

National Endowment for the Arts report lifts the lid on the devastation of the US arts economy

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On March 15, the National Endowment for the Arts (NEA), the US government agency that funds arts projects, released a report revealing a portion of the financial and job losses sustained by artists and arts organizations during the COVID-19 pandemic so far.

The NEA study points out that between 2019 and 2020 the US “arts economy” contracted at almost twice the rate of the economy as a whole. “Arts and cultural production fell by 6.4 percent when adjusted for inflation, compared with a 3.4 [percent] decline in the overall economy.” While the arts and culture sector remained “a major contributor to the economy,” according to the NEA, “certain arts industries saw enormous declines.”

The performing arts were the most affected, experiencing devastating losses in 2020 in particular. In fact, “performing arts presenters,” including music festivals, and performing arts companies “joined oil drilling/exploration and air transportation as the steepest-declining areas of the U.S. economy in 2020.” After taking inflation into account, the value added by performing arts presenters “fell by nearly 73 percent between 2019 and 2020.”

During the same time period, the value added from “new construction of arts and cultural facilities declined by 24.3 percent; museums by 22.0 percent; independent artists/writers/performers by 20.6 percent; and motion picture and video production industries by 17.9 percent.”

In relation to a field where so many individual artists struggle to survive through free-lancing, part-time work and various informal and “precarious” means, these figures represent a gross underestimation of the financial hardships. Thousands of artists have simply

been driven out of their chosen professions.

The NEA, partnering with the Department of Commerce’s Bureau of Economic Analysis (BEA), and basing itself on statistics collected by the latter’s Arts and Cultural Production Satellite Account, have attempted to quantify the massive job losses in 2019 and 2020. The various agencies estimate that the arts economy “shed more than half a million jobs (604,000 workers)—not counting self-employed artists and other cultural workers.” And yet, as the report notes, “artists are far more likely than other workers to be self-employed.”

Forty percent of the decline among *salaried* arts and cultural workers “occurred in three industries: motion picture and video production; performing arts presenting; and performing arts companies.” The study estimates that motion picture and video production suffered the greatest losses, 136,000 workers’ jobs in 2020. In addition, employment “by performing arts presenters and performing arts companies fell by 56,000 and 50,000 workers, respectively.”

While arts and cultural industries “regained some ground” in 2021, they have not returned to pre-pandemic levels. The overall official jobless rate “for artists in 2021 was 7.2 percent,” the NEA asserts, “down from 10.3 percent in 2020, but still greater than in 2019, when the rate was 3.7 percent.” Again, what the figure of “10.3 percent” or “7.2 percent” out of work precisely means, in a sphere where economic insecurity and “gig jobs” dominated even before the pandemic hit, where nearly everyone endowed with genuine ability and sensitivity was already hanging on by his or her fingernails, is unclear.

According to the new report, the revenue earned by

performing arts companies in the third quarter of 2020 doubled in the same quarter of 2021, from \$834 million to \$1.7 billion. But these are miserable numbers compared to 2019's third quarter, "when performing arts companies earned \$12.7 billion"!

The NEA, mandated to help subsidize thousands of arts groups in all 50 US states, had a budget of \$162,250,000 in 2020. (In 2016, the NEA budget of \$147.9 million constituted approximately 0.004 percent of the federal budget.) A number of years ago, visual artist William Powhida pointed out to NPR that "in one single auction," wealthy collectors had bought "almost a billion dollars in contemporary art at Christie's in New York. If you had a 2 percent tax just on the auctions in New York you could probably double the NEA budget in two nights."

By comparison, the "average procurement price *per unit*—the most common measurement of how much it costs to build a jet"—of the US Air Force's "next-generation B-21 stealth bomber" is about \$639 million (Bloomberg).

In January, according to *Hyperallergic*, the NEA announced it was distributing "a total of \$57,750,000 to 567 arts organizations across all 50 states and American territories in the third installment of grants from the 2021 American Rescue Plan (ARP)," passed by Congress last March. In 2021, "the NEA distributed \$72.2 million (more than 50% of the funds) over two phases to more than 120 arts organizations across the country." However, the agency reported "that it has received more than 7,500 eligible applications requesting a total of \$695 million."

In another measure of the damage that has been done, the number of people visiting the world's 100 most popular museums in 2021 rose to 71 million, from 54 million in the first year of the pandemic, but still down 69 percent from pre-COVID days. In 2019, the same 100 institutions had 230 million visitors.

The *Art Newspaper* reports that the Louvre in Paris "is the perennial topper of this list, with an impressive 2.8 million visitors, a 5% increase on 2020 but still well below its pre-pandemic levels. In 2019 it was visited by 9.6 million people." In 2021, the total number of days lost to the pandemic at the 300 institutions globally that reported figures to the *Art Newspaper* "came in at more than 31,000—the equivalent of 86 years' worth of museum visits!"

The NEA (formed in 1965), never a tower of moral or intellectual strength, has been thoroughly neutered over the past several decades. Agency officials, the target of systematic right-wing attack and threatened on an almost annual basis with being defunded, live in fear of their own shadow.

After the issuing of the March 15 report, agency chair Dr. Maria Rosario Jackson, a Biden appointee, had soothing-bureaucratic things to say. "The NEA is committed," she said, "to participating as a key partner in the recovery of this sector, recognizing not only its economic value, but also the arts' capacity to transform the lives of individuals and communities in other ways, contributing to health and well-being, and overall resilience."

Meanwhile, the reality is that cultural life has been devastated and countless lives destroyed by a pandemic allowed to spread uncontrollably in order to preserve corporate profits and a booming stock market.

The artistic milieu is being bombarded with propaganda to the effect that life would be a regular Garden of Eden if it were not for the great enemy ... Russia's Vladimir Putin. It is high time that artists took a closer look at the facts of social life.



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