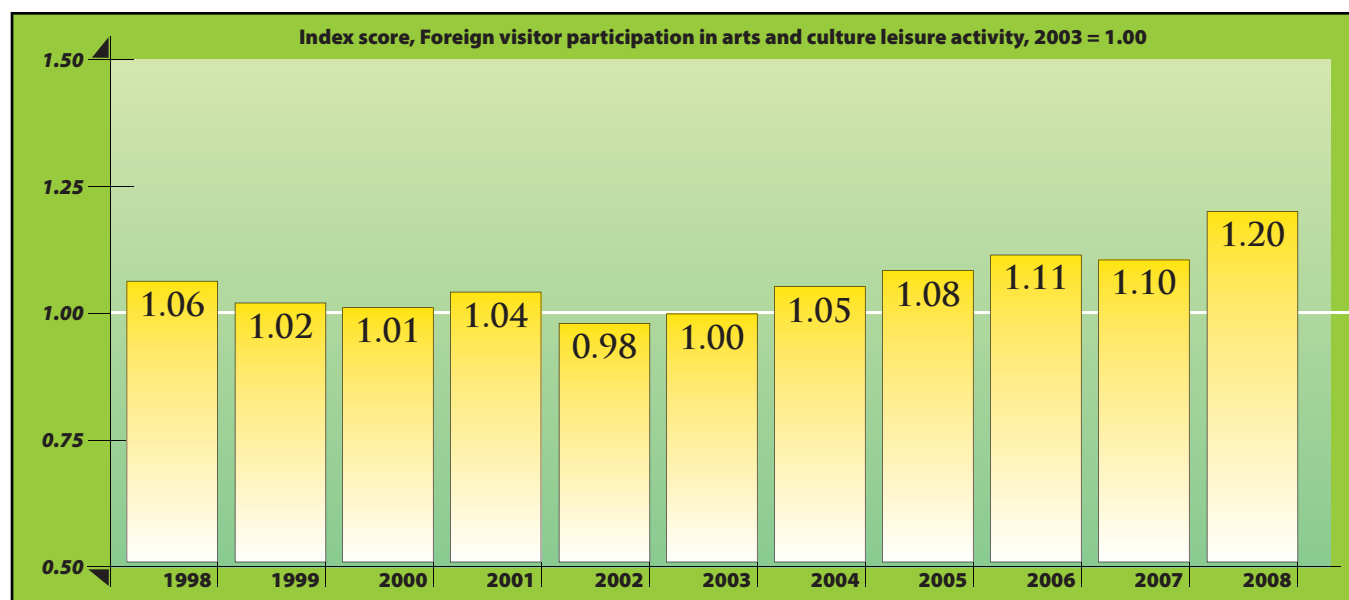
Source: Public Broadcasting System

Related Indicator(s): 38

40. Foreign Visitor Participation in Arts and Culture Leisure Activity

Effectively, cultural tourism by foreign visitors is a form of export by domestic arts and culture industries. Like Americans who travel abroad, foreign tourists in the U.S. also participate in the American arts and culture sectors as audience members at arts events and as visitors to cultural attractions.

This indicator measures participation by tourists who fly to the U.S. in arts and culture activities as a part of their total leisure activities in the U.S. The data are collected by the International Trade Administration in the Department of Commerce (ITA). The ITA's monthly Survey of International Air Passengers is conducted on a voluntary basis on in- and out-bound flights to the U.S. The survey lists 29 leisure activities, of which six are most closely related to arts and culture: Art Gallery/Museum, Concert/Play/Musical, Cultural Heritage Sites, Ethnic Heritage Sites, Visit American Indian Community, and Visit Historical Places. Survey sample sizes have exceeded 21,000 since 2002, and were more than 31,000 in 2008. The indicator shows a gradual decline from 1998 through 2002, with fairly steady growth since.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Art Gallery/Museum (% foreign tourists attending)	19.8	19.6	19.6	19.4	18.1	17.7	18.9	20.2	20.4	21.1	22.3
Concert/Play/Musical (% foreign tourists attending)	12.8	12.4	12.7	12.3	12.9	13.7	13.4	14.7	14.5	15.3	16.3
Cultural Heritage Sites (% foreign tourists attending)	18.8	18.3	17.8	18.4	17.7	18.1	19.4	18.5	19.9	19.5	22.2
Ethnic Heritage Sites (% foreign tourists attending)	5.0	4.9	4.8	4.9	4.6	4.9	4.8	4.5	5.2	4.1	4.3
Visit Am. Indian Comm. (% foreign tourists attending)	4.3	4.1	3.7	3.8	3.0	3.1	3.7	3.3	3.2	2.9	3.4
Visit Historical Places (% foreign tourists attending)	33.4	31.8	31.2	33.3	30.9	31.4	33.3	34.8	35.7	35.3	37.9
Cumulative participation (% foreign tourists attending)	94.1	91.1	89.8	92.1	87.2	88.9	93.5	96.0	98.9	98.2	106.4
Indexed to 2003 = 1.00	1.06	1.02	1.01	1.04	0.98	1.00	1.05	1.08	1.11	1.10	1.20

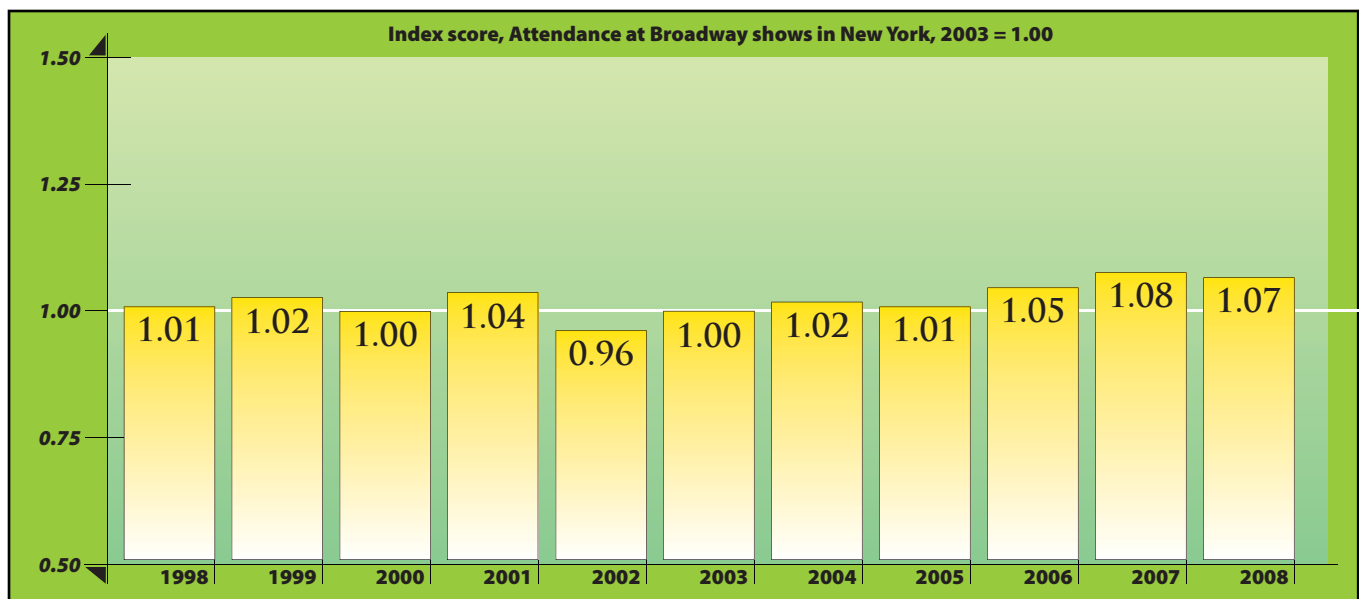
Source: Department of Commerce, International Trade Administration

Related Indicator(s): 41—50

41. Attendance at Broadway Shows in New York

Broadway refers to the theatre district in New York, generally thought of as the most prominent venue for American theatre. The success of Broadway has long been regarded as a significant measure of the overall health of live theatre around the country, not only in New York.

This indicator is total attendance at Broadway shows in New York, using data from the Broadway League (formerly the League of American Theaters and Producers). Until 2000-2001, the Broadway League reported data rounded to the nearest 10,000; the data have been more precise since. The indicator illustrates a widely reported trend, that attendance dropped after September 11, 2001 (in the 2002 season), but gradually increased in the years since —reaching historically high levels in 2007 and 2008.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Tickets sold to Broadway shows in NYC (000)	11,480	11,670	11,380	11,896	10,955	11,423	11,605	11,527	12,003	12,312	12,267
Indexed to 2003 = 1.00	1.01	1.02	1.00	1.04	0.96	1.00	1.02	1.01	1.05	1.08	1.07

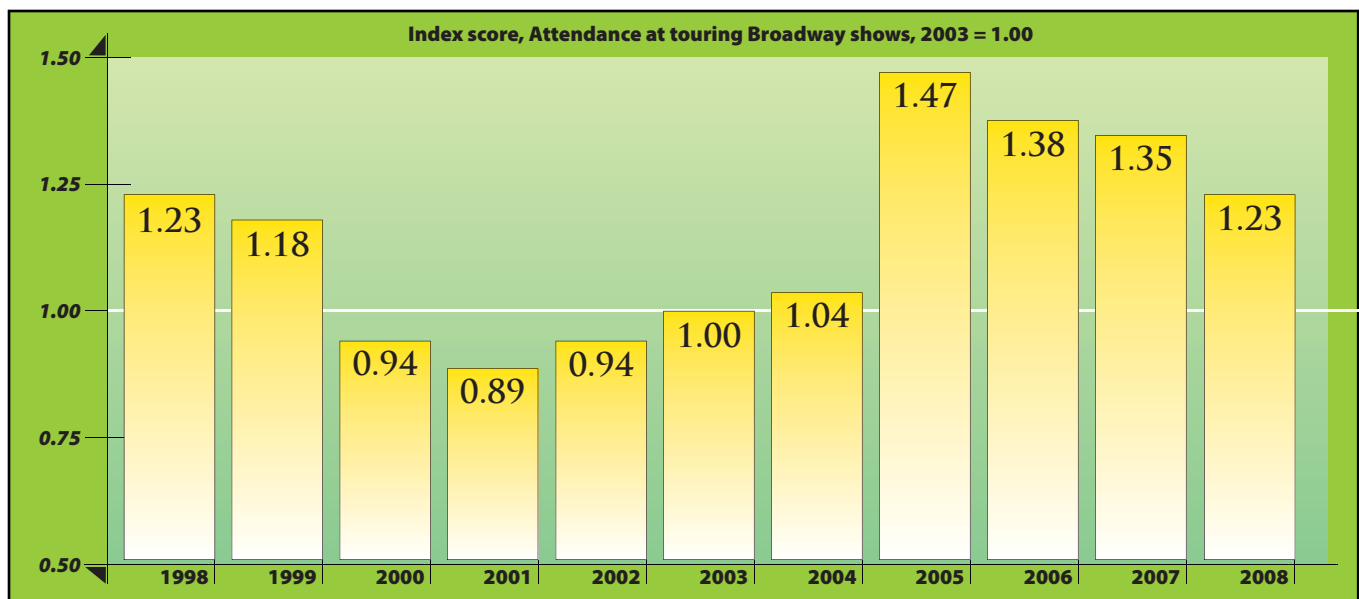
Source: The Broadway League, *Broadway Season Statistics*

Related Indicator(s): 33, 42—44, 48-50, 67—69, 71-73

42. Attendance at Touring Broadway Shows

Musicals, plays, songs and stars come to wide attention and national prominence on Broadway, and shows that have succeeded there have spawned successful tours over the entire span of American theatrical history (“If you can make it there ...”). Broadway shows tour the U.S. to audiences in many other cities and communities, bringing productions from the New York theatre district all over the country.

This indicator measures attendance at touring productions of Broadway shows, rounded to the nearest 100,000 (provided by the Broadway League). Through almost all years, more people saw Broadway shows on tour than in New York —almost twice as many in the mid 1990s, about one-quarter more in recent years. While attendance at Broadway shows in New York has remained steady, touring Broadway attracted progressively smaller audiences from 2005 through 2008.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Tickets sold (millions)	15.2	14.6	11.7	11.0	11.7	12.4	12.9	18.2	17.1	16.7	15.3
Indexed to 2003 = 1.00	1.23	1.18	0.94	0.89	0.94	1.00	1.04	1.47	1.38	1.35	1.23

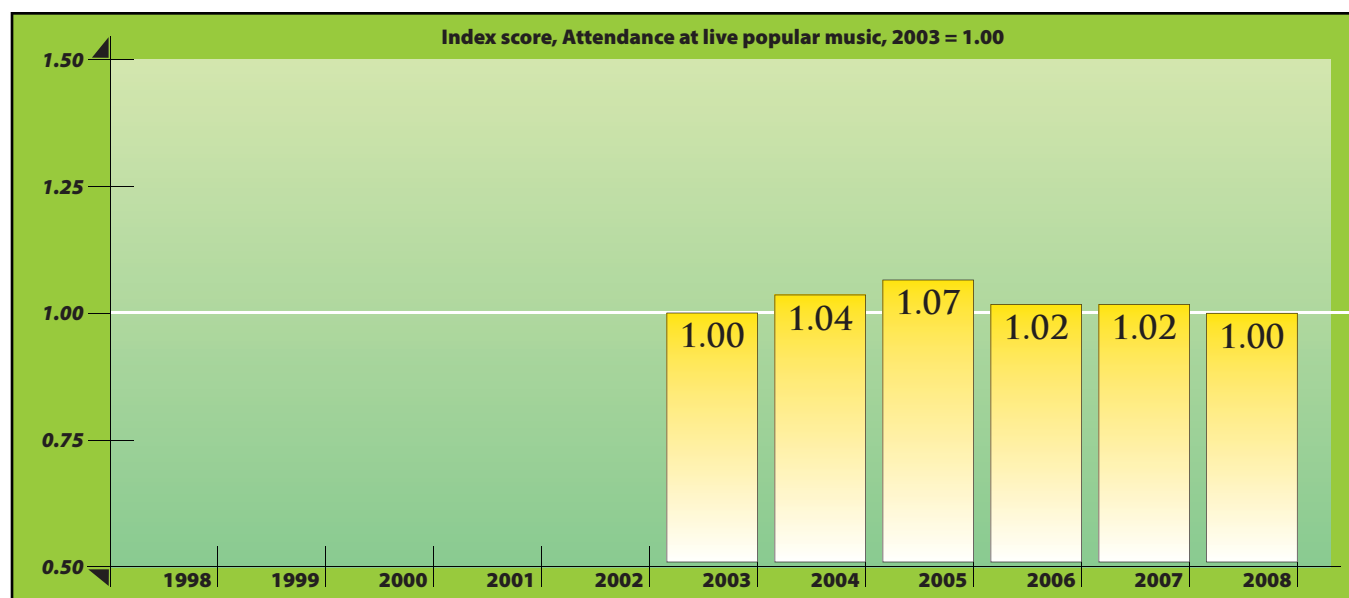
Source: Broadway League, *Touring Broadway Statistics*

Related Indicator(s): 41, 43, 44, 48-50, 67—69, 71-73

43. Attendance at Live Popular Music

Attending the many varieties of popular music in concert is one of the main ways for the public to hear new songs, styles and sounds. While the natural domicile of symphonic or operatic music may be the concert hall, pop styles like rock, hip-hop, or country are more likely to be heard in clubs, arenas, outdoor amphitheatres and stadiums. Scarborough Research conducts large-scale studies on a wide range of consumer behaviors, including participation in cultural activities, gathering data from more than 200,000 interviews and questionnaires in 81 metropolitan areas in the U.S.

This indicator, using data obtained by Scarborough, estimates the number of people in its survey base who attended one or more popular music concerts in the prior 12 months. Scarborough estimates that the population in the 81 markets it studies is about 228 million in 2008, or about 75 percent of total U.S. population. Attendance at these events has ranged from 48.6 million people to 51.8 million people over the five years of available data, peaking in 2005 and declining annually since.



	1998-2002	2003	2004	2005	2006	2007	2008
Attend country music concert (estimated)		15,835,220	16,976,085	17,424,189	16,906,187	17,543,696	16,657,784
Attend R&B/rap/hip-hop concert (estimated)		7,507,585	7,658,740	8,122,202	7,624,862	7,038,861	6,937,999
Attend rock concert (estimated)		25,236,355	26,107,070	26,271,258	25,226,627	24,930,625	25,061,507
Attend total live popular music (estimated)		48,579,160	50,741,895	51,817,649	49,757,676	49,513,182	48,657,290
Indexed to 2003 = 1.00	N/D	1.00	1.04	1.07	1.02	1.02	1.00

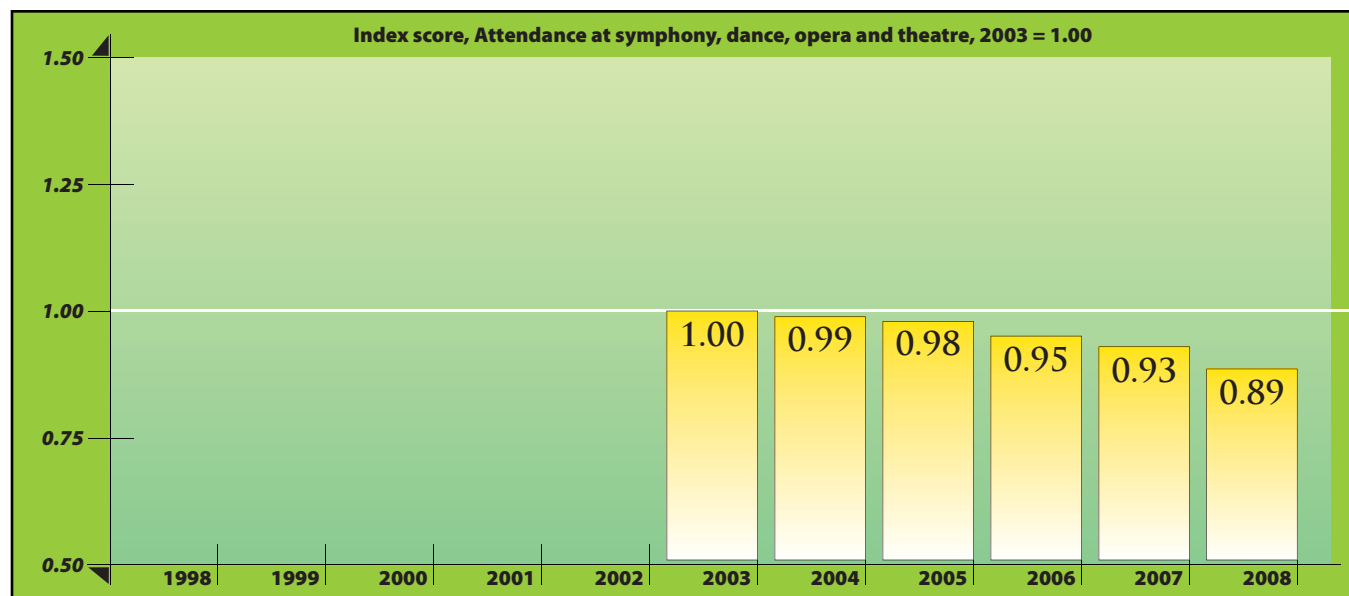
Source: Scarborough Research, Inc.

Related Indicator(s): 41, 42, 44, 48-50, 67- 69, 71-73

44. Attendance at Symphony, Dance, Opera and Theatre

For many decades, the performing arts have been associated especially strongly with the fields of dance, opera, symphony and theatre. For this reason, it helps to understand the vitality of arts and culture overall to look at attendance at these four art forms collectively as well as individually. These kinds of programs are typically presented by nonprofit entities that are often influential not only for the quality of their performances, but because they are important cultural institutions. Data on attendance at these kinds of arts events is gathered by Scarborough Research in 81 metropolitan areas that have about 75 percent of the entire U.S. population, along with data Scarborough collects on attendance at museums and at popular music events.

This indicator is Scarborough's estimate of attendance at these performing arts events. This wide diversity of artistic genres contributes to a large audience base, of some 86.4 million in 2003, declining to 80.1 million in 2007. Certainly, there is some double counting among all of these measures, as audience members for one genre may well be devotees of others as well—and may also attend popular music concerts and visit museums. However, the trend of continuing decline is a cause for attention and concern.



	1998-2002	2003	2004	2005	2006	2007	2008
Dance performance attendance in 81 metro markets (estimated)		15,796,500	15,153,420	15,258,275	14,802,928	15,114,212	14,879,670
Theater attendance in 81 metro markets (estimated)		50,058,640	50,291,790	49,153,726	48,336,921	48,099,050	47,306,930
Symphony concert, opera, etc. attendance in 81 metro markets (estimated)		20,521,290	20,151,015	20,063,287	19,140,215	16,920,476	14,491,862
Total performing arts attendance in 81 metro markets (estimated)		86,376,430	85,596,225	84,475,288	82,280,064	80,133,738	76,678,462
Indexed to 2003 = 1.00	N/D	1.00	0.99	0.98	0.95	0.93	0.89

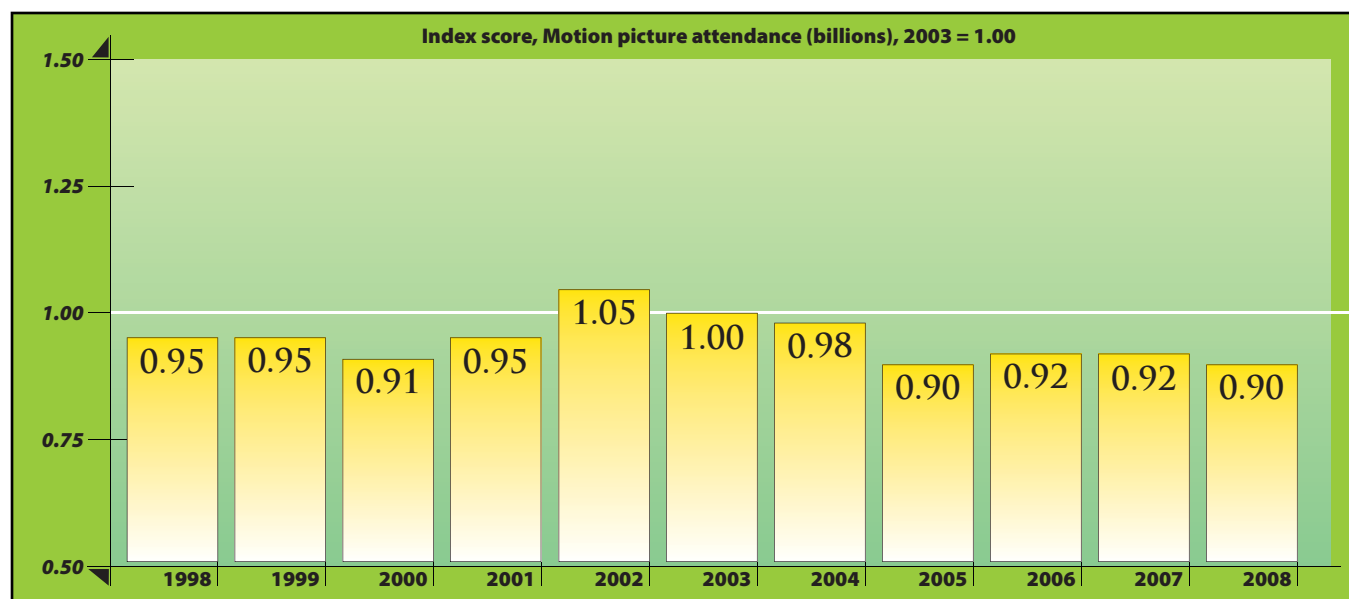
Source: Scarborough Research, Inc.

Related Indicator(s): 41-43, 48-50, 67- 69, 71-73

45. Motion Picture Attendance

Attendance at feature films is one of the most popular and widespread forms of participation in the arts. Hundreds of millions of people attend showings of hundreds of films, presented in tens of thousands of movie theatres around the country. While digital video over the Internet continues to grow in popularity and grow in its impact on how feature films are delivered, cinema showings continue to attract the largest audiences of the activities tracked in this Index.

This indicator measures total attendance at movies according to the Motion Picture Association of America (MPAA) data in the U.S. and Canada. MPAA, like some other trade associations, combines Canadian and U.S. data in its annual tallies. This is problematic in some ways because the data include some foreign activities. However, it is very likely that Canadian moviegoing is sufficiently close to American moviegoing that rates of change are very close in both countries. Total attendance peaked in 2002, declined until 2005, and then grew slightly through 2007 before falling in 2008.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Motion picture attendance (billions)	1.438	1.440	1.383	1.438	1.599	1.521	1.484	1.376	1.395	1.400	1.363
Indexed to 2003 = 1.00	0.95	0.95	0.91	0.95	1.05	1.00	0.98	0.90	0.92	0.92	0.90

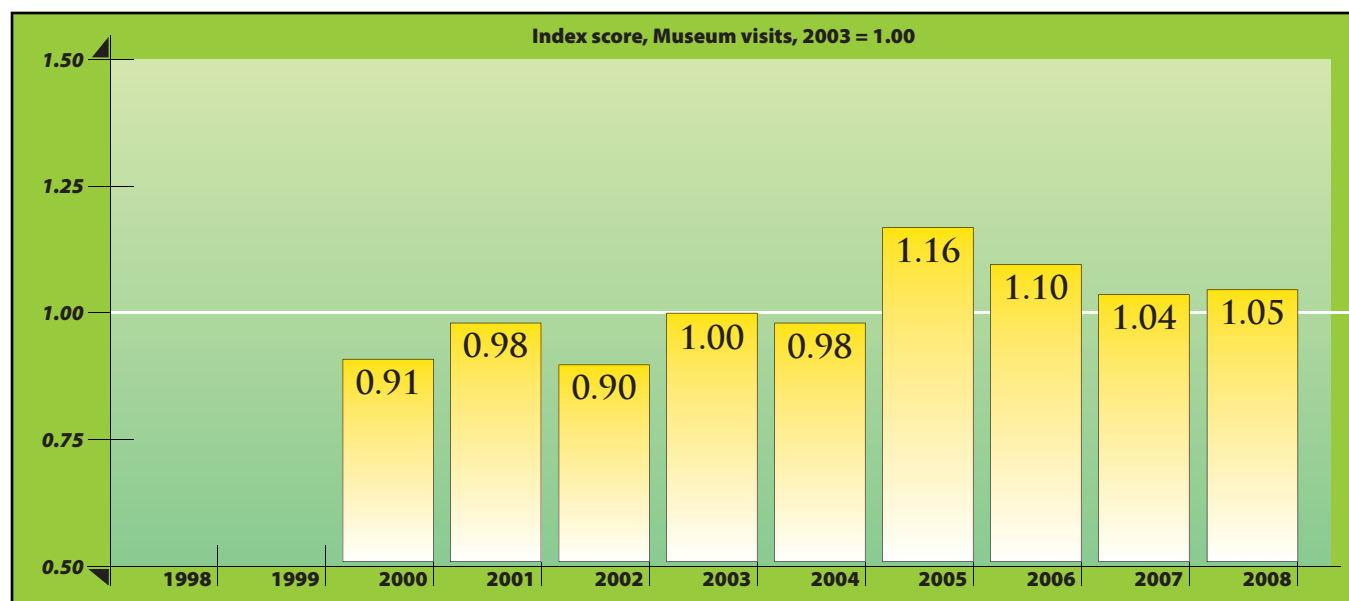
Source: Motion Picture Association of America, *MPAA Theatrical Statistics annual report*

Related Indicator(s): 23

46. Museum Visits

Museums are educational centers, repositories of cultural materials, and places of vision —often with singular architectural appearance, presence and location. These attributes make them destinations for visitors, whom they attract through permanent and special programs. Museum visits, with their opportunities for discovery and adventure, are cultural experiences that almost every American has had at least once; these visits are important for education in art, history, culture and the sciences. The American Association of Museums (AAM) gathers annual data from its members on operations, finances and attendance, receiving between 600 and 900 total responses per year, including 125 museums that have responded every year that the survey has been administered.

This indicator measures the annual visitor counts at the median museum in this group of 125. AAM membership is diverse, composed of large metropolitan art museums and specialized museums in smaller places and many other types. Nonetheless, the median attendance in that trend group tracks overall increases or decreases in attendance. While museum attendance declined since 2005, it is still higher than in the late 1990s.



	1998-1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Median attendance at museums		76,500	81,905	75,731	83,953	82,617	97,509	92,761	87,063	88,022
Indexed to 2003 = 1.00	N/D	0.91	0.98	0.90	1.00	0.98	1.16	1.10	1.04	1.05

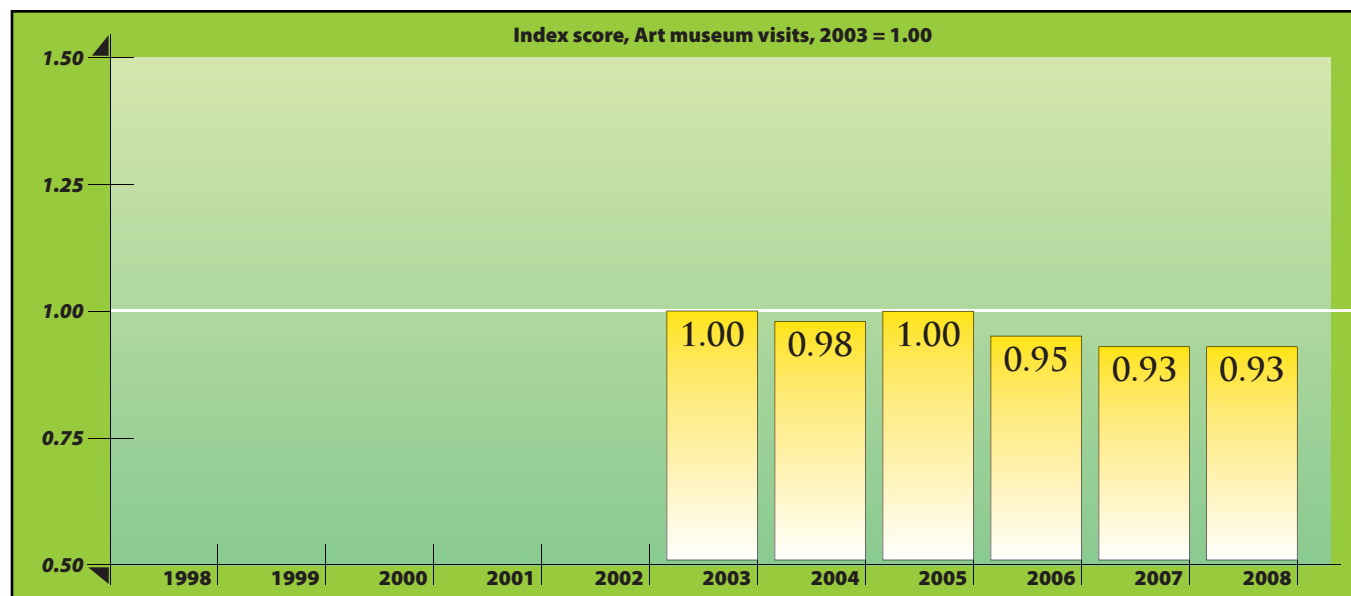
Source: American Association of Museums

Related Indicator(s): 47, 70

47. Art Museum Visits

While concert attendance events are widely distributed and are accessible in both larger and smaller markets, art museums tend to be concentrated in metropolitan areas—including the 81 regions where Scarborough Research collects data. Art museums are only a subset of the whole museum field; art museum attendance is a subset of total museum attendance. Scarborough gathers data on art museum attendance, along with other data on attendance at performing arts and popular music events.

This indicator, provided by Scarborough, is an estimate of the number of people in its survey base who visited an art museum one or more times in the prior 12 months. Art museum attendance in metropolitan areas declined from about 33.0 million visitors to 30.9 million between 2003 and 2008.



	1998-2002	2003	2004	2005	2006	2007	2008
Art museum attendance in 81 metropolitan markets (estimated)		33,070,245	32,412,840	33,190,473	31,448,974	30,828,672	30,862,704
Indexed to 2003 = 1.00	N/D	1.00	0.98	1.00	0.95	0.93	0.93

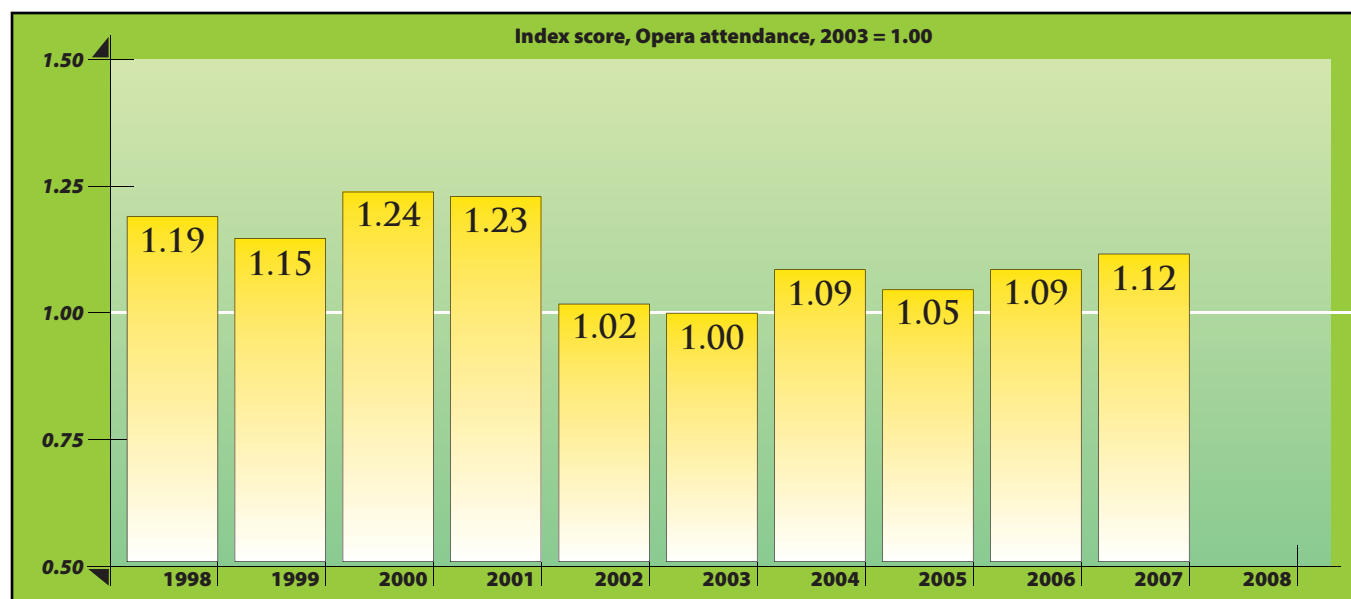
Source: Scarborough Research, Inc.

Related Indicator(s): 46, 70

48. Opera Attendance

Opera is one of the most comprehensive of live performance enterprises, encompassing visual, musical and dramatic elements in a complex performance. There are more than 100 professional opera companies in the U.S., collectively offering hundreds of productions and more than 2,000 performances each year. OPERA America, the national service organization for the opera field, conducts an annual Professional Opera Survey. Opera companies responding to this survey conduct more than 90 percent of professional opera activity in the U.S.

This indicator measures total attendance at mainstage season performances by reporting opera companies. From 1998 through 2007, this ranged between 3.1 million and 3.9 million, with a peak last reached in 2000. Like symphony, theatre and other art forms, much opera activity is offered outside of the concert hall, reaching community audiences in other educational and community settings. Systematic counts of those audiences, however, are not available.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Attendance at professional opera main stage performances (000)	3,742	3,624	3,887	3,872	3,211	3,142	3,436	3,309	3,411	3,518	
Indexed to 2003 = 1.00	1.19	1.15	1.24	1.23	1.02	1.00	1.09	1.05	1.09	1.12	N/D

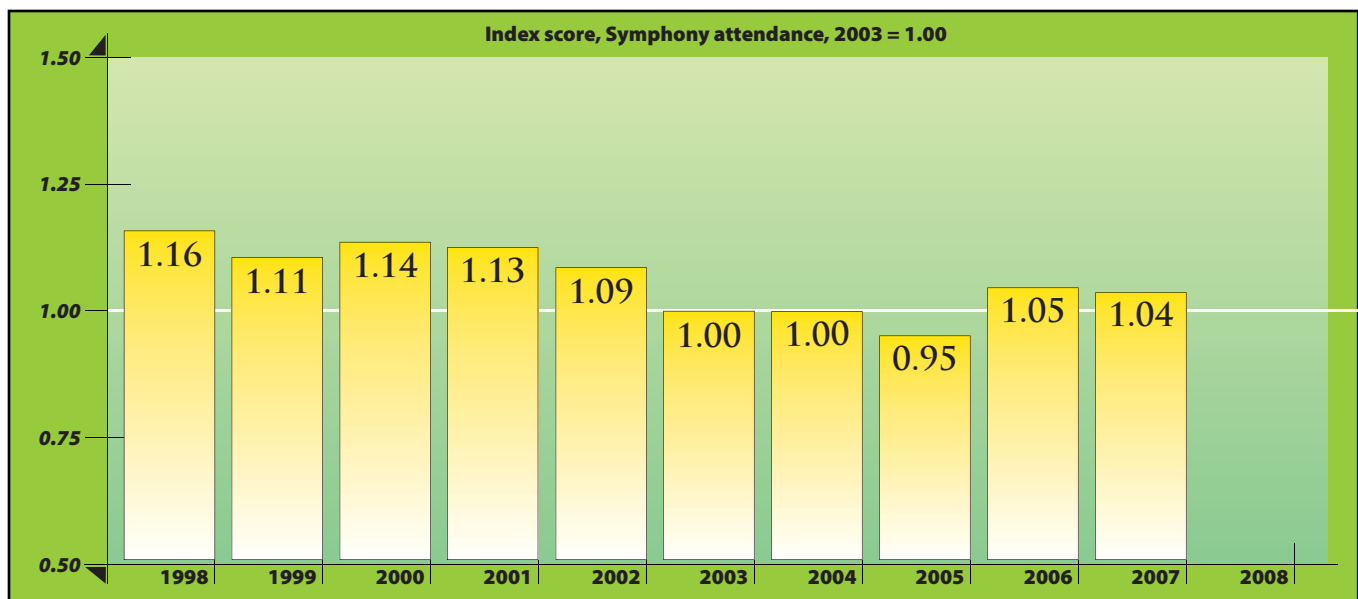
Source: Opera America

Related Indicator(s): 41—44, 49, 50, 67—69, 71—73

49. Symphony Attendance

Symphony as both an art form in the concert hall, and as an institutional presence in American communities, is one of the mainstays of the lively arts in the American cultural experience, a role it shares with opera, theatre and dance. With hundreds of symphony orchestras around the country, founded in every time period from the mid-19th century to the 1970s and even later, orchestral music is among the most accessible and widely available classical music types. Data on symphony orchestra attendance is gathered annually by the League of American Orchestras for publication in its Orchestral Survey Reports.

This indicator tracks total attendance at symphony concerts in the U.S. as estimated by the League. In addition to reporting data from responding orchestras, the League estimates attendance at all orchestra concerts by extrapolating from the population of symphony orchestras. This indicator reports those estimates.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total attendance at symphony performances (000)	32,162	30,796	31,667	31,533	30,305	27,802	27,683	26,471	29,070	29,016	
Indexed to 2003 = 1.00	1.16	1.11	1.14	1.13	1.09	1.00	1.00	0.95	1.05	1.04	N/D

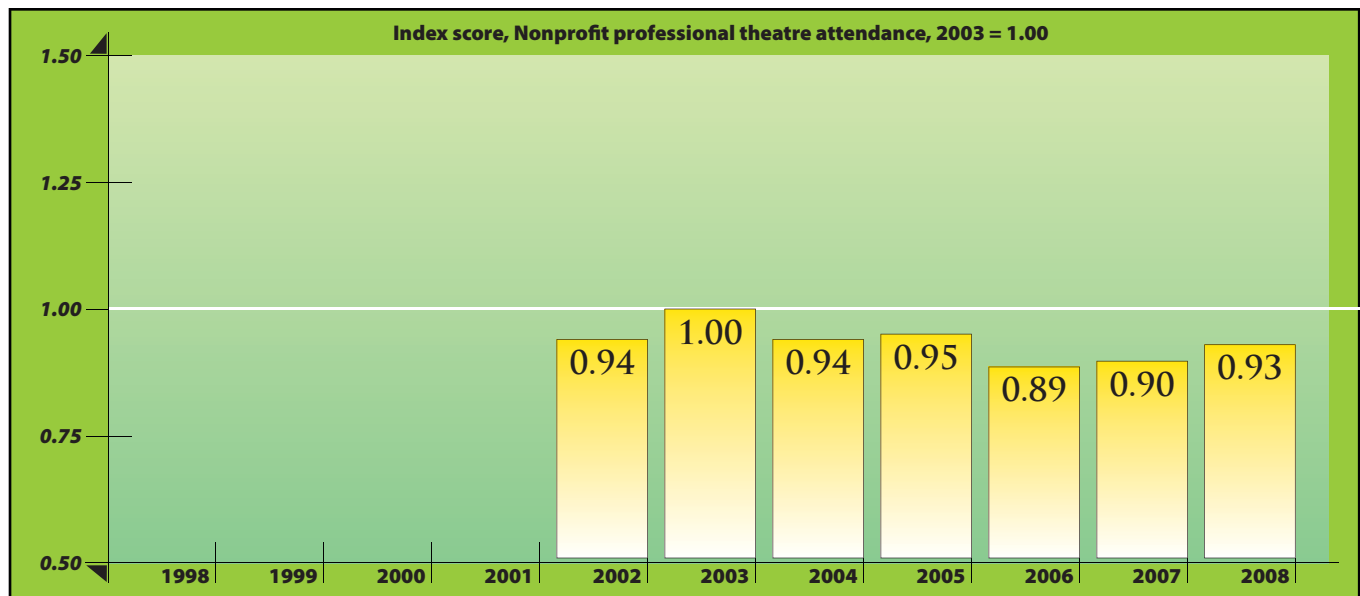
Source: League of American Orchestras

Related Indicator(s): 41—44, 48, 50, 67—69, 71—73

50. Nonprofit Professional Theatre Attendance

Live theatre is another core component of the performing arts that is deeply embedded in the American cultural experience. Theatre is presented in any number of venues, by nonprofit groups with volunteer or professional actors, in private and public schools at all levels, and by professional theatrical businesses, on Broadway and elsewhere.

This indicator measures total annual attendance at nonprofit professional theatres using data published annually by Theatre Communications Group (TCG) in its annual Theatre Facts report. TCG makes an annual estimate of attendance based on responses to its annual survey, and extrapolates that to attendance at all nonprofit professional theatres. Total attendance peaked in 2003 at more than 34 million, and was again climbing after 2005. Earlier years are not included because of a significant change in TCG's method of estimating total attendance prior to 2002.



	1998-2001	2002	2003	2004	2005	2006	2007	2008
Attendance at nonprofit professional theatre)		32,200	34,300	32,100	32,500	30,500	31,000	32,000
Indexed to 2003 = 1.00	N/D	0.94	1.00	0.94	0.95	0.89	0.90	0.93

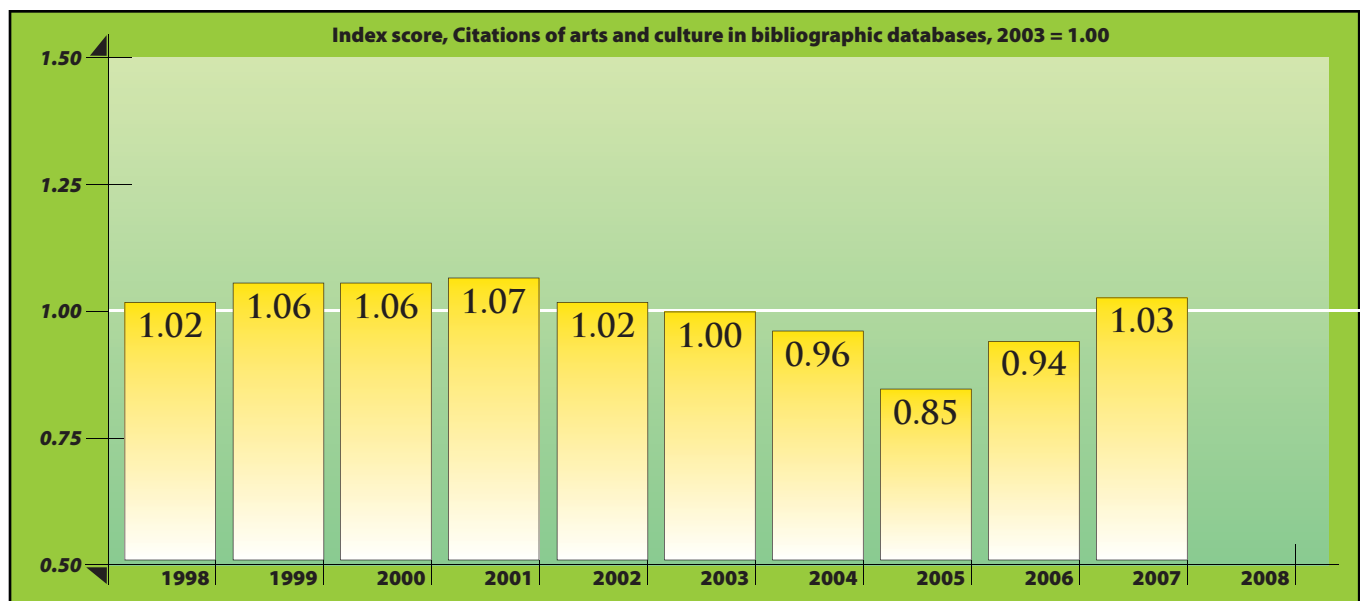
Source: Theatre Communications Group, *Theatre Facts annual reports*

Related Indicator(s): 41—44, 48, 49, 67—69, 71—73

51. Citations of Arts and Culture in Bibliographic Databases

Arts and culture activities in all domains are the subject of communication in conversation, correspondence, and writing. Much —probably most— of the interaction between people about the arts goes on away from the public view or is only disseminated via the Internet. However, many documents that are more formally published refer to arts and culture. In particular, we can measure what people write and publish about the arts in bibliographic databases of published work in newspapers, magazines and academic journals.

This indicator shows how commonly some arts-related search terms are used as keywords in some well-known bibliographic research databases. The terms are: "Musician," "Artist," "Playwright," "Dancer," "Arts and Culture," "Creativity," "Aesthetic," "Arts Education," "Opera," "Fine Arts," "Theatre and Symphony. The databases were Ebsco Academic Search Premier, Proquest Classic Research Library, Proquest Dissertation, and WilsonWeb OmniFile, all of which are commonly used for scholarly research —but also for locating articles in magazines and newspapers with general circulation. The total of arts entries was compared to all entries in the databases. The arts terms were in about 224,000 entries dated 1998, increasing to 477,000 by 2007, while total entries grew from about 2.3 million to about 6.2 million. So, the arts-related items appear in between 7.2 percent and 8.0 percent of entries over those years. What these sources do not include is material that is first published on the Web.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total articles	2,943,726	2,978,311	2,983,814	2,970,350	3,427,276	3,749,084	4,381,915	5,394,257	6,184,418	6,215,636	
Total arts articles	223,729	235,877	236,252	237,998	260,078	279,779	313,409	342,786	432,409	476,535	
Arts article share of total	7.6%	7.9%	7.9%	8.0%	7.6%	7.5%	7.2%	6.4%	7.0%	7.7%	
Indexed to 2003 = 1.00	1.02	1.06	1.06	1.07	1.02	1.00	0.96	0.85	0.94	1.03	N/D

Sources: Selected Proquest, Gale, Ebsco and Wilson databases

Related Indicator(s): 5

Chapter 6. Arts Competitiveness Indicators

There are 25 indicators of arts participation, mainly showing arts and culture activity in the marketplace. They measure the activity and experience in the arts in the form of personal engagement; being a part of audiences for public broadcasting, museums, and live performances; and spending on cultural experiences and products. Like some of the Financial Flows indicators, the indicators in this section offer visible and easily recognized measures of the arts as they answer the questions, "how much art is being produced," and "how many people are consuming the arts?" Here, however, they are tracked mainly in terms of numbers of people.

The next two tables show the indicators used in the Arts Participation component, and the number of indicators that make up the overall Arts Participation score in each year. Those scores are shown in Figure P, below.

Table 8. Competitiveness Indicators

52.	Population share engaged in personal creativity experiences
53.	Arts and culture share of private giving
54.	Arts and culture share of personal expenditures
55.	Visual and performing arts share of all college degrees
56.	Share of employees in arts and culture industries
57.	Share of workers in arts and culture occupations
58.	Share of payroll in arts and culture industries
59.	Share of SAT test takers with four years of art or music
60.	Share of establishments in arts and culture industries
61.	Arts and culture share of foundation funding
62.	Arts and culture share of corporate funding
63.	Federal arts and culture funding per capita
64.	Arts and culture share of federal domestic discretionary spending
65.	State arts agency funding per capita
66.	State arts agency share of state general fund expenditures
67.	Population share attending Broadway shows in New York or on tour
68.	Population share attending live popular music
69.	Population share attending symphony, dance, opera or theatre
70.	Population share visiting art museum
71.	Population share attending opera
72.	Population share attending symphony orchestra concerts
73.	Population share attending nonprofit professional theatre
74.	Arts, culture, and humanities in the Philanthropic Giving Index
75.	Financial performance of arts and culture businesses
76.	Share of nonprofit arts organizations with end-of-year surplus

Table 9. Competitiveness Indicators Per Year

1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
16	17	17	18	22	25	25	25	25	25

Averaged across all available data, they produce the following ten-year trend:

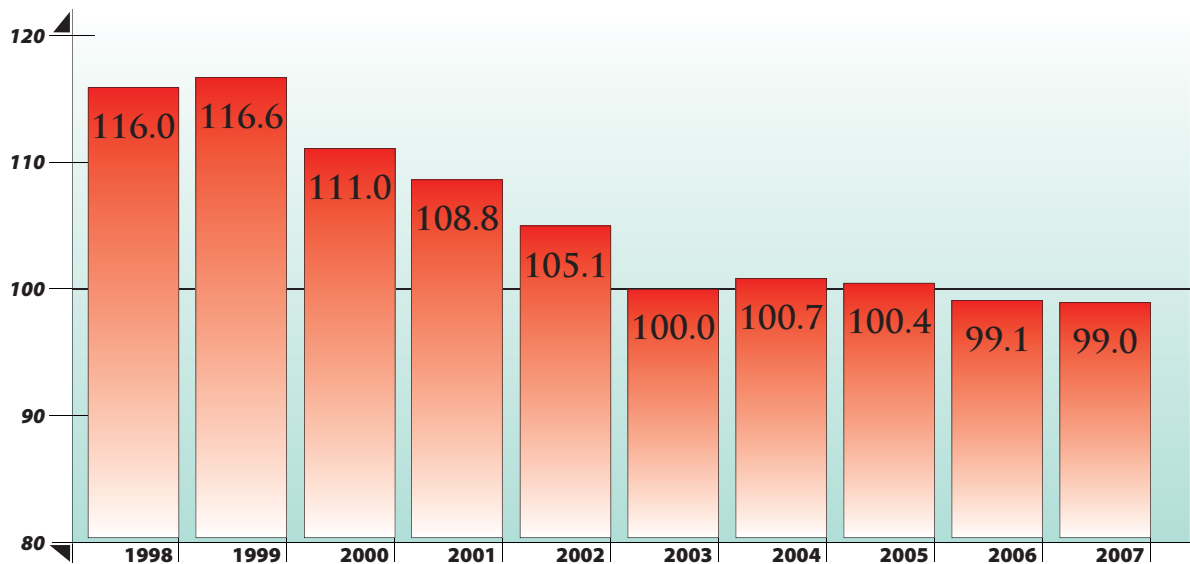


Figure P. National Arts Index Competitiveness Indicators (2003 = 100.0)

The term “competitiveness” is not often applied to the arts. Yet a number of these indicators assess the position of the arts in their various markets against other possible uses of audience members’ time, donors’ contributions, and institutional funding. The logic is similar to what companies use when assessing their market share: it shows how an organization is faring when taking into account all of the other providers of its goods and services, as well as overall growth (or shrinkage) of the marketplace. Similarly, the percentage of the overall population engaging in one or more arts activities points to how the arts are competing against all of the other ways that consumers can spend their time and money. Some of the Capacity indicators measure changes in the number of workers in artistic industries or artistic occupations; in the Competitiveness component, the focus is on the artistic share of total workers or total industries, because these are also changing all the time. For example, a one percent annual increase in attendance for a given art form is a positive, but it has less of an impact if the population has grown more than one percent.

Other measures in this component relate to arts education, including the prior arts education of college-bound seniors, and the visual and performing arts share of higher education degrees. There are views of the role of government funding derived by looking at the per capita funding of the arts provided by the federal and state governments, and at the share of discretionary spending that Congress and the state legislatures commit to the arts. Where indicators describing corporate and financial philanthropy in the Financial Flows section were measured in dollars, those same dollars here are used to evaluate the share of total corporate and foundation dollars.

The overall trend in these Competitiveness indicators is even less encouraging than the trend for Arts Participation indicators. To the extent that the arts are viewed as co-existing in ecology with other powerful forces in society, its impact will necessarily be affected by those other forces. The other forces—population growth and diversity, multiple public policy changes, the global environment, changes in peoples’ access to and use of technology—are not our main subject in this report, but their general effects, and especially the way in which they contend with arts for resources and attention, are vital matters for this study.

Overall, we see the cumulative evidence of indicators in this component as showing that the arts are becoming less competitive and that this decline threatens the vitality of the arts, just as increased participation fuels its future.

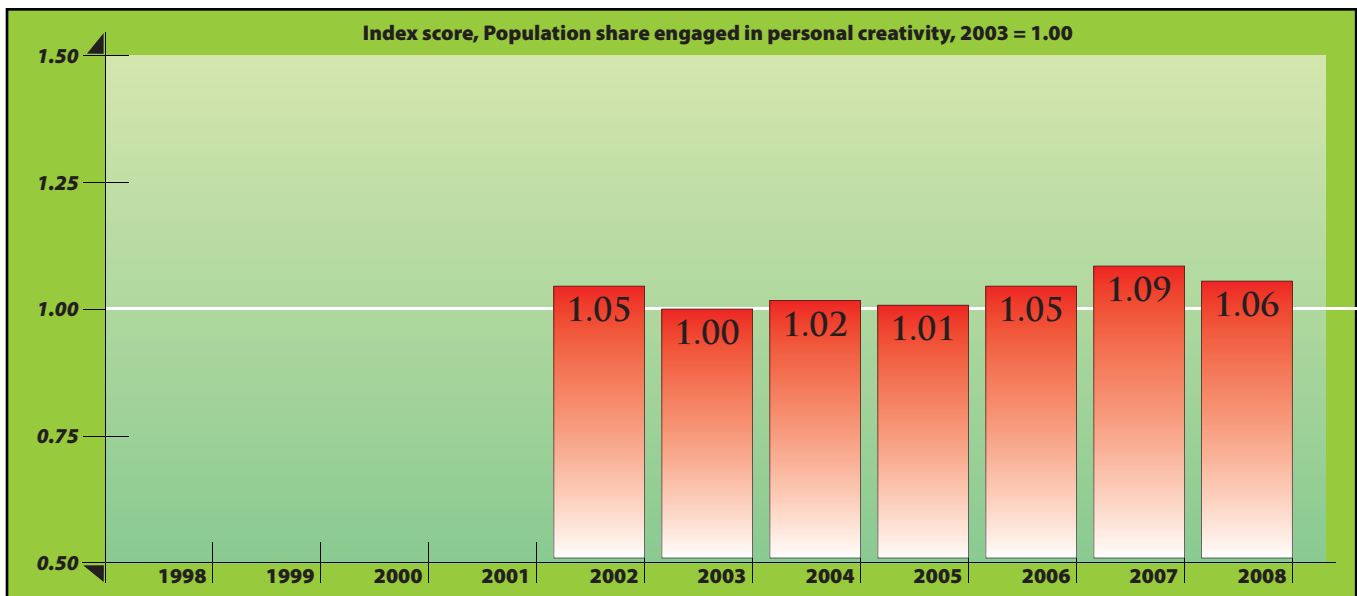
The individual indicators described in the following 25 pages provide additional detail on the competitiveness of arts and culture from 1998 to 2007.

The initial estimate of the Competitiveness component score for 2008, using 15 indicators, is 95.8. This continues the steep slide in competitiveness that began in 2000 and continued through the decade, with only a brief pause in 2004.

52. Population Share Engaged in Personal Creativity

People who engage directly in personal creativity do so in addition to (or even in place of) other choices that they make for spending leisure time. As with many other variables, we calculate the share of the population that is engaged in personal creativity.

This indicator is created by taking the total of individuals involved in specific creative activities —as reported in Mediamark data in the Statistical Abstract of the United States— and dividing that count of individuals by total U.S. population in that year. The maximum rate of participation in these specific activities ranged over five years, from 19.3 percent to 20.1 percent of the population. This is a maximum because the numbers used to calculate the index score assume that the individuals participating in each of these are all different people, even though some engage in multiple kinds of creativity. This maximum is a total of 54 million through 61 million people. After increasing 2005 through 2007, the share declined by 0.6 percentage points in 2008.



	1998-2001	2002	2003	2004	2005	2006	2007	2008
Total participation in music making, painting, drawing, and/or photography (000)		55,862	53,711	55,345	55,034	57,712	60,594	59,396
Total U.S. population (000)		287,727	290,211	292,892	295,561	298,363	301,290	304,060
Share of population engaged in selected activities		19.4%	18.5%	18.9%	18.6%	19.3%	20.1%	19.5%
Indexed to 2003 = 1.00	N/D	1.05	1.00	1.02	1.01	1.05	1.09	1.06

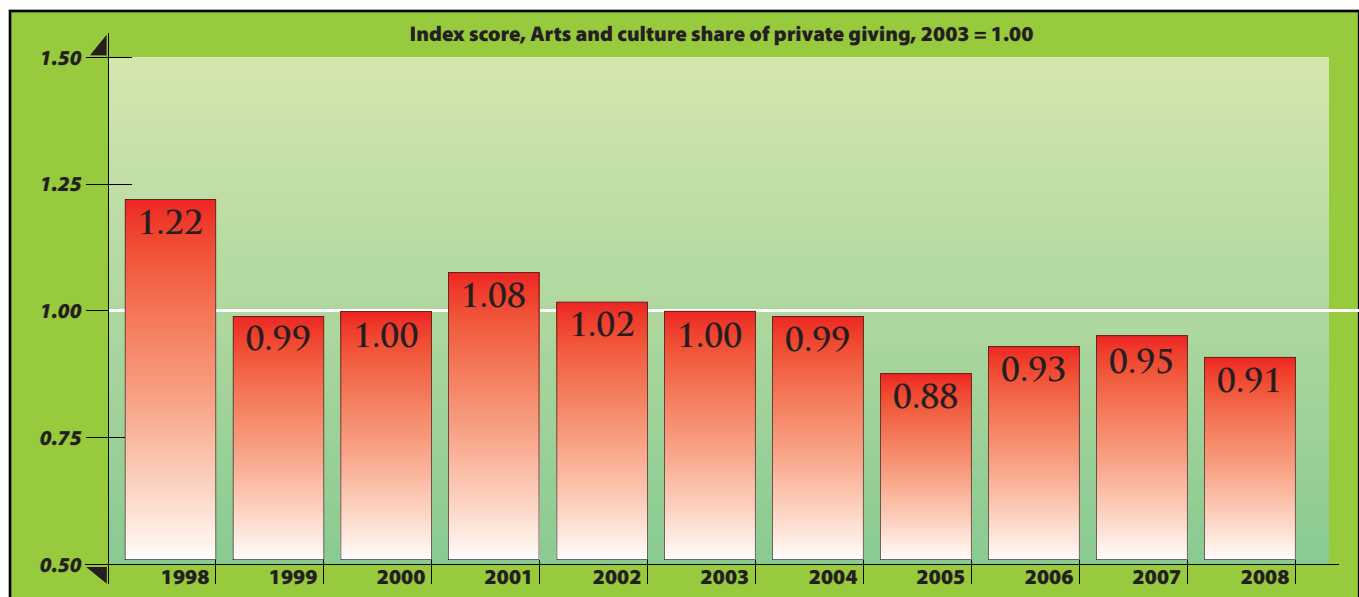
Source: Bureau of the Census, *Statistical Abstract of the United States*

Related Indicator(s): 30, 32, 54

53. Arts and Culture Share of Private Giving

Nonprofit arts organizations seeking philanthropic support have to compete with the many other nonprofit industries that depend on private giving. Arts and culture are only one of several targets for individuals, corporations and foundations when they spend money to support charitable action. The question of interest is, how well do arts and culture do in this competition?

This indicator measures the share of total private philanthropy given to arts and culture organizations. This share averaged 4.6 percent over the whole 11-year span, but only 4.3 percent since 2003. While total private giving (in current dollars) increased every year, support of the arts went up and down over the years. The cumulative effect is that the “market share” of arts and culture in the overall philanthropy market in this decade has generally declined, especially when compared to the late 1990s.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total private giving (\$B)	176.80	202.74	229.71	231.08	232.54	236.28	259.02	283.05	295.02	306.39	307.65
Private arts and culture giving (\$B)	9.87	9.24	10.48	11.41	10.83	10.83	11.78	11.38	12.51	13.67	12.79
Arts and culture share of private giving	5.6%	4.6%	4.6%	4.9%	4.7%	4.6%	4.5%	4.0%	4.2%	4.5%	4.2%
Indexed to 2003 = 1.00	1.22	0.99	1.00	1.08	1.02	1.00	0.99	0.88	0.93	0.95	0.91

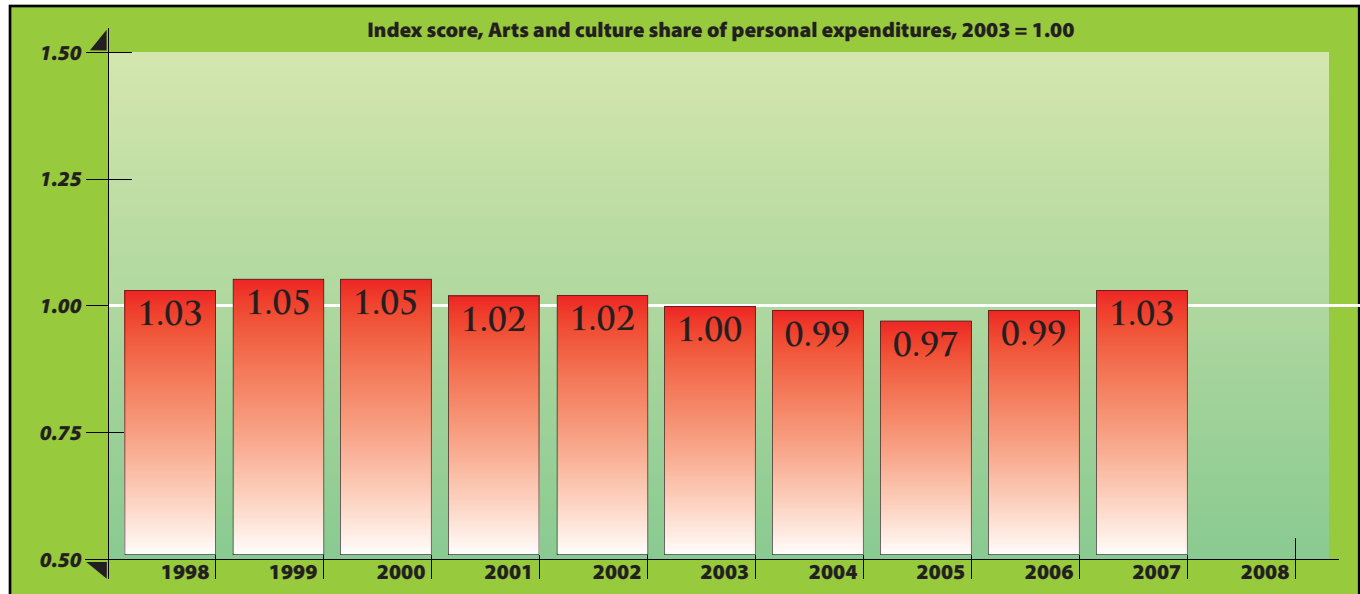
Source: *Giving USA*

Related Indicator(s): 9—12, 26, 27, 61—62, 74

54. Arts and Culture Share of Personal Expenditures

In the U.S. economy, personal and household consumer spending represents about two-thirds of total activity, a proportion that has stood up well over time. However, the actual composition of consumer spending within that aggregate can and does change. For this reason, it is important to track how discretionary consumer spending on arts and culture changes as a component of overall consumption.

This indicator measures the total of those expenditures as a share of total personal consumption expenditures, using the National Income and Product Accounts available from the Bureau of Economic Analysis. Total personal consumption spending increased (in current dollars) from \$5.9 trillion to \$9.2 trillion between 1998 and 2007. During the same time period, arts and culture consumption grew from \$108 billion to \$169 billion, staying close to 1.8 percent of total consumer expenditure. This rose somewhat in the 2006 and 2007 to almost the same level as in the late 1990s.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
All personal consumption expenditures (\$B)	5,879.5	6,282.5	6,739.4	7,055.0	7,350.7	7,703.6	8,195.9	8,742.5	9,207.2	9,207.2	
Books and maps (\$B)	28.8	31.5	33.7	34.6	37.1	38.7	40.4	41.8	44.0	46.3	
Video and audio goods, including musical instruments (\$B)	62.7	67.8	72.8	73.6	75.4	76.5	81.7	86.8	95.0	97.5	
Motion picture theaters (\$B)	7.2	7.9	8.6	9.0	9.6	9.9	9.9	9.1	9.4	9.7	
Legitimate theaters and opera, and entertainments of nonprofit institutions (\$B)	9.2	9.9	10.3	10.9	11.7	11.9	12.5	13.2	14.3	15.5	
Total of selected products (\$B)	107.9	117.1	125.4	128.1	133.8	137.0	144.5	150.9	162.7	169.0	
Selected products share of total	1.84%	1.86%	1.86%	1.82%	1.82%	1.78%	1.76%	1.73%	1.77%	1.84%	
Indexed to 2003 = 1.00	1.03	1.05	1.05	1.02	1.02	1.00	0.99	0.97	0.99	1.03	N/D

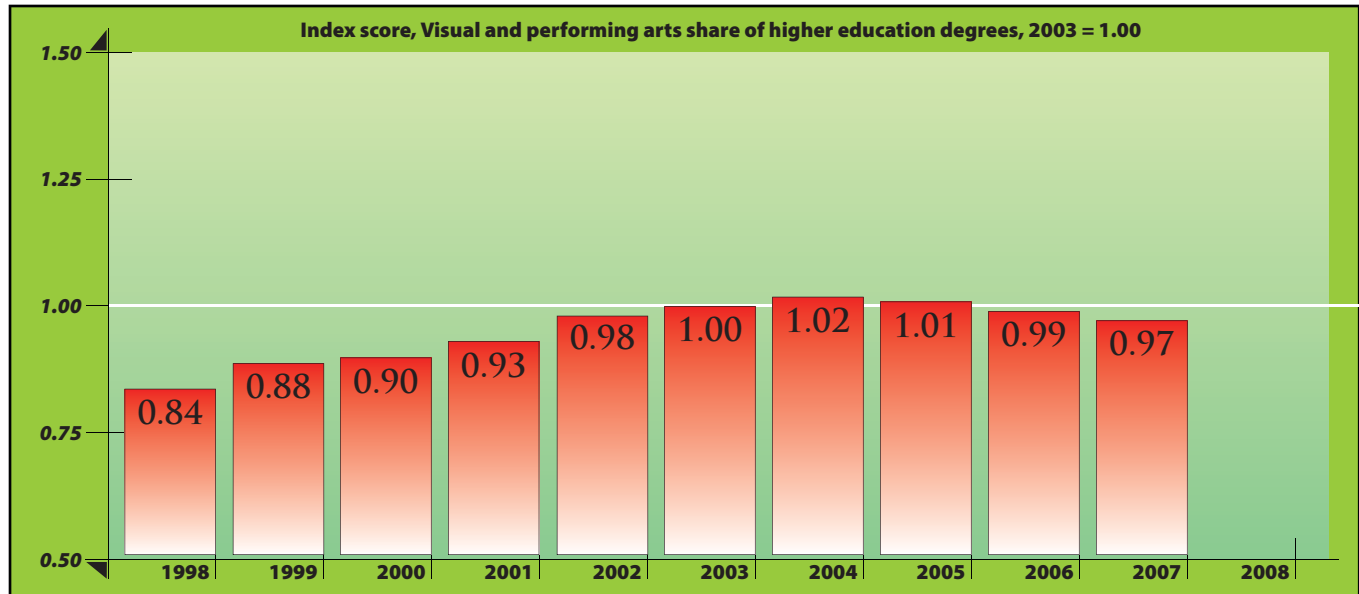
Source: Bureau of Economic Analysis, *National Income and Products Accounts*

Related Indicator(s): 30, 32

55. Visual and Performing Arts Share of Higher Education Degrees

In total, more than 25 million degrees—from associate to doctoral level—were conferred between 1998 and 2007. Students pick their major from a range of subjects. Successive cohorts of college students have evolving interests, resulting in shifts in which majors end up being more or less popular to students as time goes on.

This indicator measures the share of those degrees that were in visual and performing arts. This indicator uses data from the National Center for Education Statistics in the U.S. Department of Education. Starting at 3.6 percent in 1998, the share of visual and performing arts degrees among all degrees peaked at 4.3 percent in 2004—capping several years of steady increase. Even though the total number of arts degrees continued to rise, its growth was not as high as the growth in the number of total degrees.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Visual and performing arts (VPA) associate degree	14,980	17,640	17,100	18,435	20,911	23,120	23,949	22,650	21,754	20,244	
All associate degrees	558,555	559,954	564,933	578,865	595,133	634,016	665,301	696,660	713,066	728,114	
VPA bachelors degree	52,077	54,404	58,791	61,148	66,773	71,474	77,181	80,955	83,297	85,186	
All bachelors degrees (000)	1,184.4	1,200.3	1,237.9	1,244.2	1,291.9	1,348.5	1,399.5	1,439.3	1,485.2	1,524.1	
VPA masters degree	11,145	10,753	10,918	11,404	11,595	11,986	12,906	13,183	13,530	13,676	
All masters degrees	430,164	439,986	457,056	468,476	482,118	512,645	558,940	574,618	594,065	604,607	
VPA doctoral degree	1,163	1,130	1,127	1,167	1,114	1,293	1,282	1,278	1,383	1,364	
All doctoral degrees	46,010	44,077	44,808	44,904	44,160	46,024	48,378	52,631	56,067	60,616	
All VPA degrees	79,365	83,927	87,936	92,154	100,393	107,873	115,318	118,066	119,964	120,470	
All degrees (000)	2,219.1	2,244.3	2,304.6	2,336.4	2,413.3	2,541.2	2,672.2	2,763.2	2,848.4	2,917.4	
Associate VPA share of total	2.68%	3.15%	3.03%	3.18%	3.51%	3.65%	3.60%	3.25%	3.05%	2.78%	
Bachelors VPA share of total	4.40%	4.53%	4.75%	4.91%	5.17%	5.30%	5.51%	5.62%	5.61%	5.59%	
Masters VPA share of total	2.59%	2.44%	2.39%	2.43%	2.41%	2.34%	2.31%	2.29%	2.28%	2.26%	
Doctoral VPA share of total	2.53%	2.56%	2.52%	2.60%	2.52%	2.81%	2.65%	2.43%	2.47%	2.25%	
Total VPA share of total	3.58%	3.74%	3.82%	3.94%	4.16%	4.24%	4.32%	4.27%	4.21%	4.13%	
Indexed to 2003 = 1.00	0.84	0.88	0.90	0.93	0.98	1.00	1.02	1.01	0.99	0.97	N/D

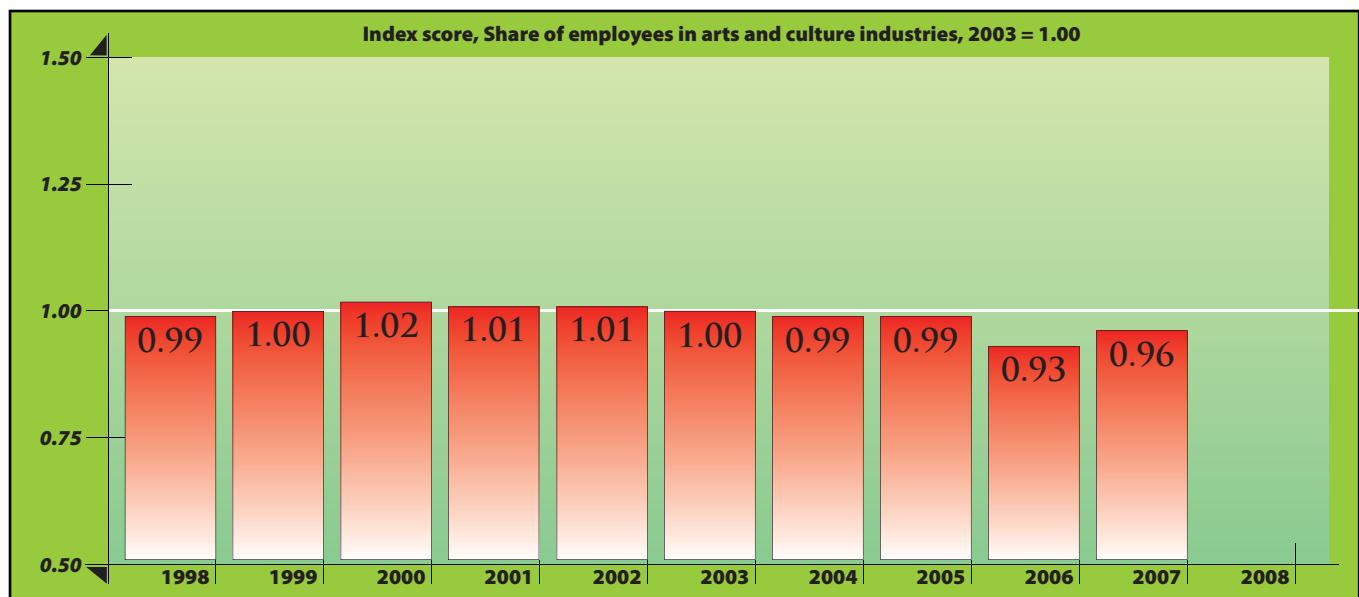
Source: National Center for Education Statistics, Department of Education, *Digest of Education Statistics*

Related Indicator(s): 36, 37

56. Share of Employees in Arts and Culture Industries

In a dynamic economy, the total number of workers changes as people enter and exit the labor force. The long-running (multi-decade) trend is an expansion of the labor force as the population grows, though the rate of growth is inconsistent and even becomes negative in times of poor economic performance. As the labor force grows and contracts, some industries will tend to have larger shares of all employees, while others will see their share of the workforce decline.

This indicator measures the employees in arts and culture industries as a share of total employees in all industries, using the 43 NAICS code industries listed in Appendix A. This indicator has remained between 1.7 percent and 1.8 percent of total employees, though it has declined since 2000.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Employees in all industries (000)	108,118	110,706	114,065	115,061	112,401	113,398	115,075	116,317	119,917	120,604	
Employees in selected arts and culture-related industries (000)	1,942.8	2,008.8	2,100.2	2,108.9	2,055.0	2,051.8	2,053.0	2,084.0	2,026.0	2,103.3	
Share of arts and culture-related employees	1.80%	1.81%	1.84%	1.83%	1.83%	1.81%	1.78%	1.79%	1.69%	1.74%	
Indexed to 2003 = 1.00	0.99	1.00	1.02	1.01	1.01	1.00	0.99	0.99	0.93	0.96	N/D

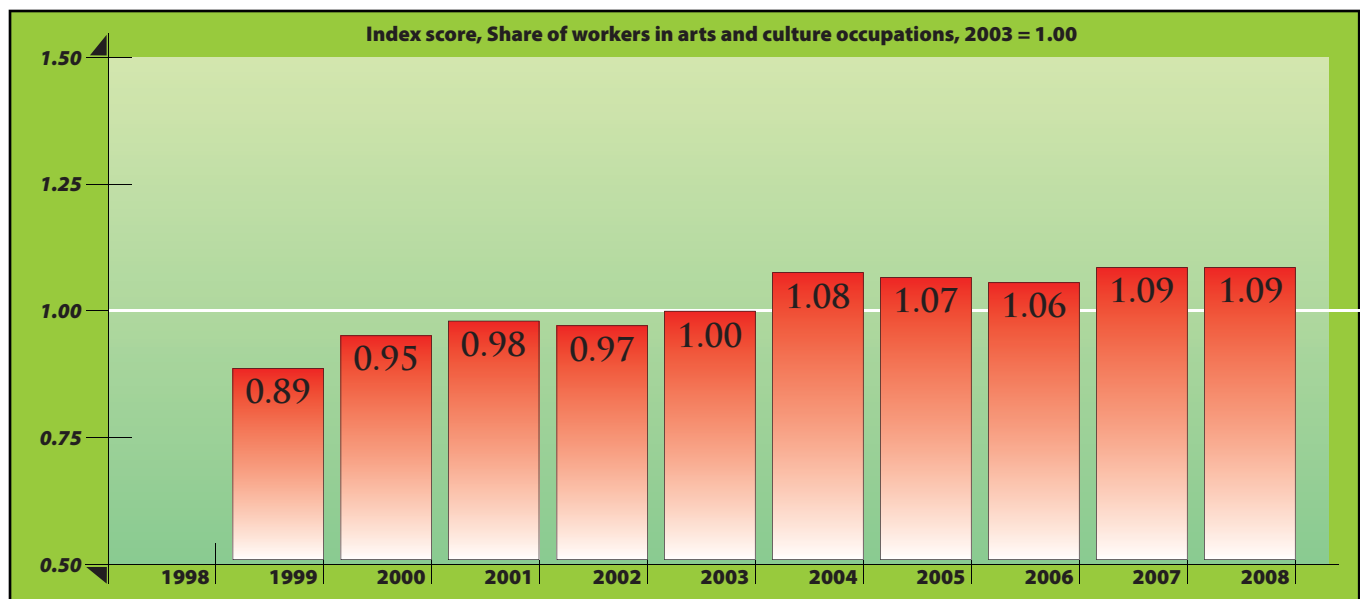
Source: Bureau of the Census, *County Business Patterns*

Related Indicator(s): 17, 18, 57

57. Share of Workers in Arts and Culture Occupations

The increase in the number of workers in artistic occupations can be evaluated against changes in the total number of workers in all occupations over the same time period in order to determine the proportion of all workers who are in artistic occupations. The same Bureau of Labor and Statistics (BLS) data that describe occupations of workers can be used to make this comparison.

This indicator measures the share of workers in all 450 occupations classified in the Standard Occupational Code system that have arts and culture occupations (see Appendix B). These workers have an increasing share of total work, with their share increasing 23 percent between 1999 and 2008. This occurred because the total number of workers in all occupations increased by four percent, while the total number of workers in arts and culture occupations grew by 28 percent. A change in measurement systems to identify occupations more precisely accounts for part of the increased number of workers in arts and culture occupations after 2003.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Workers in all occupations (000)		129,739	127,274	127,980	127,524	127,568	128,127	130,308	132,605	134,354	135,185
Workers in 46 arts and culture occupations (000)		1,298	1,356	1,407	1,401	1,438	1,564	1,566	1,591	1,652	1,661
Share of workers in arts and culture occupations		1.00%	1.07%	1.10%	1.10%	1.13%	1.22%	1.20%	1.20%	1.23%	1.23%
Indexed to 2003 = 1.00	N/D	0.89	0.95	0.98	0.97	1.00	1.08	1.07	1.06	1.09	1.09

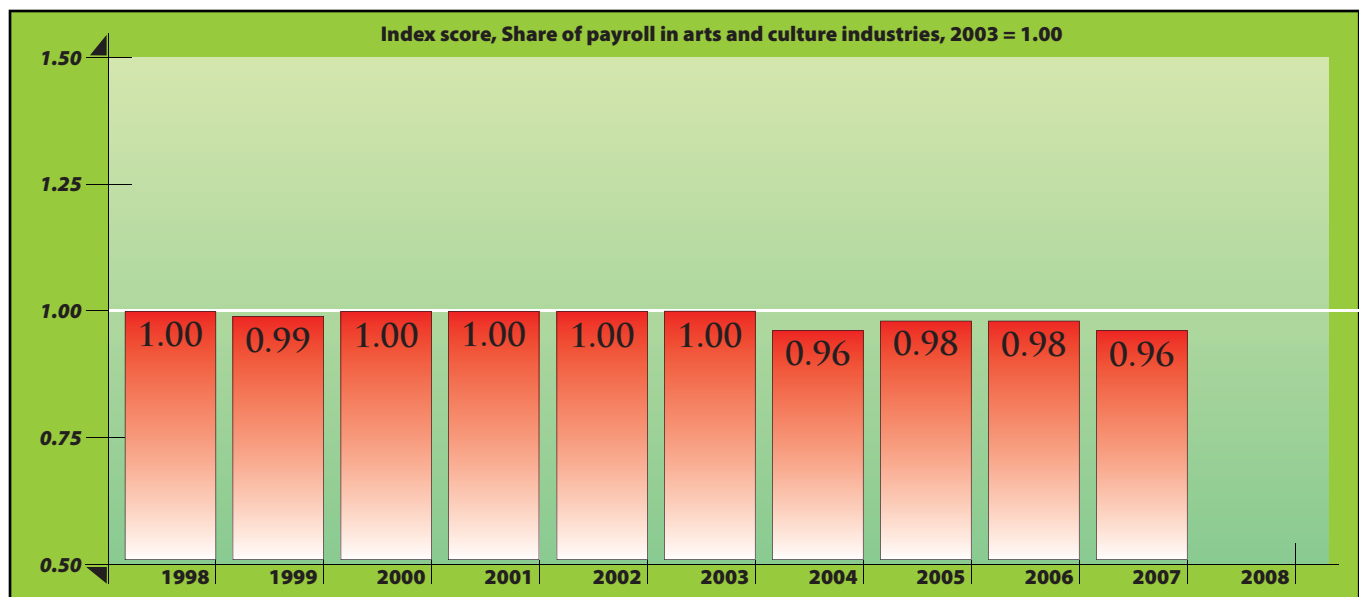
Source: Bureau of Labor Statistics, *Occupational Employment Statistics*

Related Indicator(s): 17-19, 56, 58

58. Share of Payroll in Arts and Culture Industries

Absolute payroll dollars give a sense of scale, but do not convey how much of all worker payroll is earned in arts and culture businesses and nonprofits. That can be evaluated by comparing to total payrolls for all industries.

This indicator measures the share of all payroll in the arts and culture industries, defined by the same set of 43 NAICS codes used to estimate numbers of employees and establishments shown in Appendix A. This represented close to 1.9 percent of payroll in all industries—a range that was fairly stable over the past decade, though lower in the last years of the series. The share of total payroll in arts and culture industries is larger than the share of total employees in those same industries, additional evidence that while competition for arts employment is fierce, workers in arts industries earn a premium over workers in all industries.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Payroll in all industries (\$M)	3,309.4	3,554.7	3,879.4	3,989.1	3,943.2	4,040.9	4,254.0	4,482.7	4,792.4	5,026.8	
Payroll in selected arts and culture industries (\$M)	64,180	68,528	75,815	77,866	76,583	78,722	79,481	85,167	91,574	94,302	
Arts and culture industries' share of payroll	1.94%	1.93%	1.95%	1.95%	1.94%	1.95%	1.87%	1.90%	1.91%	1.88%	
Indexed to 2003 = 1.00	1.00	0.99	1.00	1.00	1.00	1.00	0.96	0.98	0.98	0.96	N/D

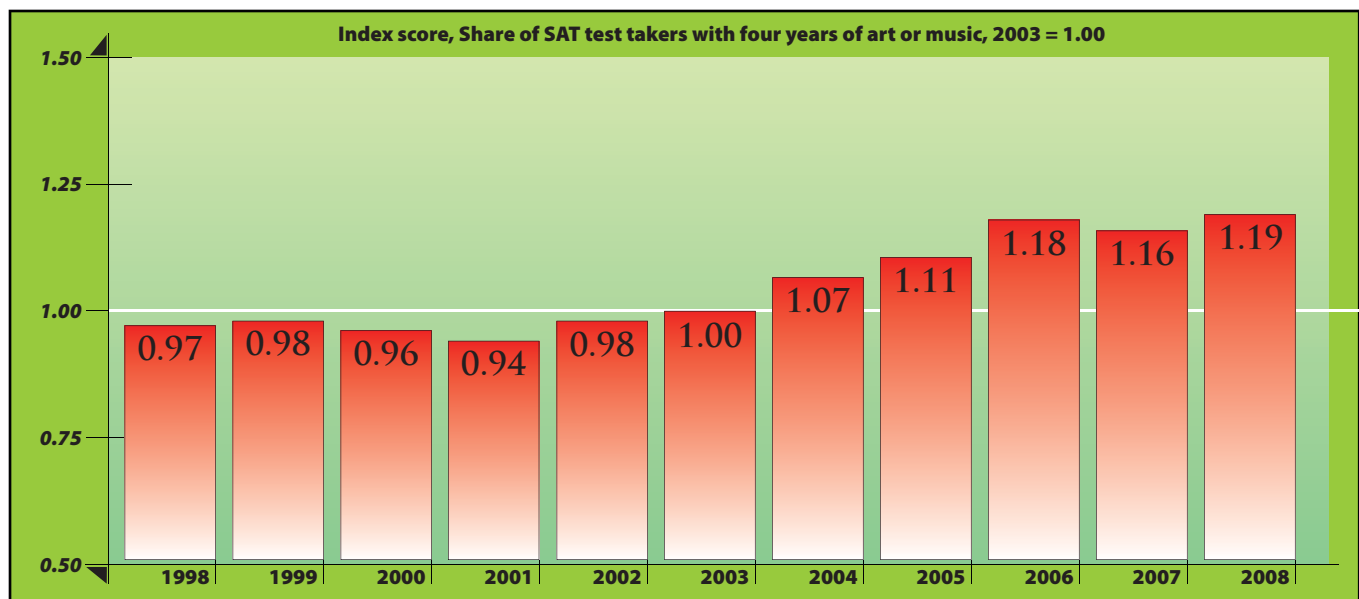
Source: Bureau of the Census, *County Business Patterns*

Related Indicator(s): 2, 3, 16—19, 56, 57

59. Share of SAT Test Takers with Four Years of Art or Music

It is widely reported that art and music instruction in public education are declining because of competitive pressures from other subjects and the difficulty of obtaining necessary resources. Some evidence of the impact of these declines comes from the curriculum experience of students, as shown in the courses that they have taken. For college-bound high school seniors, data on SAT I test takers in the College Board's annual "College-Bound Seniors" reports provide this information. The reports show that over the years, the average length of time that a college-bound senior student takes art and/or music is two years.

This indicator measures the number of SAT test takers with four years of art and music as a share of all test takers who provide data on their curriculum experience. Students with four years of art and/or music in high school made up a growing percentage of college-bound seniors, especially from 2001 to 2006. The data also show that the share taking three years rose from 10.8 percent to 12.3 percent from 1998 to 2007.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
All SAT 1 test takers (000)	1,172.8	1,220.1	1,260.3	1,365.9	1,425.9	1,504.8	1,519.9	1,576.0	1,465.7	1,494.5	1,518.9
Non-respondents to Student Descriptive Questionnaire	155.3	173.5	210.9	250.3	321.6	420.0	355.7	299.2	202.1	290.8	358.8
SAT 1 test takers with four years of art and/or music (000)	156.8	162.5	160.3	153.0	156.5	156.0	180.8	212.5	219.4	221.5	219.7
Share of responding SAT 1 test takers with four years of art and/or music	15.4%	15.5%	15.3%	14.9%	15.6%	15.9%	17.0%	17.7%	18.7%	18.4%	18.9%
Indexed to 2003 = 1.00	0.97	0.98	0.96	0.94	0.98	1.00	1.07	1.11	1.18	1.16	1.19

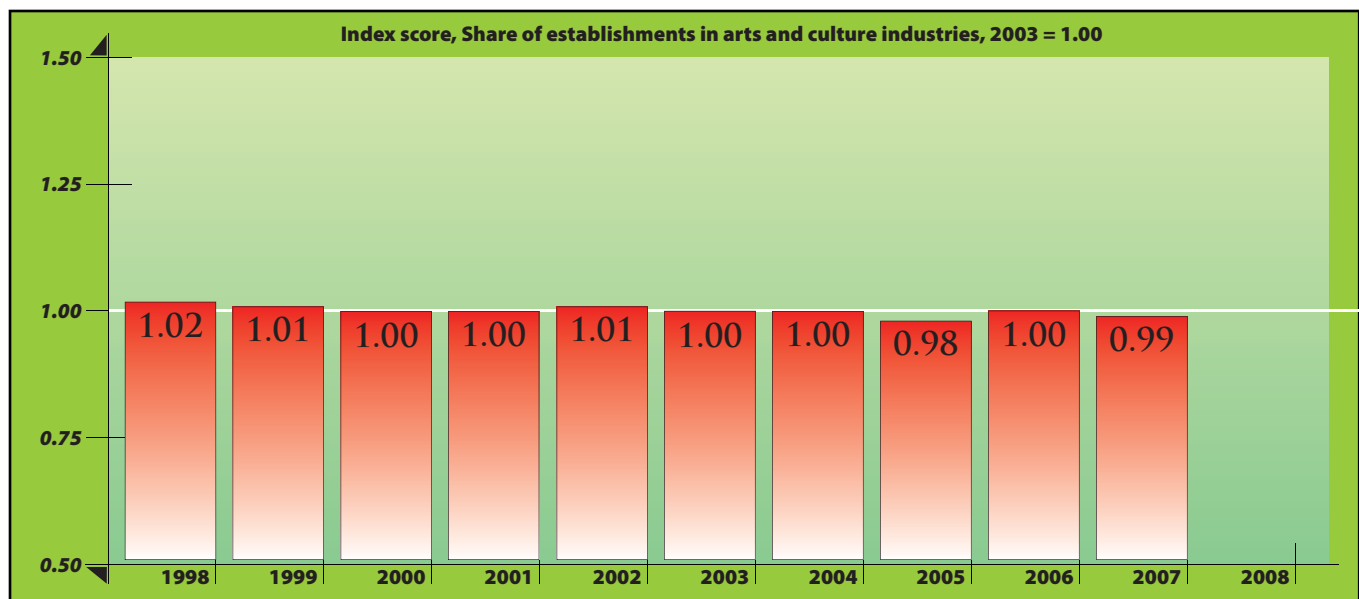
Source: The College Board, *College-Bound Seniors annual reports*

Related Indicator(s): 35—37

60. Share of Establishments in Arts and Culture Industries

In a dynamic economy that mostly grows and sometimes contracts, the number of firms in a particular industry will change. Economic circumstances may favor one kind of company over another. The increase in the total number of arts and culture establishments parallels similar change in the broader economy, as the total number of establishments grew in every industry.

This indicator measures the share of all establishments that are in arts and culture industries, i.e., in the industries defined by the NAICS codes listed in Appendix A. This stayed quite steady at about 3.0 percent of all establishments, which is higher than the share of total employees in the same industries (usually about 1.7 percent to 1.8 percent). This implies that the typical arts and culture firm has fewer employees than other businesses.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Establishments in all industries (000)	6,941.8	7,008.4	7,070.0	7,095.3	7,200.7	7,254.7	7,387.7	7,499.7	7,601.2	7,705.0	
Establishments in arts and culture industries	210,627	210,599	210,785	211,448	216,995	216,480	221,107	220,185	225,880	228,377	
Arts and culture share of establishments	3.03%	3.00%	2.98%	2.98%	3.01%	2.98%	2.99%	2.94%	2.97%	2.97%	
Indexed to 2003 = 1.00	1.02	1.01	1.00	1.00	1.01	1.00	1.00	0.98	1.00	0.99	N/D

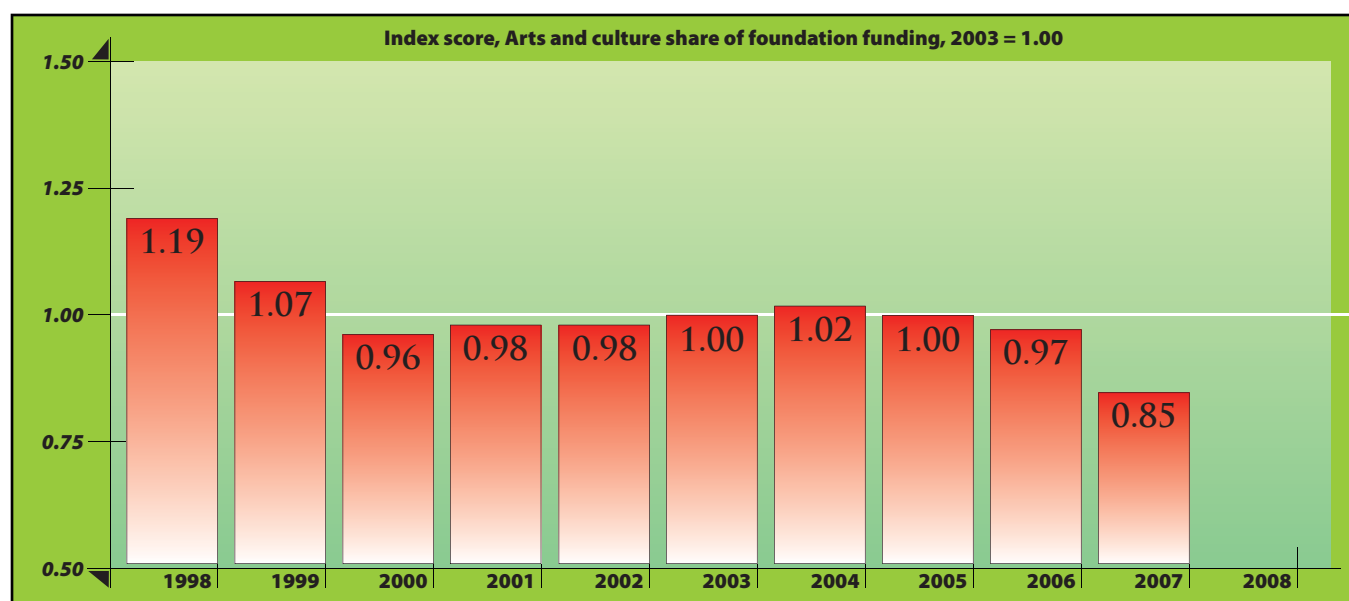
Source: Bureau of the Census, *County Business Patterns*

Related Indicator(s): 21—27, 57, 58

61. Arts and Culture Share of Foundation Funding

Foundations that support the arts often support other nonprofit areas as well, such as human service, health, education, or the environment. Arts organizations, therefore, have to compete against these other worthy demands for support.

This indicator measures the share of total foundation funding of arts and culture organizations as a share of all foundation funding. The Foundation Center's annual tallies are based on grants of \$10,000 or more, made by approximately 1,200 of the nation's foundations. The number of grants of this scale that are reported in the Center's FC Stats program has increased from 97,000 in 1998 to more than 140,000 in 2007. From 1998 to 2000, the arts and culture share declined compared to other nonprofit causes, and then increased through 2004, before declining again through 2007.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total reported foundation grants (\$M)	9,711	11,574	15,015	16,763	15,925	14,323	15,478	16,428	19,123	21,650	
Reported foundation grants to arts and culture (\$M)	1,439	1,554	1,799	2,048	1,946	1,790	1,980	2,055	2,330	2,294	
Share of reported foundation funding to arts and culture	14.8%	13.43	12.0%	12.2%	12.2%	12.5%	12.8%	12.5%	12.2%	10.6%	
Indexed to 2003 = 1.00	1.19	1.07	0.96	0.98	0.98	1.00	1.02	1.00	0.97	0.85	N/D

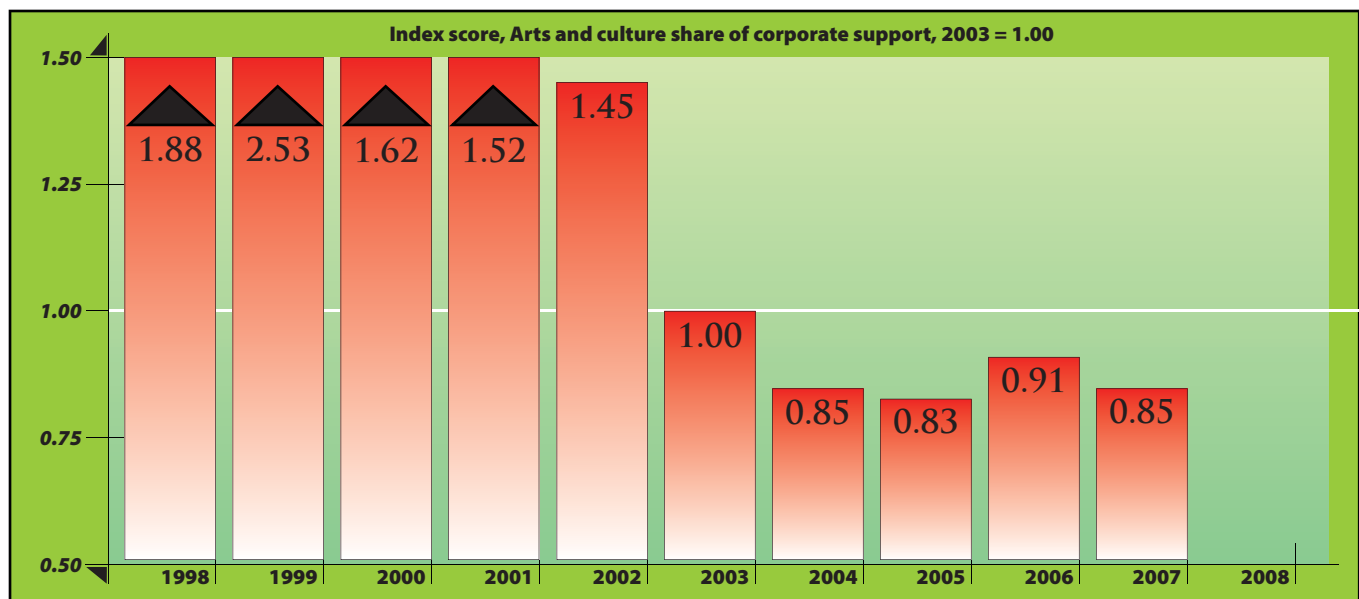
Source: Foundation Center

Related Indicator(s): 10,53

62. Arts and Culture Share of Corporate Funding

Corporate support is vital to the arts, and also to health, human services, environmental, education and other areas of nonprofit activity. The Conference Board surveys major corporations every year on their charitable contributions, including the sectors to which they give. Response levels range from 189 to 232 companies. The Board estimates that in 2006, these contributions represented 62 percent of overall corporate contributions from U.S.-based companies that year. Respondents to Conference Board surveys typically are major corporations; it is important to note that besides these companies, many small businesses, numbering in the millions, also contribute to arts and culture activity, though typically at lower levels.

This indicator measures the share of total corporate giving (by survey respondents) targeted to arts and culture. The survey is annual, but different companies respond each year. The indicator shows how arts and culture compete for corporate dollars with other nonprofit service areas. Total corporate support reported in the survey grew strongly since the late 1990s, from \$2.1 billion to \$8.6 billion—a four-fold increase. Reported support of the arts doubled from \$2.2 billion to \$4.4 billion. While the arts and culture support is beneficial, the growth in total giving far exceeds the growth in giving to the arts. As other nonprofit services have captured a progressively larger share of business support, the arts and culture share of major corporate funding has dwindled to less than half of what it was in 1998.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total corporate philanthropy (\$M)	2,098	2,198	3,913	4,473	4,451	5,727	6,392	7,783	7,912	8,640	
Total corporate funding to arts and culture (\$000)	215,689	304,868	346,527	372,394	354,092	313,465	298,647	352,841	391,911	400,009	
Arts and culture share of total corporate funding	10.28%	13.87%	8.86%	8.32%	7.95%	5.47%	4.67%	4.53%	4.95%	4.63%	
Indexed to 2003 = 1.00	1.88	2.53	1.62	1.52	1.45	1.00	0.85	0.83	0.91	0.85	N/D

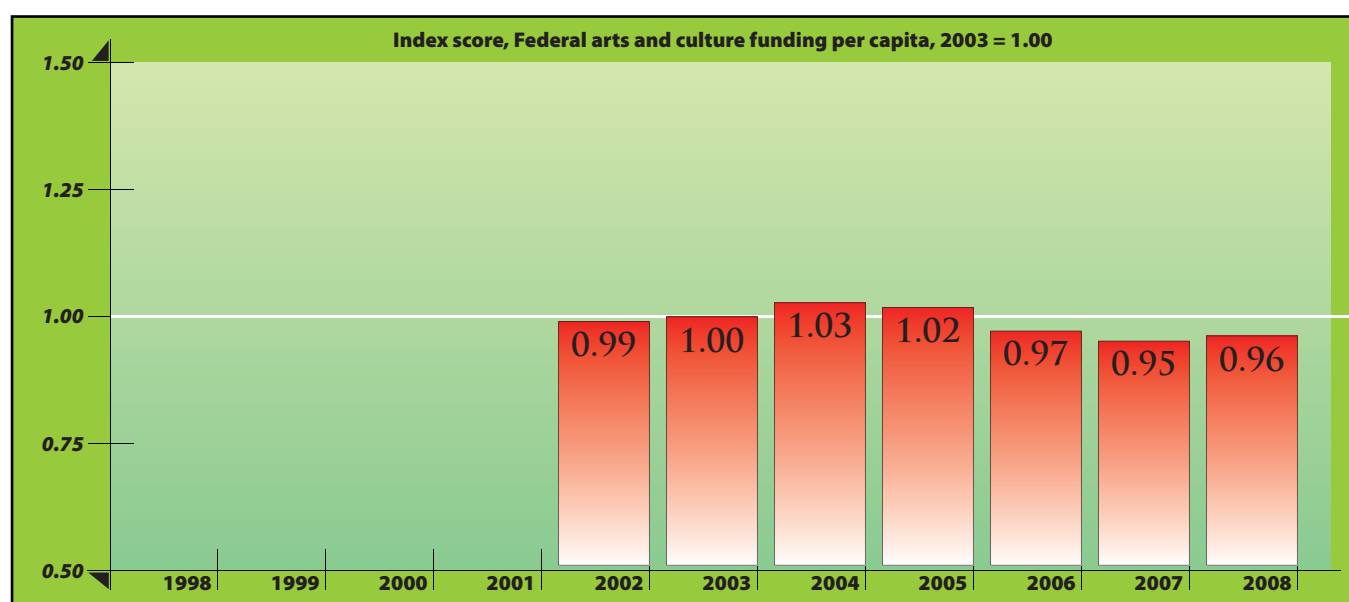
Source: The Conference Board

Related Indicator(s): 9, 53

63. Federal Arts and Culture Funding Per Capita

Government spending reaches the public through funded programs and activities, and funding changes need to account for population changes as well as for inflation. Considering services provided to an entire population on a per capita basis helps to show how the federal government has kept up with growth in the American population. Of course, per capita measures do not provide any indication of which parts of a population are consuming a particular kind of arts and culture—they do not indicate how much the different groups that make up the population are each participating.

This indicator measures the provision of arts and culture funding by the federal government to every American. This amount averaged around \$5.47 in constant dollars from 2001 to 2007, peaking in 2004. In current dollars, it was \$5.30 in 2008. This includes funding of various programs and offices, including: the National Endowment for the Arts; National Endowment for the Humanities; Institute for Museum and Library Services; Corporation for Public Broadcasting; Smithsonian Institution; Holocaust Museum; National Gallery; and the Kennedy Center.



	1998-2001	2002	2003	2004	2005	2006	2007	2008
Total federal arts spending (\$000)		1,525,486	1,597,626	1,705,139	1,761,689	1,750,583	1,775,530	\$1,887,650
CPI set to 2003 = 100.0		97.8	100.0	102.7	106.1	109.6	112.7	117.1
Constant dollar federal arts spending (\$000)		1,560,252	1,597,626	1,660,908	1,659,758	1,597,754	1,575,646	\$1,611,460
Total U.S. population		287,888,021	290,447,464	293,191,511	295,895,897	298,754,819	301,621,157	304,059,724
Constant dollar federal arts spending per person		\$5.42	\$5.51	\$5.67	\$ 5.62	\$5.36	\$5.23	\$5.30
Indexed to 2003 = 1.00	N/D	0.99	1.00	1.03	1.02	0.97	0.95	0.96

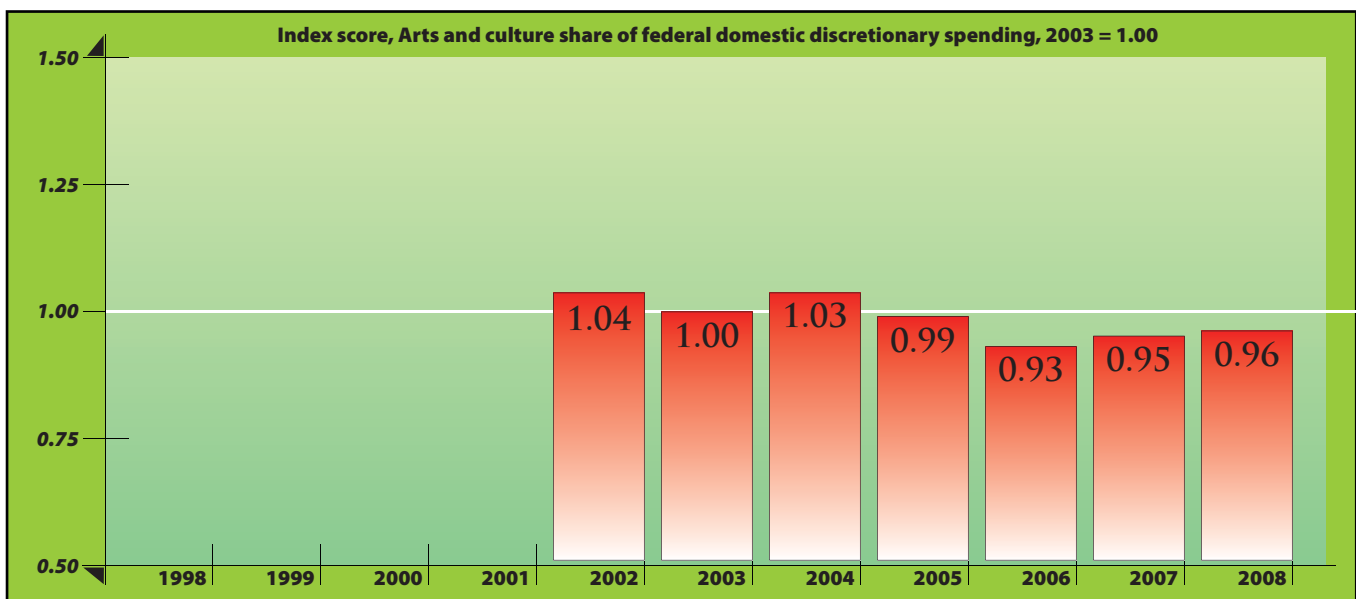
Sources: Congressional Research Service, *Arts and Humanities: Background on Funding Reports*, Government Printing Office *Budget of the United States*

Related Indicator(s): 13-15, 64-66

64. Arts and Culture Share of Federal Domestic Discretionary Spending

Arts and culture competes for federal funding within the domestic discretionary portion of the budget. The federal government has grown significantly in recent years. While much of the increase has been on defense, there has also been a significant growth in domestic discretionary spending. "Domestic" means that this money is not allocated by Congress for any international use (whether foreign aid or military); "discretionary" means that it is money that Congress has the discretion to allocate or not (i.e., not an entitlement program such as Medicare).

This indicator measures total funding of the same arts and culture programs as a share of total federal domestic discretionary spending. From 2002 through 2007, this total grew by 34 percent in current dollars, while arts and culture funding grew by 24 percent. The arts and culture share dropped from 0.42 percent of the federal domestic discretionary budget to 0.39 percent.



	1998-2001	2002	2003	2004	2005	2006	2007	2008
Congressional domestic discretionary spending (\$B)		359	393	408	436	461	458	482
Total federal arts spending (\$000)		1,525,486	1,597,626	1,705,139	1,761,689	1,750,583	1,775,530	1,867,650
Federal arts funding share of Congressional domestic discretionary spending		0.42%	0.41%	0.42%	0.40%	0.38%	0.39%	0.39%
Indexed to 2003 = 1.00	N/D	1.04	1.00	1.03	0.99	0.93	0.95	0.96

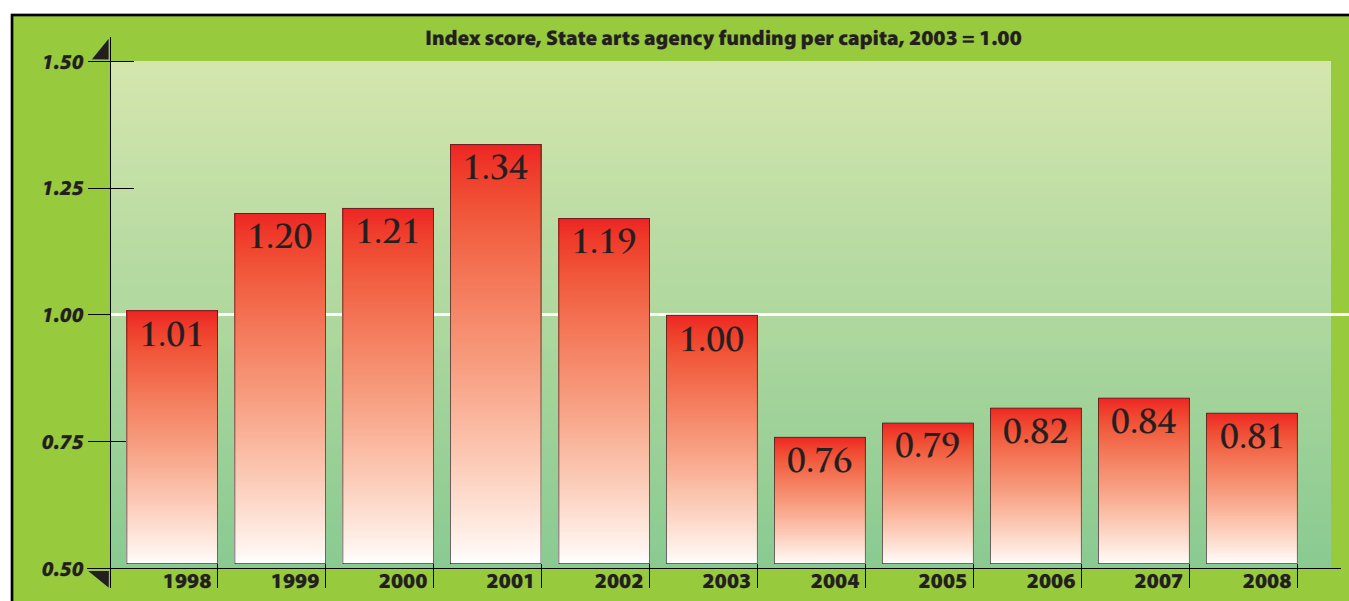
Sources: Congressional Research Service, *Arts and Humanities: Background on Funding Reports*, Government Printing Office Budget of the United States

Related Indicator(s): 13-15, 63, 65, 66

65. State Arts Agency Funding Per Capita

Just as for federal arts spending, it is possible to use per capita measures to evaluate how state funds are reaching citizens. Combining the data provided by the National Assembly of State Arts Agencies with Census Bureau data on total population makes it possible to calculate this measure for all U.S. residents. The focus again is on funding provided by state legislatures to their state arts agencies.

This indicator measures constant dollar per capita funding by the states. It shows the relationship between total state legislative appropriations to all state arts agencies on the one hand, and total population on the other. State arts funding is volatile, whether rising or falling. Population, on the other hand, has grown steadily. The measure is calculated by converting legislative appropriations to constant 2003 dollars and dividing by total U.S. population. After rising from the late 1990s through 2001, state support (measured in constant dollars per capita) dropped sharply through 2004 and only gradually began to grow through 2007. In 2007, states were spending \$1.16 in current dollars on average per person for the arts—but only \$1.03 per person on a constant dollar basis.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
State arts agency legislative appropriations (\$000)	303,784	370,311	392,325	450,577	409,725	355,673	280,990	304,209	328,859	350,122	354,746
CPI set to 2003 = 100.0	88.6	90.5	93.6	96.3	97.8	100.0	102.7	106.1	109.6	112.7	117.1
Constant dollar state arts agency legislative appropriations (\$000)	342,922	408,986	419,209	468,132	419,063	355,673	273,701	286,607	300,149	310,707	302,842
Total U.S. population (000)	275,854	279,040	282,172	285,040	287,727	290,211	292,892	295,561	298,363	301,290	304,060
Constant dollar state arts agency legislative appropriation per capita	\$1.24	\$1.47	\$1.49	\$1.64	\$1.46	\$1.23	\$0.93	\$0.97	\$1.01	\$1.03	\$1.00
Indexed to 2003 = 1.00	1.01	1.20	1.21	1.34	1.19	1.00	0.76	0.79	0.82	0.84	0.81

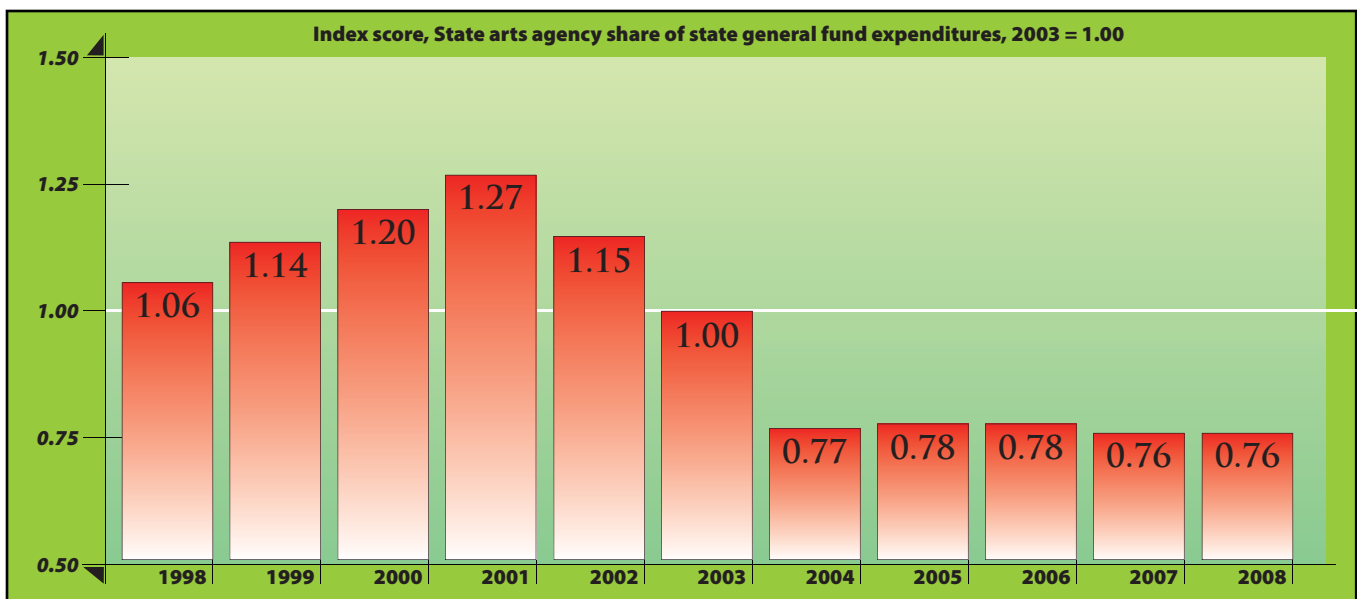
Sources: National Assembly of State Arts Agencies

Related Indicator(s): 13-15, 63, 64, 66

66. State Arts Agency Share of State General Fund Expenditures

The success of the arts at the state level —like at all levels of government—is part of a political process. As with all budgetary allocations, state arts agency funding depends on state legislators who allocate funds to the arts, as well as to other public services that compete for money in the budget process.

This indicator measures the share of general fund appropriations for state arts agencies as a share of all state general fund appropriations. While it would be helpful to consider similar measures for state humanities councils, museums, or other related programs, those data are not available. Arts agency funding as a share of total state general fund spending peaked in 2001 at 0.089 percent, and declined for three subsequent years. Since 2004, just over one-twentieth of one percent of all state legislative allocations has gone to state arts agencies.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total state general fund appropriations (\$M)	410,495	465,768	468,222	505,701	508,618	508,290	522,869	558,280	601,107	654,676	667,692
State arts agency legislative appropriations (\$000)	303,784	370,311	392,325	450,577	409,725	355,673	280,990	304,209	328,859	350,122	354,746
State arts agency share of general fund appropriations	0.074%	0.080%	0.084%	0.089%	0.081%	0.070%	0.054%	0.054%	0.055%	0.053%	0.053%
Indexed to 2003 = 1.00	1.06	1.14	1.20	1.27	1.15	1.00	0.77	0.78	0.78	0.76	0.76

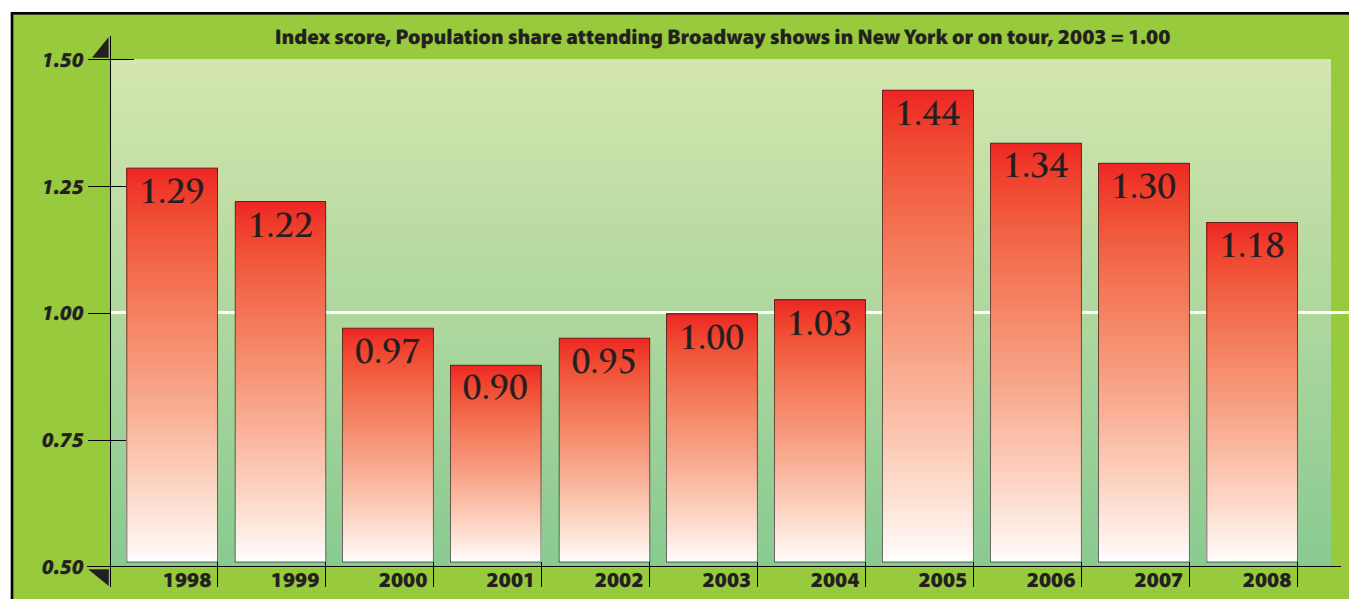
Sources: National Assembly of State Arts Agencies

Related Indicator(s): 13-15, 63-65

67. Population Share Attending Broadway Shows in New York or on Tour

The separate indicators for attendance at Broadway performances in New York or on tour indicate total demand for Broadway performances. What they do not answer directly is the issue of how demand is changing relative to population increases.

This indicator measures the share of total population that is attending all New York and touring Broadway performances measured by the Broadway League. Attendance at touring Broadway shows makes up the majority of the total audience, and the touring audience has been much more variable since 1998. This population share indicator reflects the influence of this dynamic, with increases after 2001 and sharp declines after 2005.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
New York tickets sold (000)	11,480	11,670	11,380	11,896	10,955	11,423	11,605	11,527	12,003	12,312	12,267
Touring tickets sold (000)	15,200	14,600	11,700	11,000	11,700	12,400	12,900	18,200	17,100	16,700	15,300
Total tickets sold (000)	26,680	26,270	23,080	22,896	22,655	23,823	24,505	29,727	29,103	29,012	27,567
Total U.S. population (000)	275,854	279,040	282,172	285,040	287,727	290,211	292,892	295,561	298,363	301,290	304,060
Population share attending Broadway shows in New York or on tour	5.5%	5.2%	4.1%	3.9%	4.1%	4.3%	4.4%	6.2%	5.7%	5.5%	5.0%
Indexed to 2003 = 1.00	1.29	1.22	0.97	0.90	0.95	1.00	1.03	1.44	1.34	1.30	1.18

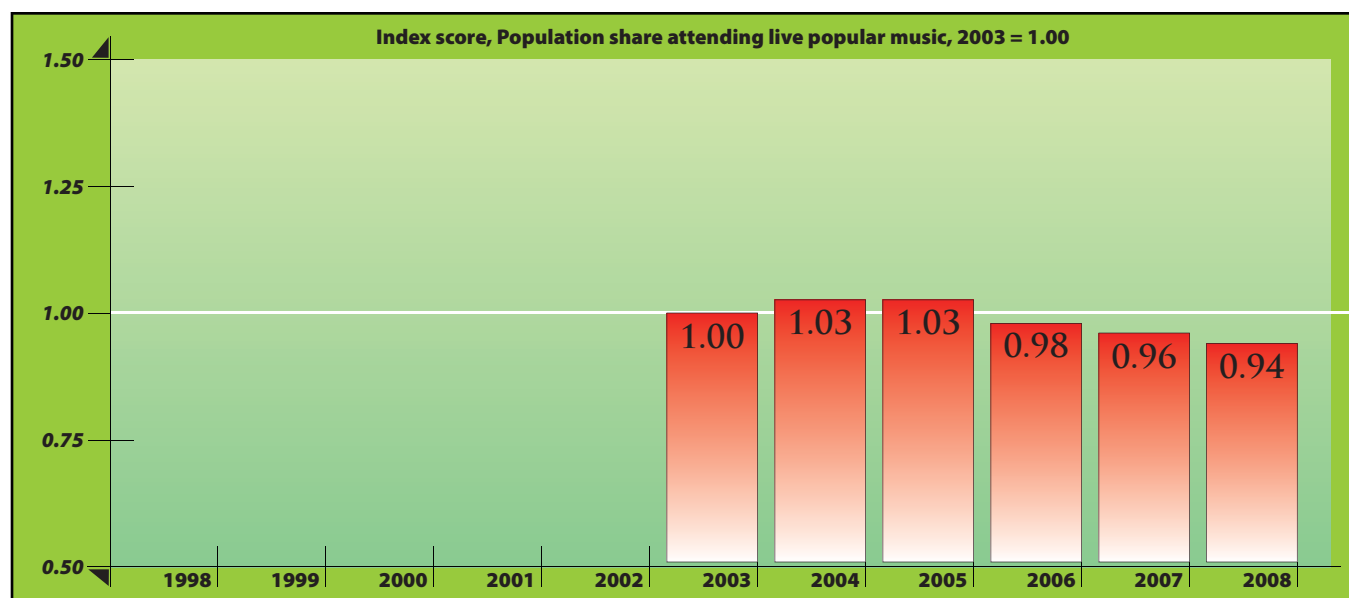
Sources: Broadway League, *Broadway Season Statistics* and *Touring Broadway Statistics*

Related Indicator(s): 41-44, 48-50, 68, 69, 71-73

68. Population Share Attending Live Popular Music

Scarborough Research collects data on arts attendance including residents in 81 metropolitan areas. The populations of those regions have been growing along with the general population; it is less clear if population growth is slower, faster or growing at the same rate as demand for a particular kind of cultural activity.

This indicator measures the share of that survey population of about 228 million that have attended one or more popular music events. Between 21 percent and 23 percent of metro area residents have attended one or more such concert events, with steady declines since 2005. Unlike measures based on attendance counts by producers, this indicator refers to separate individuals who indicated they went to one or more music events; this is a clear population share.



	1998-2002	2003	2004	2005	2006	2007	2008
Total live popular music attendance (estimated)		48,579,160	50,741,895	51,817,649	49,757,676	49,513,182	48,657,290
Estimated total metro area population		213,638,185	216,884,480	220,698,430	223,085,875	225,650,131	228,480,729
Population share attending live popular music		22.7%	23.4%	23.5%	22.3%	21.9%	21.3%
Indexed to 2003 = 1.00	N/D	1.00	1.03	1.03	0.98	0.96	0.94

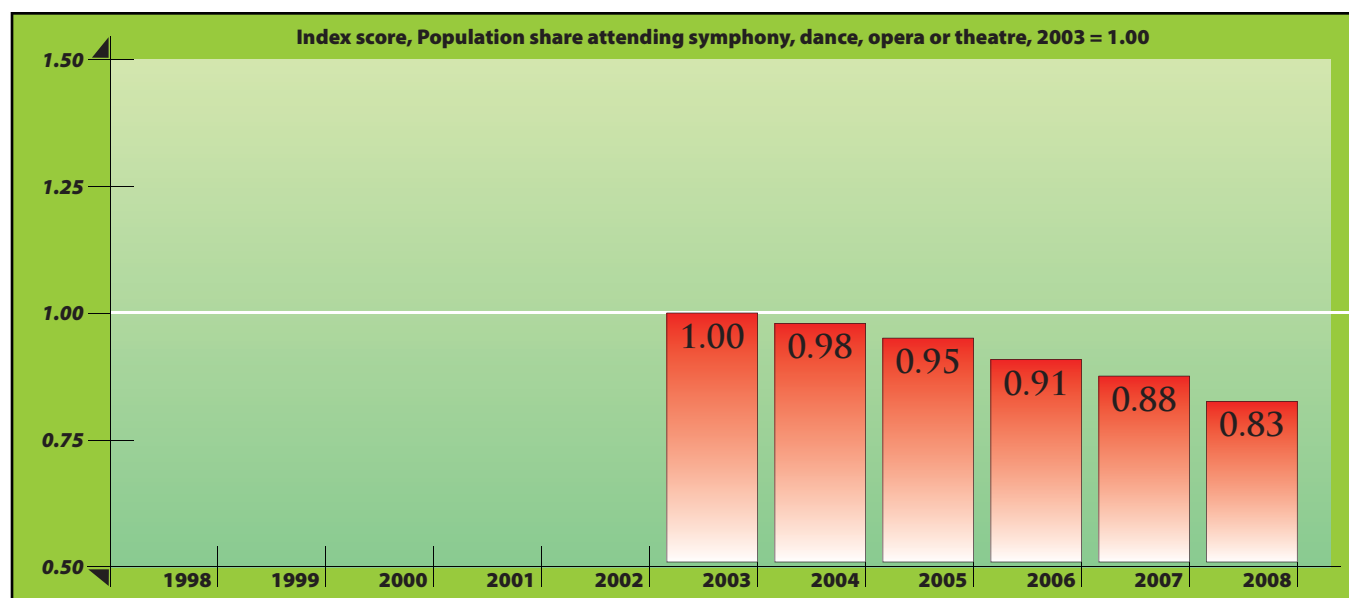
Source: Scarborough Research, Inc.

Related Indicator(s): 41-44, 48-50, 67, 69, 71-73

69. Population Share Attending Symphony, Dance, Opera or Theatre

Scarborough Research data collected in 81 metropolitan areas indicate that total attendance at symphony, dance, opera and theatre totaled more than 80 million from 2003 to 2008. While these numbers are impressive, they should be evaluated against the broader population to gauge the sustainability of audience demand for these art forms amid a growing population.

This indicator measures the share of Scarborough's total survey base that has attended a performance of symphony, dance, opera or theatre at least once in the previous 12 months. Of the three Scarborough estimates, this estimate reports the most consistent and substantial decline. Overall estimated attendance at live performing arts in the 81 metropolitan markets declined from 40.4 percent to 33.6 percent.



	1998-2002	2003	2004	2005	2006	2007	2008
Dance performance attendance in 81 metro markets (estimated)		15,796,500	15,153,420	15,258,275	14,802,928	15,114,212	14,879,670
Theater attendance in 81 metro markets (estimated)		50,058,640	50,291,790	49,153,726	48,336,921	48,099,050	47,306,930
Symphony concert, opera, etc. attendance in 81 metro markets (estimated)		20,521,290	20,151,015	20,063,287	19,140,215	16,920,476	14,491,862
Total performing arts attendance in 81 metro markets (estimated)		86,376,430	85,596,225	84,475,288	82,280,064	80,133,738	76,678,462
Estimated total metro area population		213,638,185	216,884,480	220,698,430	223,085,875	225,650,131	228,480,729
Population share attending performing arts		40.4%	39.5%	38.3%	36.9%	35.5%	33.6%
Indexed to 2003 = 1.00	N/D	1.00	0.98	0.95	0.91	0.88	0.83

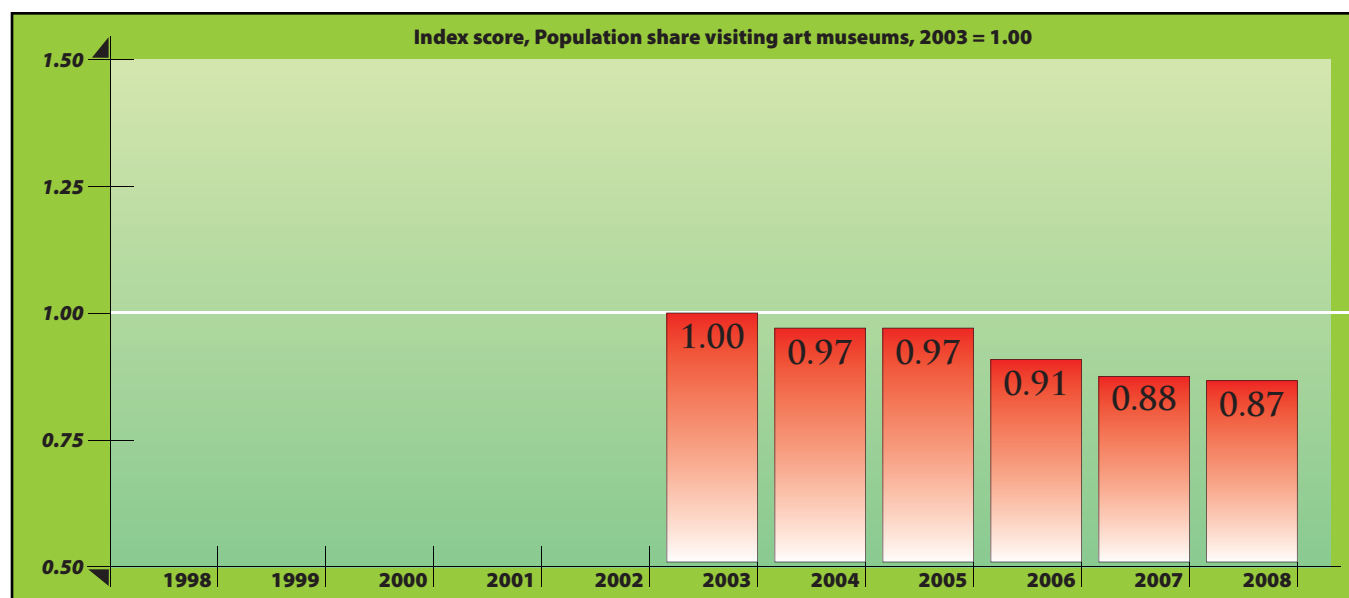
Source: Scarborough Research, Inc.

Related Indicator(s): 41-44, 48-50, 67, 68, 71-73

70. Population Share Visiting Art Museums

Scarborough Research provides data on various forms of arts participation in 81 metropolitan areas. As is true for concert and theatre attendance, total art museum attendance can be evaluated as a share of the population base —the population of the 81 metropolitan markets where Scarborough gathers data.

This indicator measures the share of Scarborough's total survey base who have visited an art museum at least once in the previous 12 months. Scarborough's data show that the share of total population attending art museums declined from 15.5 percent in 2003 to 13.5 percent in 2008.



	1998-2002	2003	2004	2005	2006	2007	2008
Art museum attendance in 81 metropolitan markets (estimated)		33,070,245	32,412,840	33,190,473	31,448,974	30,828,672	30,862,704
Estimated total metro area population		213,638,185	216,884,480	220,698,430	223,085,875	225,650,131	228,480,729
Population share visiting art museum		15.5%	14.9%	15.0%	14.1%	13.7%	13.5%
Indexed to 2003 = 1.00	N/D	1.00	0.97	0.97	0.91	0.88	0.87

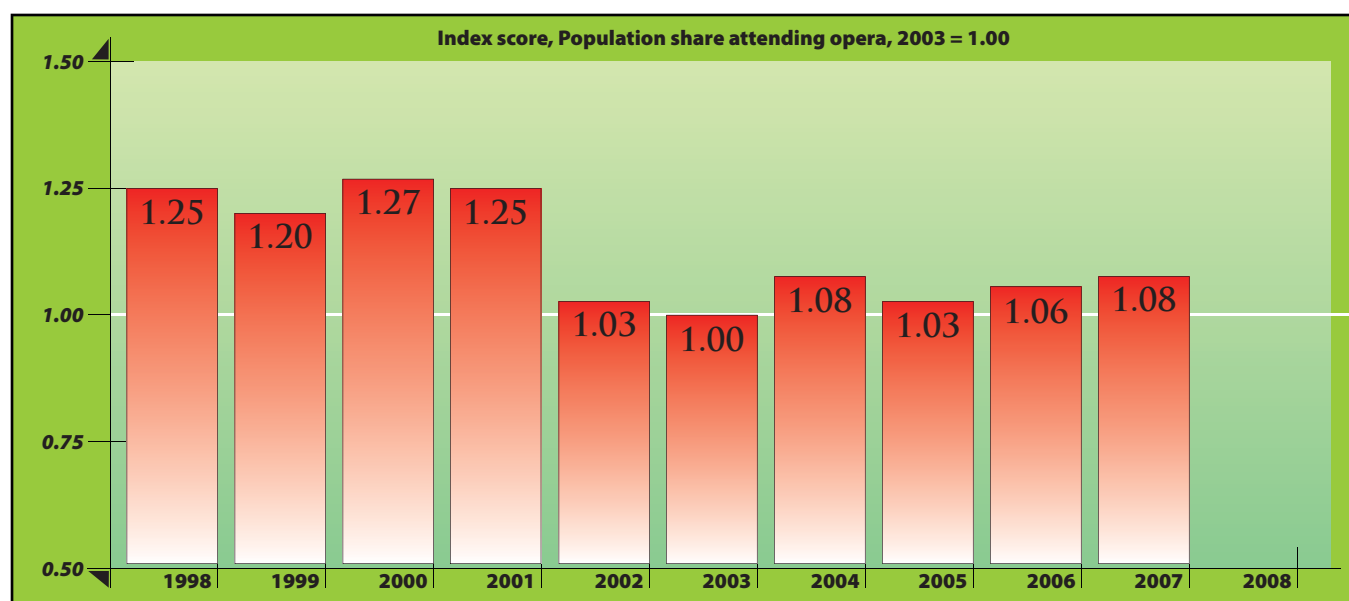
Source: Scarborough Research, Inc.

Related Indicator(s): 46, 47

71. Population Share Attending Opera

Opera, like other performing arts activities, competes for audience share with other performing arts, other kinds of arts participation, and other forms of leisure. Just as for Broadway, nonprofit theatre, popular music and symphony, the share of population attending performances of a particular art form is a measure of its competitive performance.

This indicator measure takes total attendance at opera companies responding to the Opera America Professional Opera Survey, and divides it by the total U.S. population. This offers a “market share” of the U.S. population perspective on opera. Audiences from 1998 to 2001 made up about 1.36 percent of the population, but opera has had less of a share in the years since, at 1.1 percent to 1.2 percent.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Attendance at professional opera main stage performances (000)	3,742	3,624	3,887	3,872	3,211	3,142	3,436	3,309	3,411	3,518	
Total U.S. population (000)	275,854	279,040	282,172	285,040	287,727	290,211	292,892	295,561	298,363	301,290	
Opera attendance as a share of population	1.36%	1.30%	1.38%	1.36%	1.12%	1.08%	1.17%	1.12%	1.14%	1.17%	
Indexed to 2003 = 1.00	1.25	1.20	1.27	1.25	1.03	1.00	1.08	1.03	1.06	1.08	N/D

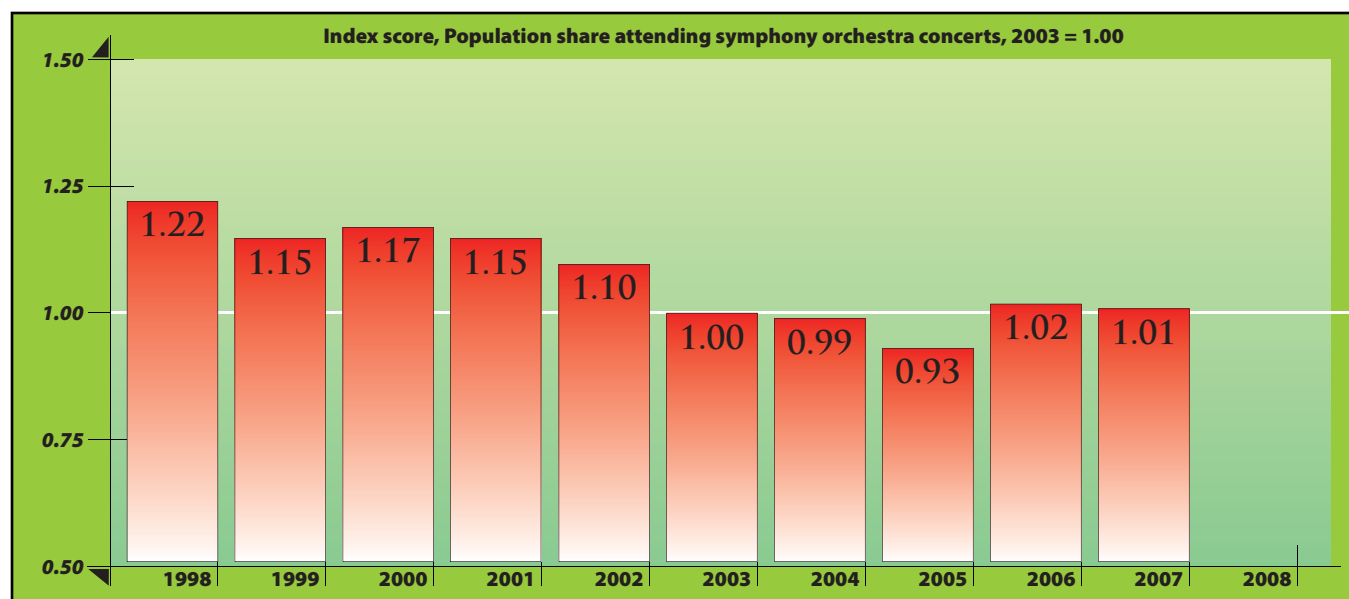
Source: Opera America

Related Indicator(s): 41—44, 49, 50, 67—69, 72, 73

72. Population Share Attending Symphony Orchestra Concerts

As with all other kinds of attendance, audiences at symphony performances choose that form of leisure activity as a way to pass time from among many competing alternatives. Looking at how many people make this choice is similar to calculating the market share that symphony has compared to people's other uses of time, money and interest.

This indicator takes total attendance at symphony orchestra concerts, provided by the League of American Orchestras, and divides it by a total U.S. population to give a "market share" view. From 2003 to 2007, symphony attendance was less than 10 percent after reaching nearly 12 percent in 1998. Because some patrons make multiple visits to symphony concerts, the actual share of concertgoers in the population is probably less than this percentage.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total attendance at symphony performances (000)	32,162	30,796	31,667	31,533	30,305	27,802	27,683	26,471	29,070	29,016	
Total U.S. population (000)	275,854	279,040	282,172	285,040	287,727	290,211	292,892	295,561	298,363	301,290	
Symphony attendance as a share of U.S. population	11.7%	11.0%	11.2%	11.1%	10.5%	9.6%	9.5%	9.0%	9.7%	9.6%	
Indexed to 2003 = 1.00	1.22	1.15	1.17	1.15	1.10	1.00	0.99	0.93	1.02	1.01	N/D

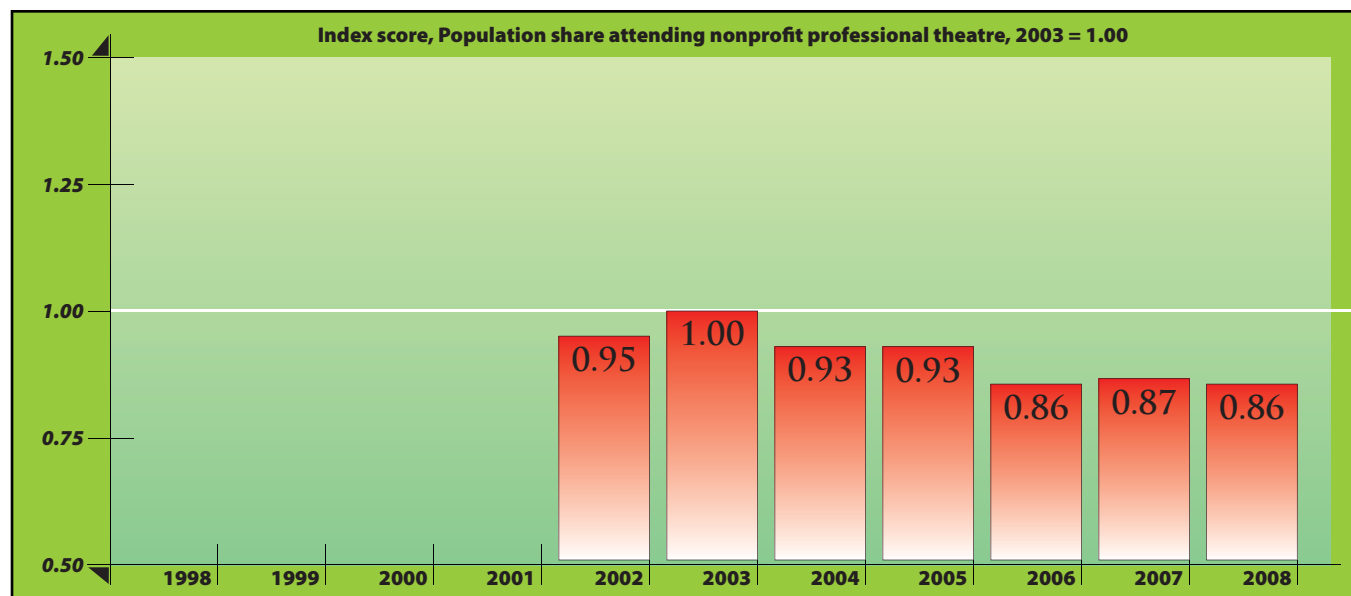
Source: League of American Orchestras

Related Indicator(s): 41—44, 49, 50, 67—69, 71, 73

73. Population Share Attending Nonprofit Professional Theatre

As with all other kinds of attendance, theatre audiences are exhibiting their own choice, to attend the theatre instead of spending their time in one or more other competing ways. The share of potential theatregoers that actually participates in theatre provides evidence of trends in demand.

This indicator takes total attendance at nonprofit professional theatre as estimated by the Theatre Communications Group (TCG) and divides it by the total U.S. population. Because some patrons make repeat visits to the theatre, the total attendance number is probably greater than the number of people who attend. The trend since 2003 has been for smaller theatre audiences; when combined with increases in population, there is a substantial decline in share —more than 10 percent.



	1998-2001	2002	2003	2004	2005	2006	2007	2008
Attendance at U.S. nonprofit professional theatre		32,200	34,300	32,100	32,500	30,500	31,000	31,000
Total U.S. population (000)		287,727	290,211	292,892	295,561	298,363	301,290	304,060
Professional theatre attendance as a share of U.S. population		11.19%	11.82%	10.96%	11.00%	10.22%	10.29%	10.20%
Indexed to 2003 = 1.00	N/D	0.95	1.00	0.93	0.93	0.86	0.87	0.86

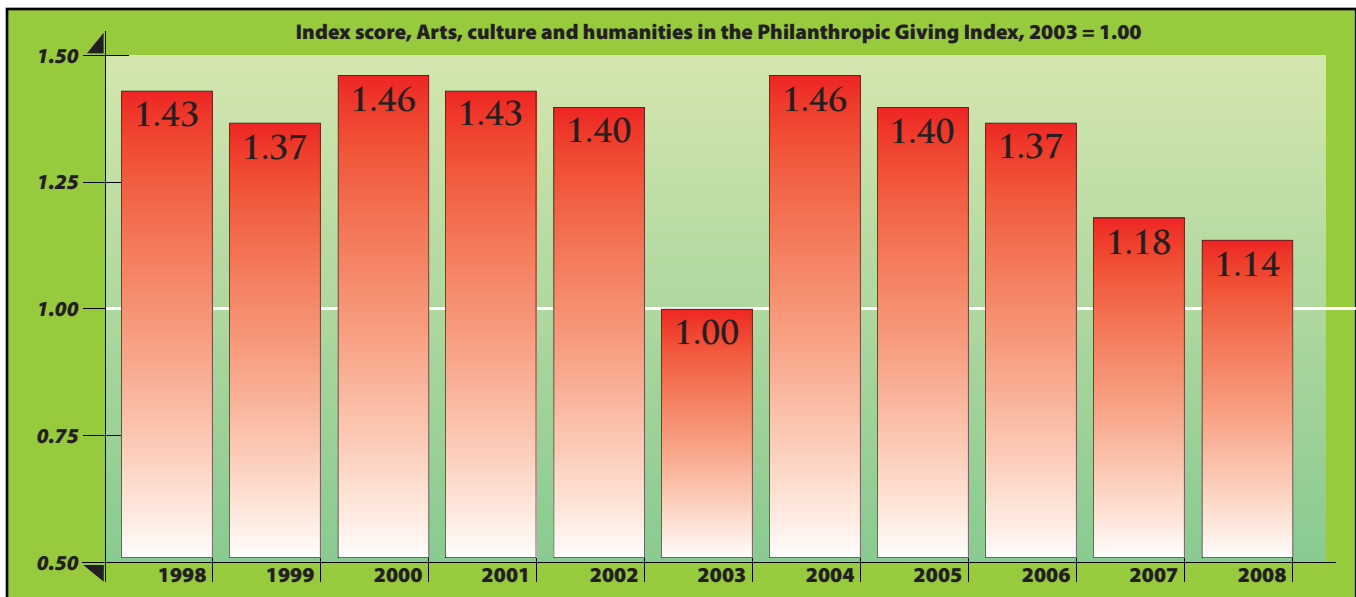
Source: Theatre Communications Group, *Theatre Facts annual reports*

Related Indicator(s): 41—44, 49, 50, 67—69, 71, 72

74. Arts, Culture and Humanities in the Philanthropic Giving Index

Professionals in the field of fundraising philanthropy are ideally positioned to report on expectations of future trends in philanthropy. The Indiana University Center on Philanthropy issues a semi-annual Philanthropic Giving Index (PGI). The PGI is compiled using data gathered from fundraising professionals, who are surveyed twice each year regarding their assessment of the present fundraising environment, and their expectations for the coming six months. The PGI ranges from 0 to 100, with the highest score indicating the highest level of confidence. Index measures are calculated for seven subsectors of philanthropic activity, including arts, culture and humanities.

This indicator shows the mid-year values of the Arts, Culture, and Humanities Index in the annual June PGI report. The dip in 2003, though drastic, is accurate, and probably reflects concerns from the beginning of the Iraq war. Though confidence rebounded in 2004, it has declined every year since, through 2008.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Arts, Culture and Humanities Index of the Philanthropic Giving Index	93.9	89.6	95.5	93.6	92.0	65.5	95.9	91.7	89.9	77.5	74.5
Indexed to 2003 = 1.00	1.43	1.37	1.46	1.43	1.40	1.00	1.46	1.40	1.37	1.18	1.14

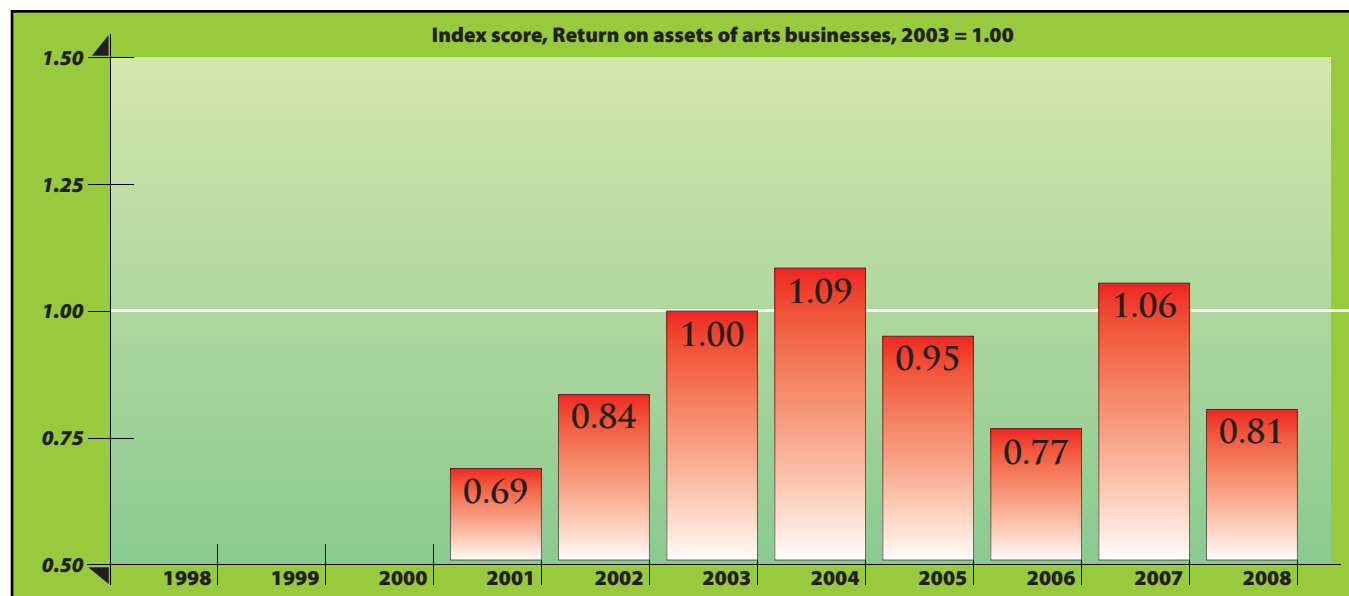
Source: Indiana University Center on Philanthropy

Related Indicator(s): 11, 53

75. Financial Performance of Arts Businesses

There is more than one measure of financial performance, and many measures of whether or not a firm is successful. One measure that applies to multiple industries and to multiple businesses is the return on assets. This ratio is calculated by taking net income for a certain time period as a percentage of assets held during that period. Every year, Robert Morris Associates (RMA) publishes Annual Statement Studies. These reports present data collected from private commercial lenders and commercial banks, using the financial statements of their current and prospective borrowers and partners. The data are used to calculate key financial management ratios; the ratios are especially useful for small and mid-sized companies that are trying to compare their performances to others in their industry or their size range. The industries are placed in categories by NAICS. RMA includes data on companies in 23 NAICS codes in the arts and culture industries (listed in Appendix C).

This indicator measures return on assets for between 2,000 and 2,800 companies in those industries, aggregated across industries and size of business. The index scores show that these generally earned returns on assets ranging between 22 percent and 34 percent, averaging about 28 percent. This performance over time has been dynamic, with wide ranges up and down from one year to the next.



	1998-2000	2001	2002	2003	2004	2005	2006	2007	2008
Number of statements		2,144	2,004	2,336	2,595	2,547	2,515	2,756	2,551
Total imputed profit (\$M)		5,738	6,550	9,805	11,754	10,039	9,166	14,711	11,005
(% profit x sales)		21.7%	26.5%	31.5%	34.3%	29.9%	24.4%	33.3%	25.7%
Total assets (\$M)		26,386	24,700	31,082	34,269	33,589	37,566	44,088	42,836
Total imputed profit / Total assets		21.7%	26.5%	31.5%	34.3%	29.9%	24.4%	33.3%	25.7%
Indexed to 2003 = 1.00	N/D	0.69	0.84	1.00	1.09	0.95	0.77	1.06	0.81

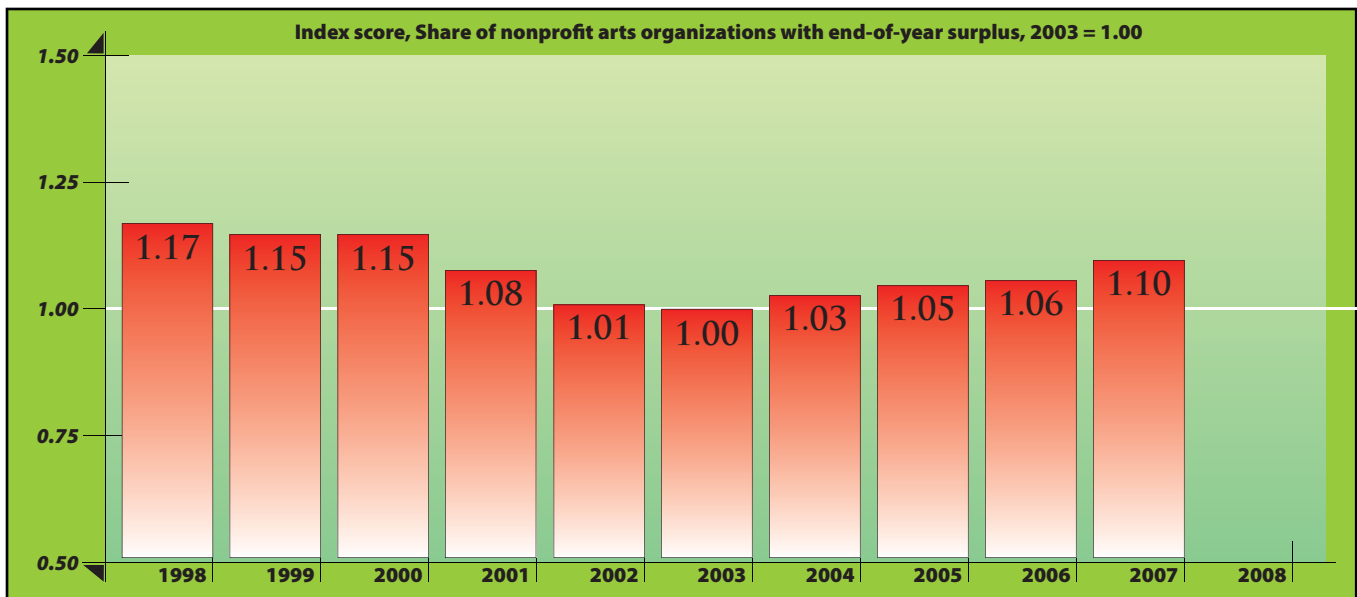
Sources: Robert Morris Associates, *Annual Statement Studies*

Related Indicator(s): 24, 25, 28, 76

76. Share of Nonprofit Arts Organizations with End-of-Year Surplus

For an organization to be classified as “nonprofit,” it cannot distribute any net earnings or surplus to private individuals for their benefit. Nonprofit organizations, however, typically try to earn a surplus each year, to finance their own future programs and activities. Nonprofit managers balance earned and contributed income with expenses, hoping to end up “in the black.” The ability to generate a surplus is critical to the sustainability of any organization, whether for-profit or nonprofit.

This indicator measures the share of all arts nonprofits filing Form 990 that have earned a positive net income in each year, using data from the National Center for Charitable Statistics. In most years, more than 60 percent of nonprofit arts organizations generate an operating surplus or break even, with more doing better than break-even in the years since 2002. However, the typical amount of surplus has wide swings, as a dollar amount or as a share of total revenue. For example, in the year when the smallest share of arts nonprofits had a surplus (2003), the median surplus (\$4,234) was only 28 percent of what it was in 1998 (\$15,215). When one-third or more fail to break even each year, these thin margins are yet another threat to many arts organizations.



	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Share of nonprofit arts organizations with end-of-year surplus	67.9%	67.0%	66.6%	62.8%	58.6%	58.2%	60.0%	61.1%	61.5%	64.3%	
Indexed to 2003 = 1.00	1.17	1.15	1.15	1.08	1.01	1.00	1.03	1.05	1.06	1.10	N/D

Source: National Center for Charitable Statistics at the Urban Institute

Related Indicator(s): 9, 26, 28, 75

Chapter 7. Summary and Conclusions

This report represents a major milestone for arts in America. Never before has there been a single and annually produced gauge of the health and vitality of the arts in America. While new for the arts, most of us interact with such indicators daily without even thinking about it, such as whenever we talk about the stock market or “existing home sales.” An indicator provides a common currency of language that encourages public discourse—enabling even the general public to discuss the value of the arts using similar information and terms. If you want the public to find you, you have to put yourself on their map. This is what the National Arts Index does for the arts at the national level.

The prior chapters have presented many individual facts and gathered conclusions from the data. Many of these issues are not new additions to the arts policy canon and some have been discussed for years. Some of these recurrent issues include the steadily growing number of arts organizations, that the arts track with the economy, and that demand for the more traditional nonprofit arts is declining. What has changed is that now we have the data to underscore such observations on a national scale, to track how conditions are changing, and even gauge the effectiveness of efforts designed to strengthen the arts. The Index yielded some unexpected findings as well, documenting a growing demand for arts education by college-bound high school seniors, and that the arts are increasingly innovative.

As a compendium of data, what this report adds to the field is broad-based evidence about many individual sectors of the arts—nonprofit arts for-profit arts organizations, funding and investment, employment, and attendance and personal creation. Beyond that, it introduces and promotes a systemic way of thinking about arts and culture with the Arts and Culture Balanced Scorecard, demonstrating that the arts are a series of interdependent industries. It is easy to focus on government funding, but without also concentrating on the demand-side of the equation or if ample infrastructure exists, one is only focusing on part of the system. The Index shows that artists, arts audiences, businesses in the arts and in other sectors, arts nonprofits, individual donors, private funders, government arts agencies, and government budget makers all have critical roles to play in the future vitality of the arts, just as they have had in the past.

Those roles are especially important at the local level. National results are not uniform results for every place and every arts form across the country, or for every arts industry. That is, “your mileage may vary.” The opportunity of national findings is that they offer a new lens with which to view local activity. It is an opportunity to ask, “Is this what we’re seeing locally? How do we stack up with the national trends?”

The Index reveals a mixture of good and bad news for the arts, a combination of variability and vitality. Some parts of arts are very vital, working well and competing effectively, while others are struggling. It is fairly common knowledge, for example, that movie theaters do a great business during a recession. For the National Arts Index, more than half of the indicators rose in 2007, while just one-third did in 2008. It’s also important to remember that this is a narrative of the past, based on events that have already happened, but may or may not persist. Only seven indicators trended continually up (three) or down (four), but the other 69 indicators moved up and down, revealing variability as an ongoing attribute of the arts. This means that annual updates to the Index will help to show the ongoing trends in the various sectors.

The National Arts Index in 2010 and Beyond

Publication of this report marks not the end of the project, but merely a next step. In fact, there are three main complementary directions for the future of the National Arts Index.

One is to maintain the data set over time, to add new information as it becomes available, and to issue annual reports that update the values of the indicators and the various measures and ACBS components with the most current data available. Updates of the National Arts Index are scheduled to be published annually in October, beginning in October 2010.

A second direction for the Index is to adapt it for local use, creating tools that community arts leaders can use to make longitudinal measures of arts and culture activity in their regions and states. Americans for the Arts will develop the Local Vitality Arts Index in 2010 and pilot its use in communities across the country in 2011.

A third aim is to delve more deeply into the data set to learn more about individual arts sectors. Many other economic modeling techniques are available that we did not apply in this report, but might be informative.

Spanning all of these aims is the desire to have the Index serve artists, arts managers, audiences, community leaders, and others, as a useful source of data and as a helpful support to the vitality of arts and culture.

Chapter 8. Creating the National Arts Index

This chapter of the report describes how the Index was put together and gives interested readers some additional information on our methods. Here you can find how various policy index models helped inform development of the Index, characteristics of the underlying data, the mathematics of calculating the Index, using the data to form specific views of the arts, and some strengths and weaknesses of the techniques we use. Along with these are brief discussions of calculated vs. raw indicators, the effects of inflation and population change, the statistical significance of the annual Index scores, data we sought but could not find and data we found but did not use, and other multivariate approaches to using the data. We also gratefully acknowledge and thank our many collaborators on this project as well as note some of the literature that influenced the project.

Benchmarks and Models for the National Arts Index

In establishing a technique for calculating the Index, we first studied how some well-known and long-running policy index reports were produced. We also considered what some global organizations were recommending for measuring the vitality of arts and culture in different national settings. Some of the models we examined include:

- **Annie E. Casey Foundation “Kids Count” ***
- **Conference Board *Consumer Confidence Index and Help Wanted Index*.***
- **Roper *Social Capital Indices***
- **Gallup Organization *Index of Leading Religious Indicators****
- ***General Social Survey***
- **Institute for Supply Management *Report on Business***
- **United Way of America *State of Caring* (produced through 2002) and *Goals for the Common Good* (since 2003) ***
- **Heritage Foundation *Index of Economic Freedom***
- **Jacob Weisberg index at Slate.com**
- **National Center for Educational Statistics *National Assessment of Educational Progress***
- **Western States *Creative Vitality Index*, developed by Hebert Research**
- **Performing Arts Research Coalition reports**
- **United Nations Educational, Scientific, and Cultural Organization (UNESCO) arts measurement reports**
- **Organization for Economic Cooperation and Development arts measurement reports**
- **International Federation of Arts and Cultural Councils toolkit**

Those marked with an asterisk * were especially helpful in forming National Arts Index. Each uses a model that merges multiple indicators into a smaller number of components, using weighting methods that assign either identical weights to all indicators, or comparatively higher weight to some than others.

We also learned that once defined, the weighting scheme should stay in place as an index evolves over time. This persistence, in economics, describes a “Laspeyres” index, which uses weights set in the base period. An alternative approach is a “Paasche”

index, in which the weights are set based on later periods, and may even use different data. In developing this initial National Arts Index report, we used a Laspeyres approach, which we plan to maintain for annual updates of the Index.

National Arts Index Data

The Index was always intended to be summary of the best available data describing arts and culture. Although we did not use every indicator we found, this national-level longitudinal data set is the largest ever assembled describing arts and culture in the U.S. When planning began in 2005, we expected to find 25 or 30 indicators meeting the necessary criteria. This turned out to be too low by a wide margin, as we found more than 70 sources of original data, and calculated an additional 23. The indicators measure an enormous range of human activities, asset stocks, production, financial flows, employment, self-employment, and voluntarism, production and consumption, creative goods and experiences, public and private, purchase and philanthropy. They came from multiple sources: government bureaus, private membership associations, and academic and policy researchers. Table 10 below shows the nature of the sources:

Table 10. National Arts Index Data Sources

Type of data source	Indicators
Calculated by combining data from two or more sources	23
Government bureau	18
Membership organization with mainly nonprofit members	12
Research organization	10
Membership organization with mainly business members	9
Business firm	5
Publication	2
Professional society	1

Sources of individual data series are noted on the one-page reports, and a comprehensive list is in Appendix G.

All indicators meet the following eight criteria:

- 1. The indicator has at its core a meaningful measurement of arts and culture activity**
- 2. The data are national in scope**
- 3. The data are produced annually by a reputable organization**
- 4. Five years of data are available, beginning no later than 2003 and available through 2007**
- 5. The data are measured at a ratio level (not just on rankings or ratings)**
- 6. The data series is statistically valid, even if based on sample**
- 7. The data are expected to be available for use in the Index in future years**
- 8. The data are affordable within project budget constraints**

These criteria cannot overcome every problem in the data. Most of the Index indicators are based on secondary data, which combine virtues and flaws. Some challenges already encountered include lags, sampling problems, and gaps in data. Every data series we wish to use is produced by a public or private organization, with an annual calendar, budget, and processes. Staff at many public and private offices have graciously helped us. We focus on the best available data as defined by the eight criteria.

The nation is constantly changing in ways that affect the arts. Where it makes sense, some indicators in this report are adjusted to account for the effects of broad national change factors (population, for example) in order to distinguish arts and culture changes from broad national-level shifts that affect all sectors. For example, attendance at public performances is considered not solely as total numbers, but also as a share of the ever-growing U.S. population. If total attendance at a particular art form increases at a rate of 0.5 percent per year—while total population grows at a 1 percent rate—then that art form is effectively losing ground. That is, even though attendance numbers may be up, a shrinking portion of the population is attending. Reporting both the number of people attending as well as the population share provides a more precise and meaningful measure of activity. Similarly, arts philanthropy can be seen in both dollars and as a share of total philanthropy, government arts funding as a percentage of discretionary government outlays, etc. Doing this made it possible to derive more than one Arts Index indicator from specific secondary data.

Assigning Indicators to ACBS components

We assigned each indicator to only one of the four ACBS components. This sometimes required judgment as to where to assign a particular indicator. Our main goal was to place each indicator in the component most consistent with its function in the arts and culture system. We had to evaluate whether sales by an industry (for instance, musical instruments, recordings, or books) better represented resources flowing into the arts (number of dollars), or participation in the arts (number of guitars bought). We assigned revenues to the Financial Flows component, and attendance and/or unit counts to Arts Participation. Another aim was to achieve “balance” in the spirit of the Balanced Scorecard, by distributing the indicators evenly to the four components.

Computing the National Arts Index

The National Arts Index measures the vitality of arts and culture in the U.S. from 1998 to 2008, with a scale with a base year of 2003 = 100.0. It is an average of the actual value of 76 different indicators.

In calculating the National Arts Index for 1998 to 2008, every indicator has equal weight for every year that it is measured. For years 2003-2007, each of the 76 indicators has 1.32 percent of the weight (because 100 percent / 76 = 1.32 percent). The same method applies to earlier years when there were fewer observations. For example, in 2002, there were 67 observed indicators, so each one has a weight of 1.49 percent in the 2002 Index score (100 / 67 = 1.49 percent).

The Index is calculated as follows: For every indicator, each annual measure is converted into an “index score” by dividing by the same measure value in 2003, adjusting for the number of indicators observed in that year and for the weight assigned to that indicator, then multiplying the result by 100. The last step puts all indicators into a common scale, which is “change leading up to or since 2003” regardless of if they were originally measured in numbers of people, billions of dollars, percentage, or another scale. It also makes it easy to view figures for later or earlier years as percentages of the 2003 figure. 2003 was selected as the base year because it was the first year for which all 76 indicators were available and because it was recent enough to relate the statistical findings of the Index to current events.

The indicator index scores ranged from a low of 0.51 (Indicator 22, CD and record stores in 2008) to a high of 2.5 (Indicator 62, Arts and culture share of corporate funding to arts and culture in 1999). Other high scores for indicator 62 were 1.9 in 1998 and 1.6 in 2000. With these exceptions, all other indicators were 1.5 or less for every year. Therefore, the scale of 0.50 to 1.50 was used for the Index score axis in the figures in the one-page indicator reports.

After this step, all of the index scores are added to get the National Arts Index score for that year. The Index scale is set at 100.0 in 2003, and ranges from a high of 105.5 in 1999 to a low of 98.1 in 2008. Mathematically, this process is expressed as:

$$N_Y = \sum_{i=1}^I w_i s_{iY} \times I + i_Y \times 100, \text{ where:}$$

N_Y = the National Art Index for a given year, $Y = 1998, \dots, 2008$

i = observed and measured indicators of arts and culture activity, $i = 1, \dots, 76$

o_{iY} = observed indicator i in year Y

$s_{iY} = o_{iY} / o_{i2003}$, the index score for indicator i in year Y , calculated by dividing the observed indicator i for a year by its 2003 value

i_Y = total number of indicators observed in a given year, $Y = 1998, \dots, 2008$

w_i = the weight assigned to indicator i , $\sum w = 1.0$

Thus, all $s_{i2003} = 1.00$, and $N_{2003} = 100.0$. In calculating the vitality of arts and culture, all w_i are positive, meaning that they all make a positive contribution to that vitality, and none of them are “reverse scored.” We set all w_i equal, meaning that the National Arts Index is an unweighted average.

We recognized that while making every indicator equally important in the Index is the approach used in this report, it need not be the only perspective on the data, just one “meta” or comprehensive view. Other researchers or analysts might want to devise their own “views” of the data with their own weighting schemes. To facilitate such a task, the actual data are in the one-page reports in chapters 3 through 6, and the calculated index scores are in Appendix E.

Given that each indicator is important to one or more audiences, each one should have some impact on the overall score. We believe that “more is better” when it comes to arts activities, and so we view as desirable a progression in which successive scores on this composite measure improve from year to year. But, we have no theory of arts and culture vitality that declares specific sectors (artists’ employment vs. arts philanthropy) as more or less important than others (artists’ earnings vs. orchestra attendance). All of these components are needed for arts and culture to remain vital over time. The basic National Arts Index score thus attaches equal weight or importance to every indicator, making the Index score for each year a simple average of all of the index scores for all available indicators for that year.

ACBS and Median Annual Scores

The ACBS model, on the other hand, implies that all four of the components (financial flows, capacity, participation, and competitiveness) have equal weight of 25 percent in making up an overall ACBS score. Within each component, each indicator has an equal share of that 25 percent, resulting in the following weight for each indicator within each component in years where all 76 indicators were available:

Financial flows: 1.67 percent, because $0.25 / 15 = 0.167$

Capacity: 1.79 percent

Arts participation: 1.14 percent

Competitiveness: 1.00 percent

The table below shows the overall National Arts Index scores for each year from 1998 to 2008, along with the median indicator score, the ACBS, and the number of indicators used to calculate each year’s score. While the full complement of data was available for the five years 2003 through 2007, some data series were not kept or not accessible for years before 2003, or were not yet available for 2008 when this report went to press.

Table 11. National Arts Index, Median Indicator, and ACBS Index Scores

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
National Arts Index Score	103.3	105.5	103.5	101.5	100.4	100.0	100.5	101.2	101.6	102.6	98.4
Median indicator	100.0	101.5	100.3	101.6	99.9	100.0	101.4	100.5	101.1	103.5	98.1
ACBS	100.7	104.2	104.6	104.9	101.2	100.0	100.6	101.3	101.9	103.2	99.1
Number of Indicators	48	51	55	56	65	76	76	76	76	76	50

Additional information is provided by the median index score for each year (i.e., the value of the middle indicator for each year). In general, year-to-year changes in the National Arts Index score (which is an average) closely parallel differences in each year’s median indicator for each year. A median score is less influenced by outliers, and the median index scores for the period 1998 – 2001 especially attenuate the impact of high levels of philanthropic support that pull the Index score high above the median. However, these differences were less pronounced in later years, with the median and average tracking each other very closely. Figure O shows the three different summary scores, while Figure P shows that there was 1.0 percent or less difference between all of them from 2003 onwards.

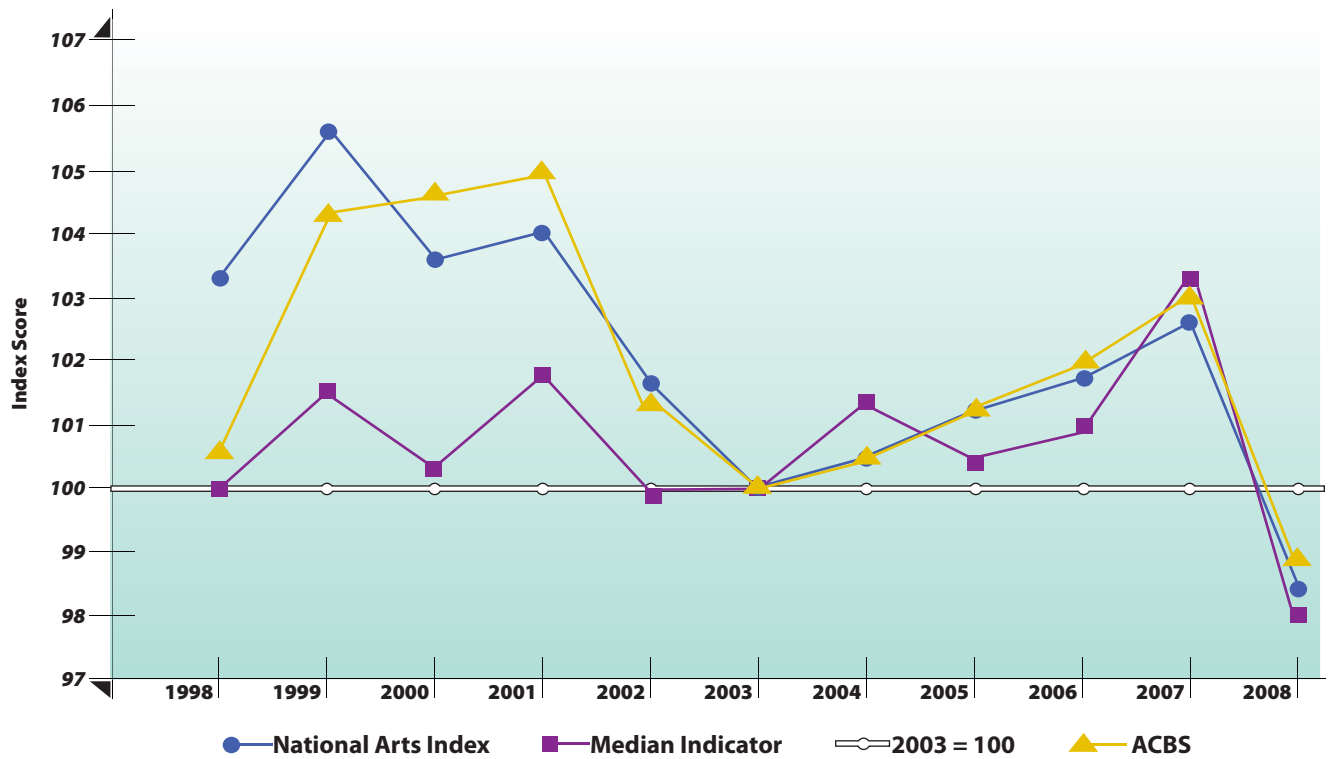


Figure O. National Arts Index, Median Indicator and ACBS Index Scores

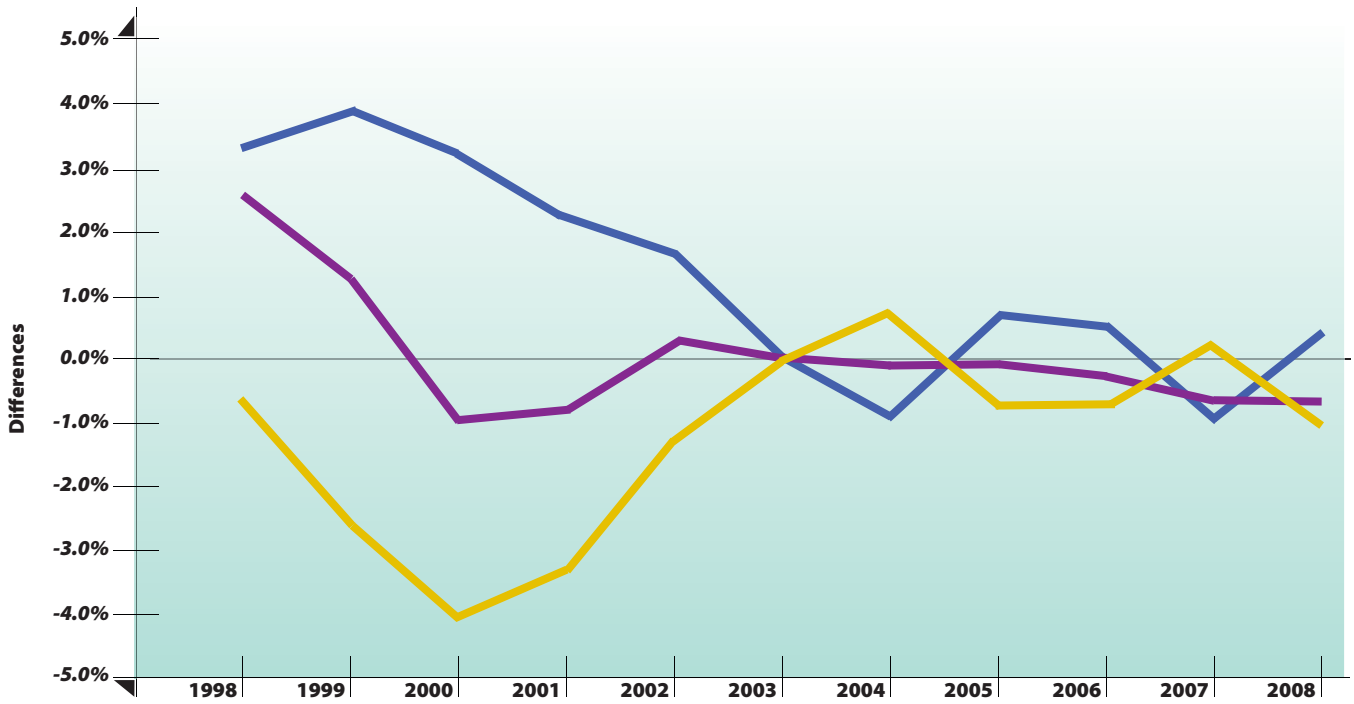


Figure P. Percentage Differences Between National Arts Index, Median, and ACBS Scores

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
% NAI-Median	3.26%	3.94%	3.21%	2.33%	1.63%	0.00%	-0.82%	0.70%	0.55%	-0.87%	0.40%
% NAI-ACBS	2.61%	1.23%	-1.04%	-0.92%	0.34%	0.00%	-0.05%	-0.07%	-0.24%	-0.62%	-0.62%
% Median-ACBS	-0.63%	-2.61%	-4.12%	-3.17%	-1.27%	0.00%	0.78%	-0.77%	-0.79%	0.25%	-1.01%

Computing Sector Views of the Data

In addition to the “meta” or cumulative perspective view of the vitality of the arts, this report also has “views” of the Index data that address specific sectors or areas of interest. These views use subsets of all of the data that pertain to a particular of interest; some relevant indicators have weight, and others have none. For example, the Nonprofit Measure in Chapter 1 incorporates 22 selected indicators that are relevant to the nonprofit arts. From 2003 to 2007, they each have 4.55 percent of the weight ($100/22 = 4.55$), and the other 54 indicators have zero weight. Similar logic applies for other specific views. However, some indicators are used more than once in these views, such as the volunteering indicator, found in both the Employment view and in the Nonprofit view.

Strengths and Weaknesses of the Index

Our review of other policy index projects and reports yields two key lessons: (1) the value of transparency and (2) identifying early on both the advantages and problems of the choices made in constructing an index. All data collection and manipulation procedures involve tradeoffs between the overall objective of a robust and informative result on the one hand, and the limitations of method or data or resources on the other. This section discusses some of the tradeoffs we encountered in creating the Index, especially between the precision of data and the desire to report continuing series.

A major overall objective was to create a result that was conceptually easy to understand for a broad-based audience, while providing ample coverage of arts and culture in the U.S., with additional detail on the underlying data. As a time-series study, time itself is an important variable. The technique presents data for each indicator in a common measurement format that can be used to compare between indicators over time. Year-to-year change in each indicator is presented both numerically and visually. In some ways, this is a “meta-analysis,” which systematically accumulates evidence from multiple studies of a subject to reach an overall finding. In this case, the subject is manifestations of the vitality of arts and culture. We are looking at changes in the relatively recent past, making it easier to interpret trends using both memory and current knowledge of the arts and culture world in the U.S. from 1998 to the present.

While subject to some flaws noted below, the data series that serve as indicators are the best available data to describe these arts and culture activities nationally and annually. Like everything, the methods we use have both strengths and weaknesses. Strengths of our approach include:

- **Use of multiple data series from reputable private and public sources to create the largest national-level, longitudinal data set ever assembled describing arts and culture in America.**
- **Deriving a diverse view of artistic businesses and work by using multiple classification systems for industries and occupations, such as SOC, NTEE, NAICS, etc.**
- **All data are ratio scaled, and are not measured categorically, ordinally, or in intervals. This consistent numerical characteristic makes it possible to do calculations with the Index scores such as percentage changes.**
- **The data series are quite consistent over time. Although many providers modify their procedures from year to year to improve precision, there is generally year-to-year continuity.**
- **The indexing procedure resolves differences between data series measured at different orders of magnitude. For example, activity and participation levels are in the millions or tens of millions of people; but other indicators are measured in small numbers like percentage margins. Financial figures were in billions of dollars. Indexing to a base year makes for consistent year-to-year trend measurement.**
- **Annual data is much more precise and fine-grained than what is reported on five-plus year intervals by the NEA, Department of Education, or Census Bureau.**
- **The National Arts Index technique is a model that can be used for studies of states, metropolitan areas, and municipalities.**
- **The Index as calculated can be maintained into the future.**
- **It is possible to add new series that come to our attention, and to produce new benchmark versions of the Index, with a “crosswalk” to earlier “vintages.” (This would, however, mean adopting more of a Paasche approach to the Index.)**
- **Alternative measures (overall Arts Index, median, and ACBS) track each other very closely.**

- **Multiple data sources on employment in the arts (government data by SOC-coded occupation and NAICS-coded industry, and private data on SIC-coded industry), enabled us to shed light from multiple perspectives on this critically important indicator of vitality.**
 - **It was developed using standard desktop applications.**
-

Weaknesses of our approach include the following considerations:

- **Many of the raw data series are based on surveys that are subject to biases such as non-random samples, self-selection, and non-response. Private membership organizations, especially, get their data from annual, voluntary surveys of their members. While their scope may be national, they may still have small sample sizes, and usually do not have the same respondents in successive years.**
 - **There are lags between when the activity occurred and when the data are released. The lags are predictable, but persistent, and can be as long as two years. They are longest in the areas of employment and payroll, which are usually issued by the Census Bureau about 28 months after the period they describe.**
 - **There is no information available about the variance within individual series (except for a small number of government series), limiting our ability to make assertions about the statistical significance of differences between individual indicators or index scores.**
 - **The Index scores vary over time, and this variation is the main focus of the analysis. However, there are not enough observations (i.e., years of data) of each indicator to derive views through factor analysis or other multivariate techniques.**
 - **The indicators do not cover every element of arts and culture activities, and many aspects escape annual measurement. We could not find data describing the visual arts market (creation or consumption) to meet our criteria, and similarly for craft-making, dance and choral music. The massive impact of desktop / laptop tools on design and creativity, and the impact of the internet transmission of arts and culture content are similarly absent from our list of indicators. Thus, while the report is comprehensive, it is not exhaustive. We fully expect that other sectors may come to our attention in the future—as was the experience of index managers from other policy index reports we learned from.**
-

Other Methodological Notes

Calculated vs. original indicators

Twenty-three indicators were calculated by relating an observed data series describing arts and culture to some wider measure of the U.S. society, such as population or total government spending. The specifics of these calculations are in the one-page reports (mostly in Chapter 6), and the indicator names usually indicate that they are a “share.”

Adjusting for inflation

Financial figures were converted from current or nominal dollars to constant (inflation-adjusted) dollars using the annual average Consumer Price Index for urban consumers at <ftp://ftp.bls.gov/pub/special.requests/cpi/cpi.ai.txt>. The original base period (i.e., when the CPI was 100) is 1983, but price levels have more than doubled since then. To put this into a scale easier to relate to recent price changes, the one-page reports use CPI set to 2003 = 100, calculated by dividing average annual CPI figures for Index years by the 2003 CPI, and multiplying by 100:

Table 12. Consumer Price Indices, 1998 – 2008

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
CPI at 1982-1984 = 100	163.00	166.60	172.20	177.10	179.90	184.00	188.90	195.30	201.60	207.34	215.30
CPI set to 2003 = 100.0	88.59	90.54	93.59	96.25	97.77	100.00	102.66	106.14	109.57	112.69	117.01

Thus, the “constant dollar” figures reported are essentially in 2003 dollars. Note that the cumulative effect of inflation from 1998 to 2007 was 27.2 percent, calculated as $(112.69 / 88.59) - 1 = 0.272$. Effectively, a dollar in 2008 bought less than three quarters of what it purchased in 1998.

We chose to use CPI for two reasons. One is that arts and culture are consumer products, and so it is consistent with the subject of the report. The other reason is that the GDP deflator, another measure of price change issued by the government, is always being revised retrospectively, and every new “vintage” restates its own past values. This restatement makes comparison of present to past slightly more precise, but much harder to manage.

Adjusting for population change

Population figures are based on the decennial (every ten years) U.S. Census. In intervening years, the Census Bureau estimates population levels as it has done annually since before the 1990 census. When a new decennial census is conducted (as it will be in 2010), the Bureau revises its prior estimates in the light of the actual population count. This report uses these so-called “intercensal” estimates of total U.S. resident population on July 1 of 1998 and 1999, at <http://www.census.gov/popest/archives/EST90INTERCENSAL/US-EST90INT-07/US-EST90INT-07.csv>, the actual April 1, 2000 Census count, and annual estimates for 2001 through 2008 (all at <http://www.census.gov/popest/states/NST-ann-est.html>).

Tests of statistical significance

Without variance information for most indicators, our quest for statistical significance is largely restricted to comparisons of annual National Arts Index scores between years using simple *t*-tests (two-tailed). The table below shows where we found statistical significant differences between the Index scores for specific pairs of year. Significant results are shown at the 10 percent level of significance, which refers to the probability that the calculated difference came from chance as opposed to a systematic pattern in the data:

Table 13. T-Test of Differences Between Years

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
NAI Value	103.3	105.5	103.5	104.0	101.5	100.0	100.5	101.2	101.6	102.6	98.4
1998		0.634	0.944	0.849	0.579	0.267	0.379	0.517	0.607	0.830	0.197
1999			0.636	0.713	0.290	0.123	0.180	0.257	0.308	0.450	0.097
2000				0.882	0.402	0.091	0.194	0.340	0.439	0.707	0.102
2001					0.308	0.058	0.136	0.258	0.341	0.584	0.076
2002						0.229	0.545	0.860	0.956	0.585	0.245
2003							0.580	0.372	0.241	0.088	0.503
2004								0.698	0.527	0.258	0.404
2005									0.824	0.489	0.305
2006										0.635	0.240
2007											0.136

The numbers in the table are the probabilities associated with a hypothesis that the two Index scores are not the same. The closer the number is to zero, the more likely that the difference is not by chance. Cells **underlined and boldfaced** indicate that the Index scores of two years are different from each other at the 10 percent level of significance. Specifically, the 2008 Index score is significantly less than the scores of 1999 and 2001, as is the 2003 Index score compared to 2000, 2001, and 2007. Generally, these t-test results suggest that a difference of five Index points is significant at the 10 percent level for comparisons of two years where all 76 indicators are used (as is the case for the comparison between 2003 and 2007).

Data series we did not use

In addition to the data series used to build indicators for the Index, we also found sources describing aspects of arts and culture that we did not use for one or more reasons, such as an indirect or limited connection to the arts, concerns about continued availability of the data over time, variability far outside the dynamic range of other indicators, or too close a parallel to available data. Here are some series that we identified but did not use:

- **Data on visitation to public libraries for various purposes, obtained from NCES**
- **Share of the global art auction market sold in U.S. auction houses, obtained from artmarket.com. This has been around 40 percent in recent years.**
- **A price index of the sales of art in U.S auction houses, also from artmarket.com. This index has fluctuated very widely in recent years.**
- **The share of the Library of Congress collection devoted to works of fine arts and music. This increased from about 19.5 million items to about 23.1million items from 1999 to 2006, representing about 6.8 to 7.0 percent of the total collection.**
- **International trade (both imports and exports) in art and music products defined by the Standard International Trade Classification, from the International Trade Administration**
- **Number of nonprofit arts organizations filing the annual Form 990 information return. Every year, this represented an almost identical share (about 35 percent) of the total number of registered nonprofit arts organizations, and so would have provided no additional trend information to the Index. Financial figures for nonprofit revenue, assets, and surplus are derived only from those organizations that do file form 990.**
- **Another measure of corporate support of the arts from the Committee Encouraging Corporate Philanthropy. This closely paralleled data provided by the Conference Board, but with fewer years of data available.**
- **Total movie revenue, which moved in parallel to movie attendance.**
- **Specific indicators on movie releases, and premieres in opera, theatre, and symphony were combined into one "New Work" indicator.**

Alternative systems for analyzing the Index data

Our procedure as outlined above involved first indexing the data series (dividing by the 2003 value) and then averaging them, effectively setting all weights equal to each other. The resulting annual Index scores are thus linear point estimates of total variation across all indicators in each year. This was appropriate because of its simplicity and the ease of computation. To group them into components, we used the ACBS model and our own sense of what constituted financial flows, capacity, arts participation, and arts competitiveness.

With additional resources or time, we could have used other systems to categorize the data or find components from the available variance rather than the views implied by the ACBS model. We could not use factor analysis, principal components analysis or structural equation modeling because these approaches need many more observations than variables, and the Index data include only eleven observations (one per year) of dozens of variables. Optimization techniques like linear programming or data envelopment analysis are not helpful because we do not have a single state of arts and culture to set as that optimum standard, so there is no clear objective to pursue or compare to. For similar reasons, we did not use a Lorenz curve / Ginni coefficient approach to compare actual provision of arts and culture to a conceptual ideal where every person has equal access to the arts.

All this said, we are interested in more elaborate approaches, either those mentioned here, or others. We encourage researchers and analysts to approach us with models for alternatives. Note that Appendix E contains all of the annual index scores for every variable.

Additional years' data

As the project began, we set 1996 as the first year for which we would seek observations. Ultimately, 27 indicators had measurements for 1996, and two more also had 1997 data. Under a rule of thumb that we would not focus on any year with too few indicators, we only present detailed data for 1998 through 2008. The smallest number of indicators in this span for the first ten years is 49, in 1998. At the time of writing, a total of 50 indicators (two-thirds of the maximum) were available for 2008. We expect to be able to complete data collection for 2008 by August of 2010, and to report a full 2008 Index score in October of 2010.

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As a full-service agency since 1986, GGA offers creative ideas, media placement, market research, Internet advertising and emerging media & public relations services.

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These sources were helpful in organizing our thinking about the Index as a structure for measuring arts and culture industries, systems approaches, indexing techniques, evaluation, and related issues.

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APPENDIX A: NORTH AMERICAN INDUSTRIAL CLASSIFICATION SYSTEM CODES DEFINING ARTS AND CULTURE INDUSTRIES

NAICS CODE	DESCRIPTION
334612	Prerecorded Compact Disc (except Software), Tape, and Record Reproducing
339911	Jewelry (except Costume) Manufacturing
339942	Lead Pencil and Art Good Manufacturing
339992	Musical Instrument Manufacturing
423410	Photographic Equipment and Supplies Merchant Wholesalers
443130	Camera and Photographic Supplies Stores
451140	Musical Instrument and Supplies Stores
451220	Prerecorded Tape, Compact Disc, and Record Stores
453920	Art Dealers
511130	Book Publishers
512110	Motion Picture and Video Production
512120	Motion Picture and Video Distribution
512131	Motion Picture Theaters (except Drive-Ins)
512132	Drive-In Motion Picture Theaters
512191	Teleproduction and Other Postproduction Services
512199	Other Motion Picture and Video Industries
512210	Record Production
512220	Integrated Record Production/Distribution
512230	Music Publishers
512240	Sound Recording Studios
512290	Other Sound Recording Industries
515111	Radio Networks
515112	Radio Stations
515120	Television Broadcasting
519120	Libraries and Archives
532230	Video Tape and Disc Rental
541310	Architectural Services
541410	Interior Design Services
541430	Graphic Design Services
541490	Other Specialized Design Services
541810	Advertising Agencies
541921	Photography Studios, Portrait
541922	Commercial Photography
611610	Fine Arts Schools
711110	Theater Companies and Dinner Theaters
711120	Dance Companies
711130	Musical Groups and Artists
711190	Other Performing Arts Companies
711510	Independent Artists, Writers, and Performers
712110	Museums
712120	Historical Sites
712130	Zoos and Botanical Gardens

• Used in indicators 3, 18, 24, 56, 58 and 60

APPENDIX B: STANDARD OCCUPATIONAL CODES DEFINING ARTS AND CULTURE OCCUPATIONS**

SOC CODE	TYPE OF WORK
131011	Agents and Business Managers of Artists, Performers and Athletes
171011	Architects, Except Landscape and Naval
171012	Landscape Architects
25-1121	Art, Drama, and Music Teachers, Postsecondary
254011	Archivists
254012	Curators
259011	Audio-Visual Collections Specialists
271011	Art Directors
271012	Craft Artists
271013	Fine Artists, Including Painters, Sculptors and Illustrators
271014	MultiMedia Artists and Animators
271019	Artists and Related Workers, All Other
271021	Commercial and Industrial Designers
271022	Fashion Designers
271023	Floral Designers
271024	Graphic Designers
271025	Interior Designers
271026	Merchandise Displayers and Window Trimmers
271027	Set and Exhibit Designers
271029	Designers, All Other
272011	Actors
272012	Producers and Directors
272031	Dancers
272032	Choreographers
272041	Music Directors and Composers
272042	Musicians and Singers
272099	Entertainers and Performers, Sports and Related Workers, All Other
273011	Radio and Television Announcers
273041	Editors
273042	Technical Writers
273043	Writers and Authors
274011	Audio and Video Equipment Technicians
274012	Broadcast Technicians
274014	Sound Engineering Technicians
274021	Photographers
274031	Camera Operators, Television, Video, and Motion Picture
274032	Film and Video Editors
274099	Media and Communication Equipment Workers, All Other
393021	Motion Picture Projectionists
393031	Ushers, Lobby Attendants, and Ticket Takers
393092	Costume Attendants
393099	Entertainment Attendants and Related Workers, All Others
395091	Makeup Artists, Theatrical and Performance
499063	Musical Instrument Repairers and Tuners
519071	Jewelers and Precious Stone and Metal Workers

• Used in indicators 2,17 and 57

APPENDIX C: NAICS CODES USED IN 'FINANCIAL PERFORMANCE' INDICATOR

NAICS CODE	DESCRIPTION
339911	Jewelry (except Costume) Manufacturing
339992	Musical Instrument Manufacturing
423410	Photographic Equipment and Supplies Merchant Wholesalers
443130	Camera and Photographic Supplies Stores
451140	Musical Instrument and Supplies Store
511130	Book Publishers
512110	Motion Picture and Video Production
512131	Motion Picture Theaters (except Drive-Ins)
512199	Other Motion Picture and Video Industries
515112	Radio Stations
515120	Television Broadcasting
532230	Video Tape and Disc Rental
541310	Architectural Services
541410	Interior Design Services
541430	Graphic Design Services
541810	Advertising Agencies
541890	Other Services Related to Advertising
541921	Photography Studios Portrait
541922	Commercial Photography
611610	Fine Arts Schools
711110	Theater Companies and Dinner Theaters
711130	Musical Groups and Artists
712110	Museums

• Used in indicator 75

APPENDIX D: NATIONAL TAXONOMY OF EXEMPT ENTITIES CODES DEFINING ARTS AND CULTURE INDUSTRIES

NTEE CODE	TYPE OF NONPROFIT ORGANIZATION
A01	Alliance/Advocacy Organizations
A02	Management & Technical Assistance
A03	Professional Societies & Associations
A05	Research Institutes and/or Public Policy Analysis
A11	Single Organization Support
A12	Fundraising and/or Fund Distribution
A19	Nonmonetary Support Not Elsewhere Classified
A20	Arts, Cultural Organizations - Multipurpose
A23	Cultural/Ethnic Awareness
A25	Arts Education/Schools
A26	Arts Council/Agency
A30	Media, Communications Organizations
A31	Film, Video
A32	Television
A33	Printing, Publishing
A34	Radio
A40	Visual Arts Organizations
A50	Museums & Museum Activities
A51	Art Museums
A52	Children's Museums
A54	History Museums
A56	Natural History, Natural Science Museums
A57	Science & Technology Museum
A60	Performing Arts
A61	Performing Arts Centers
A62	Dance
A63	Ballet
A65	Theater
A68	Music
A69	Symphony Orchestras
A6A	Opera
A6B	Singing Choral
A6C	Music Groups, Bands, Ensembles
A6E	Performing Arts Schools
A70	Humanities Organizations
A80	Historical Societies and Related Activities
A84	Commemorative Events
A90	Arts Service Activities/ Organizations
A99	Other Art, Culture, Humanities Organizations/Services Not Elsewhere Classified
N52	County/Street/Civic/Multi-Arts Fairs and Festivals

• Used in indicators 8, 26, 27, 29 and 76

APPENDIX E: NATIONAL ARTS INDEX ANNUAL INDEX SCORES, 1998 - 2008

INDICATOR	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
1. Songwriter and composer performing rights royalties						1.000	1.060	1.099	1.139	1.203	1.260
2. Wages in artistic occupations		0.956	0.961	0.967	0.978	1.000	0.910	0.926	0.946	0.966	0.927
3. Payroll in arts and culture industries	0.920	0.961	1.029	1.028	0.995	1.000	0.983	1.019	1.062	1.063	
4. Publishing industry revenue					0.965	1.000	0.959	0.979	0.945	0.948	
5. Bookseller sales	0.928	0.968	0.984	0.970	0.977	1.000	1.009	0.982	0.944	0.934	0.785
6. Musical instrument sales	1.037	1.075	1.094	1.025	1.022	1.000	1.025	1.053	0.977	0.957	0.871
7. Recording industry shipment value	1.306	1.359	1.291	1.204	1.088	1.000	1.014	0.977	0.905	0.776	0.611
8. Revenue of arts and culture nonprofits	0.928	1.034	1.072	1.049	1.022	1.000	1.094	1.103	1.204	1.280	
9. Corporate arts and culture funding	0.777	1.074	1.181	1.234	1.155	1.000	0.928	1.060	1.141	1.132	
10. Foundation arts and culture funding	0.907	0.959	1.074	1.189	1.112	1.000	1.077	1.081	1.188	1.137	
11. Private giving to arts and culture	1.029	0.942	1.034	1.095	1.023	1.000	1.060	0.990	1.054	1.120	1.009
12. United arts fundraising campaigns	0.940	1.015	1.034	1.019	0.971	1.000	1.007	0.976	1.038	1.033	0.997
13. Federal government arts and culture funding					0.977	1.000	1.040	1.039	1.000	0.986	1.010
14. State arts agency legislative appropriations	0.964	1.150	1.179	1.316	1.178	1.000	0.770	0.806	0.844	0.874	0.852
15. Local government funding of local arts agencies			0.976	1.063	1.081	1.000	0.951	0.966	1.008	1.176	1.171
16. Artists in the workforce	0.961	1.000	0.996	1.010	0.995	1.000	1.013	1.024	1.013	1.077	1.060
17. Workers in arts and culture occupations		0.903	0.943	0.979	0.975	1.000	1.088	1.089	1.107	1.149	1.155
18. Employees in arts and culture industries	0.947	0.979	1.024	1.028	1.002	1.000	1.001	1.016	0.987	1.025	
19. "Creative Industries" employment						1.000	0.992	0.960	0.893	0.997	0.942
20. Arts union membership			1.010	1.002	1.001	1.000	1.003	1.040	1.086	1.230	1.268
21. CD and record stores						1.000	0.907	0.823	0.709	0.580	0.509
22. Independent artists, writers and performers			0.891	0.922	0.971	1.000	1.044	1.120	1.134	1.190	
23. Movie screens	0.949	1.032	1.008	0.977	0.996	1.000	1.018	1.048	1.068	1.078	1.079
24. Establishments in arts and culture industries	0.973	0.973	0.974	0.977	1.002	1.000	1.021	1.017	1.043	1.055	
25. "Creative Industries" establishments						1.000	1.055	0.997	0.997	1.116	1.251
26. Registered arts and culture 501(c)(3) organizations	0.805	0.830	0.852	0.895	0.935	1.000	1.031	1.046	1.089	1.146	1.150
27. Arts support organizations	0.801	0.875	0.891	0.926	0.975	1.000	1.046	1.073	1.097	1.095	
28. Capital stock of arts and culture industries	1.040	1.056	1.048	1.048	1.030	1.000	1.036	1.049	1.071	1.075	1.071
29. Capital stock of arts and culture nonprofits	0.614	0.670	0.732	0.782	0.883	1.000	1.065	1.036	1.059	1.183	
30. Personal arts creativity experiences					1.040	1.000	1.030	1.025	1.074	1.128	1.106
31. Copyright applications	1.062	1.019	0.969	0.971	0.866	1.000	1.011	0.989	0.978	0.891	0.924
32. Personal expenditures on arts and culture	0.889	0.944	0.978	0.971	0.999	1.000	1.027	1.038	1.084	1.095	
33. New work in theatre, orchestra, opera, Broadway and film						1.000	0.969	0.973	1.046	1.090	
34. Performance of SAT test takers with four years of art or music	0.935	0.903	0.835	0.769	0.902	1.000	1.037	1.074	1.111	1.063	0.948
35. Volunteering for the arts					0.907	1.000	0.927	0.880	0.939	0.930	0.935
36. Arts majors by college-bound seniors	0.916	0.960	0.986	1.025	1.035	1.000	0.936	0.945	1.034	1.053	1.009

APPENDIX E: NATIONAL ARTS INDEX ANNUAL

INDEX SCORES, 1998 - 2008 *(continued)*

INDICATOR	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
37. Visual and performing arts degrees	0.736	0.778	0.815	0.854	0.931	1.000	1.069	1.094	1.112	1.117	
38. Noncommercial radio listenership	0.858	0.876	0.858	0.929	0.956	1.000	0.982	0.965	0.956	0.982	1.000
39. Public television viewing	1.189	1.172	1.149	1.094	1.017	1.000	0.983	0.966	0.913	0.830	0.740
40. Foreign visitor participation in arts and culture leisure activity	1.058	1.025	1.010	1.036	0.981	1.000	1.052	1.080	1.112	1.105	1.197
41. Attendance at Broadway shows in New York	1.005	1.022	0.996	1.041	0.959	1.000	1.016	1.009	1.051	1.078	1.074
42. Attendance at touring Broadway shows	1.226	1.177	0.944	0.887	0.944	1.000	1.040	1.468	1.379	1.347	1.234
43. Attendance at live popular music						1.000	1.045	1.067	1.024	1.019	1.002
44. Attendance at symphony, dance, opera, and theatre						1.000	0.991	0.978	0.953	0.928	0.888
45. Motion picture attendance	0.945	0.947	0.909	0.945	1.051	1.000	0.976	0.905	0.917	0.920	0.896
46. Art museum visits						1.000	0.980	1.004	0.951	0.932	0.933
47. Museum visits			0.911	0.976	0.902	1.000	0.984	1.161	1.105	1.037	1.048
48. Opera attendance	1.191	1.153	1.237	1.233	1.022	1.000	1.094	1.053	1.086	1.120	
49. Symphony attendance	1.157	1.108	1.139	1.134	1.090	1.000	0.996	0.952	1.046	1.044	
50. Nonprofit professional theatre attendance					0.939	1.000	0.936	0.948	0.889	0.904	0.933
51. Citations of arts and culture in bibliographic databases	1.018	1.061	1.061	1.074	1.017	1.000	0.958	0.852	0.937	1.027	
52. Population share engaged in personal creativity activities					1.049	1.000	1.021	1.006	1.045	1.087	1.055
53. Arts and culture share of private giving	1.218	0.994	0.995	1.077	1.016	1.000	0.992	0.877	0.925	0.950	0.907
54. Arts and culture share of personal expenditures	1.032	1.048	1.046	1.021	1.024	1.000	0.991	0.971	0.994	1.032	
55. Visual and performing arts share of all degrees	0.842	0.881	0.899	0.929	0.980	1.000	1.017	1.007	0.992	0.973	
56. Share of employees in arts and culture industries	0.993	1.003	1.018	1.013	1.010	1.000	0.986	0.990	0.934	0.964	
57. Share of workers in arts and culture occupations		0.888	0.946	0.976	0.975	1.000	1.083	1.066	1.064	1.091	1.090
58. Share of payroll in arts and culture industries	0.995	0.990	1.003	1.002	0.997	1.000	0.959	0.975	0.981	0.963	
59. Share of SAT I test takers with four years of art or music	0.970	0.978	0.962	0.939	0.979	1.000	1.071	1.112	1.177	1.159	1.192
60. Share of establishments in arts and culture industries	1.017	1.007	0.999	0.999	1.010	1.000	1.003	0.984	0.996	0.993	
61. Arts and culture share of foundation funding	1.186	1.074	0.958	0.977	0.978	1.000	1.023	1.001	0.975	0.848	
62. Arts and culture share of corporate funding	1.878	2.535	1.618	1.521	1.453	1.000	0.854	0.828	0.905	0.846	
63. Federal government arts and culture funding per capita					0.985	1.000	1.030	1.020	0.973	0.950	0.964
64. Arts and culture share of federal domestic discretionary spending					1.043	1.000	1.028	0.993	0.934	0.953	0.962
65. State arts agency funding per capita	1.014	1.196	1.212	1.340	1.188	1.000	0.762	0.791	0.821	0.841	0.814
66. State arts agency share of state general fund expenditures	1.058	1.136	1.197	1.273	1.151	1.000	0.768	0.779	0.782	0.764	0.759
67. Population share attending Broadway shows in New York or on tour	1.290	1.225	0.970	0.903	0.952	1.000	1.031	1.441	1.341	1.297	1.178
68. Population share attending live popular music						1.000	1.029	1.033	0.981	0.965	0.937

APPENDIX E: NATIONAL ARTS INDEX ANNUAL

INDEX SCORES, 1998 - 2008 *(continued)*

INDICATOR	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
69. Population share attending symphony, dance, opera and theatre						1.000	0.976	0.947	0.912	0.878	0.830
70. Population share visiting art museums						1.000	0.965	0.972	0.911	0.883	0.873
71. Population share attending opera	1.253	1.200	1.272	1.255	1.031	1.000	1.084	1.034	1.056	1.078	
72. Population share attending symphony	1.217	1.152	1.171	1.155	1.099	1.000	0.987	0.935	1.017	1.007	
73. Population share attending nonprofit professional theatre					0.947	1.000	0.927	0.930	0.865	0.871	0.863
74. Arts, culture, and humanities in the Philanthropic Giving Index	1.434	1.368	1.458	1.429	1.405	1.000	1.464	1.400	1.373	1.183	1.137
75. Return on assets of arts businesses				0.689	0.841	1.000	1.087	0.947	0.773	1.058	0.814
76. Share of nonprofit arts organizations with end-of-year surplus	1.168	1.152	1.145	1.079	1.008	1.000	1.031	1.051	1.058	1.105	

APPENDIX F: INDICATORS IN SELECTED VIEWS

National Arts Index Capacity and Infrastructure Measure

- Artists in the workforce
- Registered arts and culture 501(c)(3) organizations
- Capital stock of arts and culture industries
- CD and record stores
- “Creative Industries” employment
- “Creative Industries” establishments
- Employees in arts and culture industries
- Establishments in arts and culture industries
- Movie screens
- Capital stock of arts and culture nonprofits
- Independent artists, writers and performers
- Arts support organizations
- Arts union membership
- Workers in arts and culture occupations

National Arts Index Participation Measure

- Attendance at Broadway shows in New York
- Attendance at touring Broadway shows
- Citations of arts and culture in bibliographic databases
- Copyright applications
- Visual and performing arts degrees
- Foreign visitor participation in arts and culture leisure activity
- Arts majors by college-bound seniors
- Attendance at live popular music
- Art museum visits
- Attendance at symphony, dance, opera and theatre
- Motion picture attendance
- Museum visits
- New work in theatre, orchestra, opera, Broadway and film
- Opera attendance
- Personal arts creativity experiences
- Noncommercial radio listenership
- Public television viewing
- Performance of SAT test takers with four years of art or music
- Personal expenditures on arts and culture
- Symphony attendance
- Nonprofit professional theatre attendance
- Volunteering for the arts

National Arts Index Contributed Support Measure

- Corporate arts and culture funding
- Arts and culture share of corporate funding
- Federal government arts and culture funding
- Federal government arts and culture funding per capita
- Arts and culture share of federal domestic discretionary spending
- Foundation arts and culture funding
- Arts and culture share of foundation funding
- Local government funding of local arts agencies
- Arts, culture, and humanities in the Philanthropic Giving Index
- Private giving to arts and culture
- Arts and culture share of private giving
- State arts agency legislative appropriations
- State arts agency funding per capita
- State arts agency share of state general fund expenditures
- Arts support organizations
- United arts fundraising campaigns
- Volunteering for the arts

APPENDIX F: INDICATORS IN SELECTED VIEWS *(continued)*

National Arts Index Employment Measure

- **“Creative Industries” employment**
- **Employees in arts and culture industries**
- **Share of employees in arts and culture industries**
- **Payroll in arts and culture industries**
- **Share of payroll in arts and culture industries**
- **Independent artists, writers and performers**
- **Arts union membership**
- **Volunteering for the arts**
- **Wages in artistic occupations**
- **Workers in arts and culture occupations**
- **Share of workers in arts and culture occupations**

National Arts Index Nonprofit Measure

- **Registered arts and culture 501(c)(3) organizations**
- **Foundation arts and culture funding**
- **Arts and culture share of foundation funding**
- **Art museum visits**
- **Population share visiting art museums**
- **Attendance at symphony, dance, opera and theatre**
- **Population share attending symphony, dance, opera and theatre**
- **Capital stock of arts and culture nonprofits**
- **Revenue of arts and culture nonprofits**
- **Opera attendance**
- **Population share attending opera**
- **Private giving to arts and culture**
- **Arts and culture share of private giving**
- **Noncommercial radio listenership**
- **Public television viewing**
- **Arts support organizations**
- **Share of nonprofit arts organizations with end-of-year surplus**
- **Symphony attendance**
- **Population share attending symphony**
- **Nonprofit professional theatre attendance**
- **Population share attending nonprofit professional theatre**
- **Volunteering for the arts**

National Arts Index Creativity Measure

- **Artists in the workforce**
- **Registered arts and culture 501(c)(3) organizations**
- **Copyright applications**
- **Visual and performing arts degrees**
- **Musical instrument sales**
- **New work in theatre, orchestra, opera, Broadway and film**
- **Personal arts creativity experiences**
- **Independent artists, writers and performers**

National Arts Index Educational Interest Measure

- **Visual and performing arts degrees**
- **Visual and performing arts share of all degrees**
- **Arts majors by college-bound seniors**
- **Performance of SAT test takers with four years of art or music**
- **Share of SAT I test takers with four years of art or music**

APPENDIX F: INDICATORS IN SELECTED VIEWS *(continued)*

National Arts Index Employment Measure

- **“Creative Industries” employment**
- **Employees in arts and culture industries**
- **Share of employees in arts and culture industries**
- **Payroll in arts and culture industries**
- **Share of payroll in arts and culture industries**
- **Independent artists, writers and performers**
- **Arts union membership**
- **Volunteering for the arts**
- **Wages in artistic occupations**
- **Workers in arts and culture occupations**
- **Share of workers in arts and culture occupations**

National Arts Index Business Measure

- **Bookseller sales**
- **Attendance at Broadway shows in New York**
- **Population share attending Broadway shows in New York or on tour**
- **Capital stock of arts and culture industries**
- **CD and record stores**
- **Musical instrument sales**
- **Attendance at live popular music**
- **Population share attending live popular music**
- **Motion picture attendance**
- **Movie screens**
- **Songwriter and composer performing royalties**
- **Return on assets of arts businesses**
- **Return on assets of arts businesses**
- **Recording industry shipment value**
- **Independent artists, writers and performers**

National Arts Index Competitiveness Measure

- **Population share attending Broadway shows in New York or on tour**
- **Arts and culture share of corporate funding**
- **Visual and performing arts share of all degrees**
- **Share of employees in arts and culture industries**
- **Share of establishments in arts and culture industries**
- **Federal government arts and culture funding per capita**
- **Arts and culture share of federal domestic discretionary spending**
- **Arts and culture share of foundation funding**
- **Population share attending live popular music**
- **Population share visiting art museums**
- **Population share attending symphony, dance, opera and theatre**
- **Population share attending opera**
- **Share of payroll in arts and culture industries**
- **Population share engaged in personal creativity activities**
- **Arts, culture, and humanities in the Philanthropic Giving Index**
- **Arts and culture share of private giving**
- **Return on assets of arts businesses**
- **Share of SAT I test takers with four years of art or music**
- **Arts and culture share of personal expenditures**
- **State arts agency funding per capita**
- **State arts agency share of state general fund expenditures**
- **Share of nonprofit arts organizations with end-of-year surplus**
- **Population share attending symphony**
- **Population share attending nonprofit professional theatre**
- **Share of workers in arts and culture occupations**

APPENDIX G: INDICATOR SOURCES

Indicator	Source(s)
1. Songwriter and composer performing rights royalties	ASCAP and BMI, retrieved from http://www.ascap.com/new/ and http://bmi.com/press/
2. Wages in artistic occupations	Bureau of Labor Statistics, Occupational Employment Statistics, retrieved from http://www.bls.gov/oes/#tables and http://www.bls.gov/oes/release_archive.htm , full-time status from http://www.arts.gov/research/ArtistsInWorkforce.pdf
3. Payroll in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from http://censtats.census.gov/cgi-bin/cbnpa/cbpsel.pl
4. Publishing industry revenue	American Association of Publishers, retrieved from http://www.publishers.org/main/IndustryStats/documents/S12007Final.pdf
5. Bookseller sales	Bureau of the Census, Monthly Retail Sales, retrieved from http://www.census.gov/mrts/www/data/excel/mrtssales92-09.xls
6. Musical instrument sales	National Association of Music Merchants, <i>NAMM Global Report Featuring Music USA</i> annual report retrieved from http://www.namm.org/library/music-usa
7. Recording industry shipment value	Recording Industry Association of America, 2008 Year-End Shipment Statistics, retrieved from http://riaa.org/keystatistics.php
8. Revenue of arts and culture nonprofits	Data provided to Americans for the Arts by National Center for Charitable Statistics at the Urban Institute
9. Corporate arts and culture funding	Conference Board, <i>2007 and 2008 Corporate Contributions Reports</i> , additional data provided by the Conference Board to Americans for the Arts
10. Foundation arts and culture funding	Foundation Center FCStats, retrieved from http://foundationcenter.org/findfunders/statistics/gs_subject.html
11. Private giving to arts and culture	Giving USA Foundation, <i>Giving USA</i> annual publication
12. United arts fundraising campaigns	Americans for the Arts, collected for the United States Urban Arts Federation
13. Federal government arts and culture funding	Congressional Research Service <i>Arts and Humanities: Background on Funding</i> , retrieved from http://italy.usembassy.gov/pdf/other/RS20287.pdf ; General Printing Office, retrieved from http://www.gpoaccess.gov/usbudget/browse.html
14. State arts agency legislative appropriations	Data provided to Americans for the Arts by National Assembly of State Arts Agencies
15. Local government funding of local arts agencies	Americans for the Arts, collected for the United States Urban Arts Federation
16. Artists in the workforce	National Endowment for the Arts Research Notes 76, 87, 90, and 97 retrieved from http://www.arts.gov/research/ResearchNotes_chrono.html
17. Workers in arts and culture occupations	Bureau of Labor Statistics, Occupational Employment Statistics, retrieved from http://www.bls.gov/oes/#tables and http://www.bls.gov/oes/release_archive.htm , full-time status from http://www.arts.gov/research/ArtistsInWorkforce.pdf
18. Employees in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from http://censtats.census.gov/cgi-bin/cbnpa/cbpsel.pl
19. "Creative Industries" employment	Americans for the Arts; data collected for the annual Creative Industries reports described at http://www.americansforthearts.org/information_services/research/services/creative_industries/default.asp
20. Arts union membership	Office of Labor Management Standards, Department of Labor, retrieved from http://kcerds.dol-esa.gov/query/getOrgQry.do
21. CD and record stores	<i>Rolling Stone</i> Volume 1045, p. , Almighty Institute of Music Retail
22. Independent artists, writers and performers	Bureau of the Census, Non-Employer Statistics, retrieved from http://www.census.gov/epcd/nonemployer/2002/us/US000.htm
23. Movie screens	Motion Picture Association of America, 2008 MPAA Theatrical Statistics, retrieved from http://www.mpa.org/2008_Theat_Stats.pdf

APPENDIX G: INDICATOR SOURCES *(continued)*

Indicator	Source(s)
24. Establishments in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from http://censtats.census.gov/cgi-bin/cbpnai/cbpsel.pl
25. "Creative Industries" establishments	Americans for the Arts; data collected for the annual Creative Industries reports described at http://www.americansforthearts.org/information_services/research/services/creative_industries/default.asp
26. Registered arts and culture 501(c)(3) organizations	Data provided to Americans for the Arts by National Center for Charitable Statistics at the Urban Institute
27. Arts support organizations	Data provided to Americans for the Arts by National Center for Charitable Statistics at the Urban Institute
28. Capital stock of arts and culture industries	Bureau of Economic Analysis, retrieved from http://www.bea.gov/national/FA2004/Details/xls/detailnonres_stk1.xls
29. Capital stock of arts and culture nonprofits	Data provided to Americans for the Arts by National Center for Charitable Statistics at the Urban Institute
30. Personal arts creativity experiences	Bureau of the Census, Statistical Abstract of the United States, retrieved from http://www.census.gov/prod/www/abs/statab2001_2005.html and http://www.census.gov/prod/www/abs/statab2006_2010.html
31. Copyright applications	Copyright Office, Library of Congress, retrieved from annual reports at http://www.copyright.gov/reports/index.html , 2008 figure provided by Copyright Office staff.
32. Personal expenditures on arts and culture	Bureau of Economic Analysis, National Income and Products Accounts Table, retrieved from http://bea.gov/national/nipaweb/TableView.asp?SelectedTable=65&ViewSeries=NO&Java=no&Request3Place=N&3Place=N&FromView=YES&Freq=Year&FirstYear=1996&LastYear=2008&3Place=N&Update=Update&JavaBox=no
33. New work in theatre, orchestra, opera, Broadway and film	Compiled from data from Broadway League, League of American Orchestras, Motion Picture Association of America, Opera America, and Theatre Communications Group
34. Performance of SAT test takers with four years of art or music	College Board, College-Bound Seniors, retrieved from http://professionals.collegeboard.com/data-reports-research/sat/archived
35. Volunteering for the arts	Bureau of the Census, Current Population Survey, retrieved via Data Ferrett at http://dataferrett.census.gov/
36. Arts majors by college-bound seniors	College Board, College-Bound Seniors, retrieved from http://professionals.collegeboard.com/data-reports-research/sat/archived
37. Visual and performing arts degrees	National Center for Education Statistics, <i>Digest of Education Statistics</i> Tables 253, 254, 263, and 310, retrieved from http://nces.ed.gov/programs/digest/d07/tables/dt07_263.asp ; http://nces.ed.gov/programs/digest/d06/tables/dt06_256.asp ; http://nces.ed.gov/programs/digest/d06/tables/dt06_254.asp ; and http://nces.ed.gov/programs/digest/d07/tables/dt07_310.asp
38. Noncommercial radio listenership	Data provided to Americans for the Arts by Radio Research Corporation
39. Public television viewing	Data provided to Americans for the Arts by Public Broadcasting System
40. Foreign visitor participation in arts and culture leisure activity	Data provided to Americans for the Arts by Department of Commerce, International Trade Administration
41. Attendance at Broadway shows in New York	Broadway League, Broadway Season Statistics, retrieved from http://www.broadwayleague.com/index.php?url_identifier=season-by-season-stats-1
42. Attendance at touring Broadway shows	Broadway League, Touring Broadway Statistics, retrieved from http://www.broadwayleague.com/index.php?url_identifier=touring-broadway-statistics
43. Attendance at live popular music	Data purchased by Americans for the Arts from Scarborough Research, www.scarborough.com
44. Attendance at symphony, dance, opera and theatre	Data purchased by Americans for the Arts from Scarborough Research, www.scarborough.com
45. Motion picture attendance	Motion Picture Association of America, 2008 MPAA Theatrical Statistics, retrieved from http://www.mpa.org/2008_Theat_Stats.pdf
46. Art museum visits	Data purchased by Americans for the Arts from Scarborough Research, www.scarborough.com

APPENDIX G: INDICATOR SOURCES *(continued)*

Indicator	Source(s)
47. Museum visits	Data provided to Americans for the Arts by American Association of Museums
48. Opera attendance	Data provided to Americans for the Arts by Opera America
49. Symphony attendance	Data provided to Americans for the Arts by League of American Orchestras
50. Nonprofit professional theatre attendance	Theatre Communications Group Theatre Facts annual report, retrieved from http://www.tcg.org/tools/facts/
51. Citations of arts and culture in bibliographic databases	Selected Proquest, Gale, Ebsco, and Wilson databases accessed at Muhlenberg College, Allentown, PA, and Lehigh University, Bethlehem, PA
52. Population share engaged in personal creativity activities	Bureau of the Census, Statistical Abstract of the United States, retrieved from http://www.census.gov/prod/www/abs/statab2001_2005.html and http://www.census.gov/prod/www/abs/statab2006_2010.html
53. Arts and culture share of private giving	Giving USA Foundation, <i>Giving USA</i> annual publication
54. Arts and culture share of personal expenditures	Bureau of Economic Analysis, National Income and Products Accounts Table, retrieved from http://bea.gov/national/nipaweb/TableView.asp?SelectedTable=65&ViewSeries=NO&Java=no&Request3Place=N&3Place=N&FromView=YES&Freq=Year&FirstYear=1996&LastYear=2008&3Place=N&Update=Update&JavaBox=no
55. Visual and performing arts share of all degrees	National Center for Education Statistics, Digest of Education Statistics Tables 253, 254, 263, and 310, retrieved from http://nces.ed.gov/programs/digest/d07/tables/dt07_263.asp ; http://nces.ed.gov/programs/digest/d06/tables/dt06_256.asp ; http://nces.ed.gov/programs/digest/d06/tables/dt06_254.asp ; and http://nces.ed.gov/programs/digest/d07/tables/dt07_310.asp
56. Share of employees in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from http://censtats.census.gov/cgi-bin/cbpnaic/cbpsel.pl
57. Share of workers in arts and culture occupations	Bureau of Labor Statistics, Occupational Employment Statistics, retrieved from http://www.bls.gov/oes/#tables and http://www.bls.gov/oes/release_archive.htm , full-time status from http://www.arts.gov/research/ArtistsInWorkforce.pdf
58. Share of payroll in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from http://censtats.census.gov/cgi-bin/cbpnaic/cbpsel.pl
59. Share of SAT I test takers with four years of art or music	College Board, College-Bound Seniors, retrieved from http://professionals.collegeboard.com/data-reports-research/sat/archived
60. Share of establishments in arts and culture industries	Bureau of the Census, County Business Patterns, retrieved from http://censtats.census.gov/cgi-bin/cbpnaic/cbpsel.pl
61. Arts and culture share of foundation funding	Foundation Center FCStats, retrieved from http://foundationcenter.org/findfunders/statistics/gs_subject.html
62. Arts and culture share of corporate funding	Conference Board, <i>2007 and 2008 Corporate Contributions Reports</i> , additional data provided by the Conference Board to Americans for the Arts
63. Federal government arts and culture funding per capita	Congressional Research Service <i>Arts and Humanities: Background on Funding</i> , retrieved from http://italy.usembassy.gov/pdf/other/RS20287.pdf ; General Printing Office, retrieved from http://www.gpoaccess.gov/usbudget/browse.html
64. Arts and culture share of federal domestic discretionary spending	Congressional Research Service <i>Arts and Humanities: Background on Funding</i> , retrieved from http://italy.usembassy.gov/pdf/other/RS20287.pdf ; General Printing Office, retrieved from http://www.gpoaccess.gov/usbudget/browse.html
65. State arts agency funding per capita	Data provided to Americans for the Arts by National Assembly of State Arts Agencies
66. State arts agency share of state general fund expenditures	Data provided to Americans for the Arts by National Assembly of State Arts Agencies
67. Population share attending Broadway shows in New York or on tour	Broadway League, <i>Broadway Season Statistics</i> , retrieved from http://www.broadwayleague.com/index.php?url_identifier=season-by-season-stats-1 ; and Touring Broadway Statistics, retrieved from http://www.broadwayleague.com/index.php?url_identifier=touring-broadway-statistics
68. Population share attending live popular music	Data purchased by Americans for the Arts from Scarborough Research, www.scarborough.com

APPENDIX G: INDICATOR SOURCES *(continued)*

Indicator	Source(s)
69. Population share attending symphony, dance, opera and theatre	Data purchased by Americans for the Arts from Scarborough Research, www.scarborough.com
70. Population share visiting art museums	Data purchased by Americans for the Arts from Scarborough Research, www.scarborough.com
71. Population share attending opera	Data provided to Americans for the Arts by Opera America
72. Population share attending symphony	Data provided to Americans for the Arts by League of American Orchestras
73. Population share attending nonprofit professional theatre	Theatre Communications Group Theatre Facts annual report, retrieved from http://www.tcg.org/tools/facts/
74. Arts, culture and humanities in the Philanthropic Giving Index	Data provided to Americans for the Arts by Indiana University Center on Philanthropy
75. Return on assets of arts businesses	Robert Morris Associates <i>Annual Statement Studies</i> annual publication
76. Share of nonprofit arts organizations with end-of-year surplus	Data provided to Americans for the Arts by National Center for Charitable Statistics at the Urban Institute

APPENDIX H: USING THE INDEX FOR FORECASTING

The annual frequency of the Arts Index data makes it convenient for making one-year, two-year, or more distant forecasts. These can help policy makers, planners, and entrepreneurs trying to project future conditions. Forecasts can be made using tools built in to common spreadsheet packages. The FORECAST function in Microsoft Excel, for example, extends a multiyear trend under various assumptions, extrapolating a point estimate for a later year from a least squares linear regression. Applying this technique to data on Broadway attendance in New York City (indicator 41) results in a projection for 2009 data of 12,472,529, which would equate to an index score of 1.09.

Other techniques give weights to prior years under different assumptions. For example, assume that you know enough from four prior years to forecast a fifth year, and you wish to forecast 2009 using data from 2005-2008. A simple moving average works if you believe that each of those four years is equally important, thus giving each year's data 25 percent of the weight in making up your 2009 forecast. Under this assumption,

$$\text{2009 simple average forecast} = (25\% \text{ of 2005 score}) + (25\% \text{ of 2006 score}) + (25\% \text{ of 2007 score}) + (25\% \text{ of 2008 score})$$

Applied to the Broadway data,

$$\begin{aligned} \text{2009 simple average forecast} &= (0.25 \times 11,527,349) + (0.25 \times 12,003,148) + (0.25 \times 12,311,745) + (0.25 \times 12,266,585) \\ &= 12,027,207 \end{aligned}$$

Alternatively, you might believe that recent years say more about the future than do long-ago years, so that 2008 tells you more about 2009 than you can learn from 2005, 2006 or 2007. In that case, a weighted moving average forecast would give 2008 data more weight than 2007, 2006, and 2005 scores, more to 2007 than 2006 and 2005, and more to 2006 than 2005. An easy weighting scheme for four prior years gives 40 percent of the weight to the last year, 30 percent to the one before that, 20 percent to the second one, and 10 percent to the first year's score. By pleasant coincidence, these add up to 100 percent. Under this assumption,

$$\text{2009 moving average forecast} = (10\% \text{ of 2005 score}) + (20\% \text{ of 2006 score}) + (30\% \text{ of 2007 score}) + (40\% \text{ of 2008 score})$$

Applied to the Broadway data,

$$\begin{aligned} \text{2009 moving average forecast} &= (0.1 \times 11,527,349) + (0.2 \times 12,003,148) + (0.3 \times 12,311,745) + (0.4 \times 12,266,585) \\ &= 12,153,522 \end{aligned}$$

Of these, the third (moving average forecast) is closest to actual 2009 Broadway attendance of 12,150,000.

These three are only a subset of the various forecasting techniques available. More ambitious techniques such as auto-regressive moving average (ARMA) or auto-regressive integrated moving average (ARIMA) may also be appropriate, but require much more adventurous techniques that are beyond the scope of this report, but are described in many economics and business textbooks.

Americans for the Arts is the nation's leading nonprofit organization for advancing the arts in America. Celebrating its 50th Anniversary, it is dedicated to representing and serving local communities and creating opportunities for every American to participate in and appreciate all forms of the arts. From offices in Washington, D.C., and New York City, it serves more than 150,000 organizational and individual members and stakeholders.

Americans for the Arts is focused on four primary goals:

- 1. Lead and serve individuals and organizations to help build environments in which the arts and arts education thrive and contribute to more vibrant and creative communities.**
- 2. Generate meaningful public and private sector policies and more leaders and resources for the arts and arts education.**
- 3. Build individual awareness and appreciation of the value of the arts and arts education.**
- 4. Ensure the operational stability of the organization and its ability to creatively respond to opportunities and challenges.**

To achieve its goals, Americans for the Arts partners with local, state, and national arts organizations; government agencies; business leaders; individual philanthropists; educators; and funders throughout the country. It provides extensive arts-industry research and professional development opportunities for community arts leaders via specialized programs and services, including a content-rich website and an annual national convention.

Local arts agencies throughout the United States comprise Americans for the Arts' core constituency. A variety of unique partner networks with particular interests such as public art, united arts fundraising, arts education, and emerging arts leaders are also supported.

Through national visibility campaigns and local outreach, Americans for the Arts strives to motivate and mobilize opinion leaders and decision-makers who can make the arts thrive in America. Americans for the Arts produces annual events that heighten national visibility for the arts, including the National Arts Awards and BCA TEN honoring private-sector leadership and the Public Leadership in the Arts Awards (in cooperation with The United States Conference of Mayors) honoring elected officials in local, state, and federal government.

Americans for the Arts also hosts Arts Advocacy Day annually on Capitol Hill, convening arts advocates from across the country to advance federal support of the arts, humanities, and arts education.

For more information about Americans for the Arts, please visit www.AmericansForTheArts.org.

