

The arts as a whole encompass a wide variety of genres and media. Using the Standard Industrial Classification System, Americans for the Arts (AFTA) (2017a) lists the six following broad categories when classifying businesses and organizations within the arts sector:

- Museums and Collections
- Performing Arts
- Visual Arts and Photography
- Film, Radio and Television
- Design and Publishing
- Arts Schools and Services

As of April 2017, 673,656 businesses are included in the above-mentioned categories, which represent 4.01% of all US businesses. Those businesses created jobs for 3.48 million people, or 2.04% percent of all US employees (AFTA, 2017b).

#### **GROWTH IN THE ARTS INDUSTRY**

While the 2008 Great Recession hindered arts-related business, 2012 marked the industry's comeback. There were 95,000 nonprofit arts organizations in 2013 and 656,000 more arts businesses, along with an astounding figure of \$151 billion in consumer spending. The number of nonprofit arts organizations has been steadily growing since 2011, however they continue to experience financial challenges. The share of philanthropy going to the arts has also shown a steady increase over the last five years reported, from 4.60% in 2009 to 4.97% in 2013. Meanwhile, arts attendance has fluctuated slightly. In 2013, 31% of the adult population attended a live performing arts event (e.g., symphony, opera, ballet, dance), a decrease from 2010, but markedly

less than in 2003, when 40% attended such an event. Art museums' attendance also decreased with 12.9% of the population attending at least once in 2013, compared to 15.5% in 2003. However, attendance at live popular music concerts increased slightly from 2003 to 2013, moving from 22.7% to 25.1%. Overall, increases in employment and the level of charitable giving bode well for the longevity of the arts in the national economy (Kushner & Cohen, 2016).

#### **EDUCATIONAL IMPACT**

Due to overemphasis of testing in response to widening gaps in achievement three decades ago, educational curricula have since narrowed, thus inching out subjects like the arts. In 2015, however, Congress passed the Every Student Succeeds Act, which allows states more control over their curricula, with encouragement to ensure "all students have access to a well-rounded education, which includes the arts and music" (Workman, 2017, p.1).

#### *Deeper Learning Skills*

Arts education develops deeper learning skills – an umbrella term meaning the skills and knowledge students need in order to attain success in college and future careers. Students who develop these skills master academic content, solve complex problems, collaborate with others, effectively communicate, and develop academic mindsets. Arts education incorporates many of the strategies that facilitate the development of these skills. Deeper learning skills are particularly imperative in transitional periods such as entering college from high school or entering the workforce (Workman, 2017).

*Effect on Student Success*

Researchers have found that learning in the arts engages and nurtures numerous cognitive capacities, including focused perception, problem solving, collaboration, and creative thinking.

Studies prove that sustained learning in the arts narrows the achievement gap by producing greater success in academics. Students involved in the arts have been shown to outperform students with no arts involvement. More specifically, they receive better grades, have positive attitudes towards school, and are less likely to drop out (Arts Education Partnership [AEP], 2017). “[S]tudents enrolled in arts courses attend school more regularly” (Texas Cultural Trust [TCT], 2021, p. 7). Furthermore, students who complete more arts classes have up to 15% higher pass rates on standardized tests, are twice as likely to graduate high school, and are 22% more likely to attend college (TCT, 2021).

The Arts Education Partnership offers a searchable database that currently lists 308 research studies that examine the effects of arts education on student outcomes in the following areas:

1. Academic Outcomes
2. Cognitive Outcomes
3. Personal Outcomes
4. Social and Civic Outcomes

(AEP, n.d.)

**ARTS AND COMMUNITY**

“The arts have a long history of bringing people together across boundaries -- increasing understandings across disparate and historically unequal groups, and supporting the agency of underrepresented communities to create, maintain and share their own stories” (Lynch & Zabel, 2015).

53.8% of adults in the United States attended some sort of visual and/or live performing arts event in 2017 (National Endowment for the Arts [NEA], 2018). Those events included:

- Outdoor performing arts festivals (24.2%)
- Classical music (8.6%), jazz (8.6%), or Latin, Spanish, or salsa music (5.9%)
- Ballet (3.1%), or other dance (6.3%)
- Opera (2.2%)
- Musical (16.5%) or non-musical plays (9.4%)

- Other performing arts events (free music, theatre, or dance (15.0%)
- Art museums/galleries (23.7%)
- Visual arts festival/craft fairs (23.8%)
- Parks, monuments, buildings, or neighborhoods visited for historic or design value (28.3%)

(NEA, 2018)

The National Endowment for the Arts (2012a) suggests a correlation between the number of arts organizations per capita in a state, percentage of state residents with a bachelor’s degree or higher, and the percentage of residents living below the poverty line. Texas had low performing arts and museum attendance compared to the rest of the country, but this may be because the number of museums per capita is 26% below the national average. Additionally, Texas is ranked above average in poverty and below average in education attainment.

**ARTS AND HEALTH**

“Quantitative and qualitative studies provide evidence of the many benefits of the arts to patients, caregivers, and community groups” National Organization for Arts in Health [NOAH], 2017). Studies continually show that interaction with the arts has been linked to increased cognitive capability as well as improved social and behavioral outcomes in patients who regularly engage in these activities (National Organization for Arts in Health [NOAH], 2018, p. 2).

Surveys conducted by the Society for the Arts in Healthcare partnered with the Joint Commission and Americans for the Arts in 2004, 2007, and 2008 concluded that 43-45% of healthcare institutions (hospitals, long-term care, palliative/hospice care) responding reported using arts programs for their patients. The primary reasoning for these programs were cited as “benefits to patients and contributions to a healing environment” (State of the Field Committee, 2014, p.4). The types of art programs provided included:

- Permanent display of art (37%)
- Performances in public places (23%)
- Bedside activities (22%)
- Healing gardens (18%)

- Rotating exhibits (16%)
- Multicultural programs (15%)
- Arts carts (13%)
- Staff orchestra or chorus (13%)
- Commissioned painting or sculptures (11%)
- Arts activities for staff (11%)
- Arts activities in waiting rooms (8%)
- Staff theater group (2%)

While not much research has gone into the question of cost savings due to arts use in healthcare settings, there is substantial evidence that the arts:

- Can serve as a therapeutic and healing tool
- Reduce stress and loneliness during hospitalization
- Foster self-expression
- Reduce patients' use of medication
- Reduce length of hospital stay
- Improve compliance with recommended treatment

(SFC, 2014)

The success of arts programs to effect healing is evidenced by the expansion of the Creative Forces arts program from two to twelve Department of Defense (DoD) military treatment centers around the country. This unique partnership between the National Endowment for the Arts (NEA) and the DoD uses creative arts therapies to treat patients with traumatic brain injury and associated psychological health issues. In 2021, the NEA in partnership with the Mid-America Arts Alliance launched a grant program as part of the Creative Forces, which “will support arts engagement programming for military veteran populations and family members, providing opportunities for creative expression and strengthening resilience” (NEA, 2021a).

A growing movement called “Arts in Healthcare” advocates for the inclusion of art in medicine in order to positively affect patient care, hospital environments, and the families and support systems of patients. The movement has experienced such growth that medical schools have begun to incorporate short courses in the arts. Research has shown that physicians benefit greatly when arts are included in their training,

displaying increased empathy, improved observational skills, and enhanced communication skills (NOAH, 2017).

#### **ARTS AND DIGITAL MEDIA**

Although technology has changed how arts are consumed, the demand for the arts has not waned. Major changes have occurred in certain areas such as booksellers and music stores. Many musicians and authors deal directly with consumers online thus bypassing traditional businesses. Books can be self-published, print on demand, or online through downloadable eBooks, which negatively affect bookseller revenues. Digital downloads and streaming music services have contributed to 50% of music stores closing (Kushner & Cohen, 2016). In a 2017 survey of arts participation, 74% of adults reported using electronic media to consume artistic or arts related content and 29% used electronic media to email, post, or share art (NEA, 2017a).

A study by the National Endowment for the Arts found that there is a positive correlation between those viewing art on electronic media and their attendance of live art events. Contrary to the opinion that the internet is a replacement for participation in the arts, electronic media has increased interest and attendance of art activities. Data from NEA's study suggests electronic media participants:

- Attend art events 2 to 3 times more frequently
- May be exposed to a wider range of art forms and increase interest in the arts
- Are from diverse ethnic backgrounds
- Are educated consumers that reside in both urban and rural areas
- Enjoy digital media at all ages

(NEA, 2010)

#### **ARTS AND THE AGING POPULATION**

The study of aging well in our society is taking on momentum as the population becomes increasingly older. The life expectancy of the average citizen has increased from 45 years in 1900 to 79 in 2000 and 10,000 people are turning 65 every day (NEA, 2016). Research studies of participation in the arts by adults

over age 60 reveal numerous health and quality of life benefits including:

- Improved memory, cognition, and attention
- Improved posture, balance, and motor skills
- Improved emotional and social wellbeing
- Improved communication
- Increased self-awareness & understanding
- Reduced anxiety

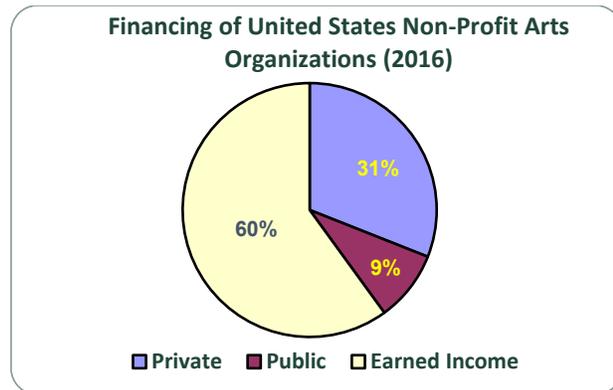
(Tsegaye et al., 2016)

Furthermore, the NEA examined data from the Health and Retirement Study to determine the correlation between the arts and health outcomes of Americans 55 years and older. The study distinguished between behavior as “creating art” (i.e., visual art making, dancing, singing, or playing an instrument, making photography or film, or writing stories in the past year) and perception as “attending art” (i.e., going to an art museum, gallery, arts and craft fair, a live performance, or a film). Older adults who participated in both creating and attending art had higher levels of cognitive functioning and lower rates of hypertension and limitations to daily physical functioning. Additionally, “[o]lder adults who participated in only Attending Art had higher cognitive functioning than did those who participated in neither Creating Art nor Attending Art in 2014. Those who did only Attending Art (in 2014) also had lower rates of cognitive decline since 2002, compared with older adults who did only Creating Art or who did neither Creating Art nor Attending Art” (NEA, 2017b, p.20).

**FUNDING FOR THE ARTS**

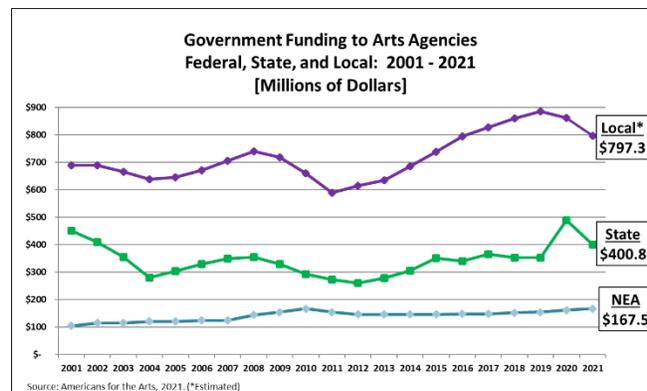
Despite all the research supporting the benefits of the arts and the continued growth of the arts industry, funding continues to be a critical issue for many nonprofit organizations.

As can be seen in the following chart, community arts programs rely heavily on earned profits and private dollars, with national, state, and local funding representing less than a tenth of total arts funding. Of the private sources of funding, most arts programs receive those funds from individual donors.



(AFTA, 2017c)

Between 2020 and 2021, federal funding for the arts increased from \$162.25 million to \$167.5 million while state funding dropped from \$490 million to \$400.8 million, marking an 18.2% decrease. Similarly, local government funding saw a decrease of about 7.5% from 2020 to 2021 going from approximately \$862 million to \$797.3 million (AFTA, 2021a)



(AFTA, 2021a)

**ECONOMIC IMPACT**

The arts produce significant economic benefits by generating local government revenue, stimulating employment opportunities, and developing business and tourism. The American nonprofit arts and culture industry generated \$919.7 billion in economic activity in 2019, including \$28.5 billion on admissions to performing arts events like theater, music artists, orchestras, and other performing arts (NEA, 2021b).

The arts generated \$6.1 billion for the Texas economy while contributing \$380 million in state sales tax revenue in 2019. Texas’ arts and cultural attractions contribute to the state’s levels of tourism and the economic benefits of tourism. With 11,400 businesses, “[t]axable revenue from the core Arts and Culture Industry has grown by

30% over the past decade” (TCT, 2021, p.22). This sector produced \$377.4 million in taxable sales in the San Antonio Metropolitan Area (SAMA).

Texas’ creative sector employs one in fifteen Texans; employment in this sector is projected to increase by 17% or 113,000 new jobs by 2028 (TCT, 2021).

Employees in the creative industry in SAMA, representing 6% of the total local workforce, had a higher average wage than non-creative workers in 2019: \$78,062 compared to \$45,235 respectively (TCT, 2021, p.19). In 2018, the creative industry in San Antonio generated almost \$4.0 billion (Nivin, 2020).

**SAN ANTONIO AND THE ARTS**

SA2020 is a nonprofit organization conceived, in 2010 through the collaboration of many local civic and business leaders, to guide the City of San Antonio through a decade of growth and revitalization. SA2020 identified eleven major areas for improvement, among which is arts and culture. Its overarching mission regarding arts and culture is to position the city to lead the world as a creative community. “The arts strengthen the health of our community, help drive our economy, and enhance our quality of life” (SA2020, 2022).

A survey of 1,035 San Antonio residents, 420 visitors to the city in the past 12 months, and 1,464 arts patrons conducted in 2020 reflected perceptions of the state of cultural arts in the community:

- 79% consider seeing and experiencing art in San Antonio as “important”
- Arts festivals, fairs, and parades are rated highest in terms of interest among respondents
- More than two-thirds of respondents indicated they’d be interested in cultural programs, such as Mexican/Latino, Indigenous/Native American, and Women’s culture
- The most prevalent barrier to attending art and cultural events is cost; the secondary barrier is time inconvenience

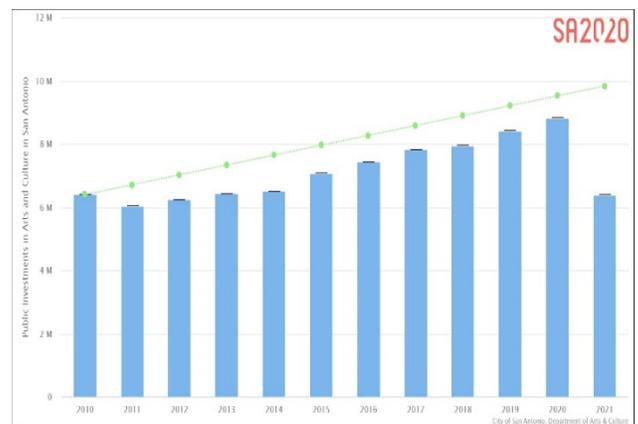
(City of San Antonio Department of Arts & Culture, 2020)

**COVID AND THE ARTS**

COVID-19 has had a significant impact on the arts. Due to the closing of non-essential businesses around the country, many arts organizations were hit hard financially. Americans for the Arts constructed a dashboard displaying the overall financial impact of COVID-19 on the arts and culture section in individual states as well as the entire country between March 2020 and February 2021. In Texas, arts organizations felt a total financial loss of \$137 million with a median loss of \$35,000 per organization. When surveyed, 67% of respondents in Texas said that they expected a severe financial impact on their organization. In a similar survey, 11% of respondents said that they were not confident in their organization’s survival (AFTA, 2021b).

As shown in the following chart, public investment in the arts and culture had seen a steady increase from 2011 to 2020. A significant drop off can be seen from 2020 to 2021. This can be attributed to COVID-19 negatively impacting tax revenues from the Hotel Occupancy Tax as that is where much of the arts funding comes from.

**Public Investments in Arts and Culture in San Antonio**



(SA2020, 2022)

In Bexar County, the arts and culture sector saw a \$19.7 million total financial loss with a median loss of \$81,250. Similarly, 81% of respondents expected a severe financial impact on their organization and 13% were not confident in their organization’s survival (AFTA, 2021b).

The arts organizations have not been the only ones affected by COVID-19, however. According to Texans for the Arts (2020), 800,000 Texans are employed in the creative sector. As of August of 2020, over 60% of organizations had reported layoffs and furloughs of staff, 96% reported canceled events, and only 61% felt confidence that their organization would survive COVID-19. Local businesses that would have previously relied on having regular customers in geographical areas near these organizations and venues have been forced to close either permanently or temporarily (TCT, 2020).

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