

The Rebuilding Power of The Arts in Rural Communities

By Randy Cohen, Vice President of Research, Americans for the Arts

The arts are a fundamental component of vibrant rural communities—strengthening them socially, educationally, and economically—benefits that persist in prosperous and challenging times alike. As Lieutenant Governors position their states for a post-pandemic recovery, new research shows why the arts should be looked to as an essential tool in both economic recovery and reconnecting our communities.

The Arts Mean Business in Rural America

The arts are a larger segment of the nation's economy than most people realize. The U.S. Bureau of Economic Analysis reports that the nation's arts and culture sector—nonprofit, commercial, education—is an [\\$878 billion industry that supports 5.1 million jobs](#). That is 4.5% of the nation's economy—a larger share of GDP than powerhouse sectors such as agriculture, transportation, and tourism. The arts even boast a \$30 billion international trade surplus.

Rural communities are reaping these economic benefits of the arts. In the 18 states in which 30% or more of the population lives in a rural area, the arts added \$72.8 billion to those state economies and [employed 636,815 workers](#).

In 2020, state governments invested \$494 million in nonprofit arts organizations such as festivals, public art programs, museums, arts centers. These organizations provide both cultural and economic benefits to their community—employing people locally, purchasing goods and services from neighboring businesses, and are a major tourism driver. According to a report by the National Governor's Association, [Rural Prosperity Through the Arts & Creative Sector: A Rural Action Guide for Governors and States](#), rural arts organizations draw nonlocal audiences at higher rates than their urban counterparts ([31% vs. 19%](#)). The nonprofit arts sector alone supports 4.6 million jobs nationally and generates \$7.7 billion in state government revenue.

Arts and Rural Economic Development

Not only are the arts big business, but they are a proven rural economic development tool. [Research](#) by the U.S. Department of Agriculture shows that in rural counties, the number of innovation companies—those that use design services or trademark and copyright-protected branding—rises proportionately to the presence of local performing arts organizations. As few as four performing arts organizations in a rural county significantly increase rural innovation businesses scores. Two-thirds of rural business leaders report that arts and entertainment are vital to attracting and retaining workers, providing the talent that businesses need to thrive. Residents of these arts-rich rural communities earn higher incomes (up to \$6,000 higher) than residents of rural counties that lack performing arts institutions.

Challenging Times for The Arts During COVID-19

For all the benefits that the arts provide, the sector is one of the most severely affected segments of the nation's economy. [Research](#) by Americans for the Arts on the human and financial impacts of the pandemic show that 63% of the nation's artists and creative

workers have become fully unemployed and virtually every nonprofit arts organization has had to cancel events—a loss of \$13.1 billion and 355 million admissions. 10% of organizations now doubt their ability to survive the pandemic.

A new study by the [Brookings Institution](#) reports that the “fine and performing arts” (both nonprofit and commercial) have incurred losses of \$42.5 billion and 1.4 million jobs—a whopping 50% of all fine and performing arts jobs.

Strengthening Rural Communities Through the Arts

Clearly this is a distressing time for the country with more uncertainty ahead. When the crisis does end, however, the arts can provide the economic and social cohesion benefits needed to recover from the pandemic.

The arts are kindling for the economy—small investments that deliver big returns. They get people out of their homes and spending money in the community. Every visit to an arts event generates \$31.47 per person beyond the ticket cost in spending on meals, retail, parking, and lodging. This provides vital income to local merchants, energizes the downtown, and puts people to work.

The arts also provide shared experiences in public spaces—a community connection that heals the loneliness caused by isolation and social distancing.

- 72% of Americans believe “the arts unify our communities regardless of age, race, and ethnicity.”
- 81% of the population says the arts are a “positive experience in a troubled world.”

The coronavirus toll is heavy, but the arts can be our greatest asset in recovering from the crisis socially and economically. Doing everything in our power to bolster the arts now will make our rural communities and states stronger later.

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