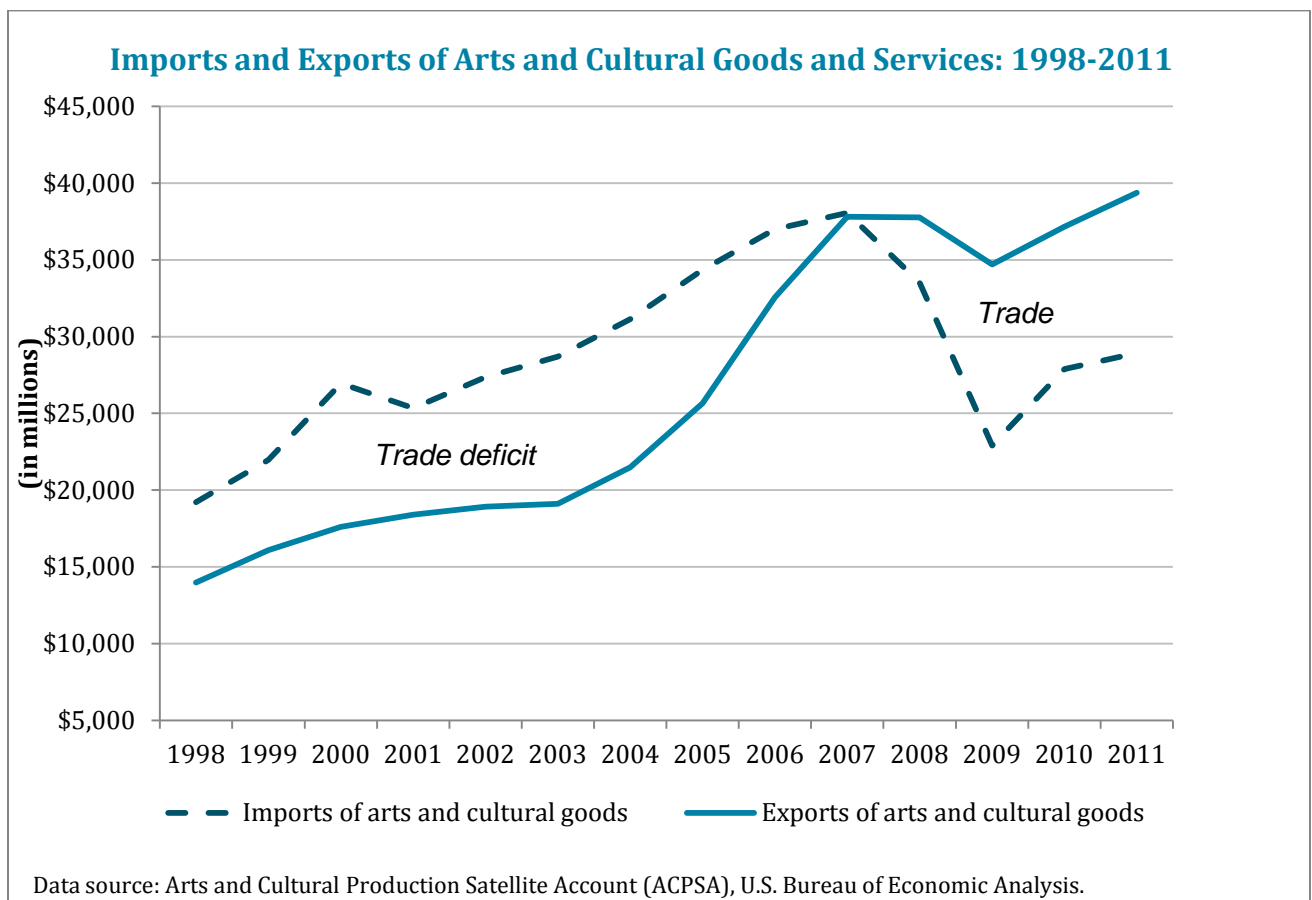


ACPSA Issue Brief #6: Imports and Exports of Arts and Cultural Goods and Services

In recent years, the U.S. has exported more arts and cultural goods and services than it imported, resulting in arts and cultural *trade surpluses* in 2008-2011. In 2011, for example, the U.S. imported \$28.9 billion in arts and cultural goods and services, and exported \$39.4 billion.<sup>1</sup> Trade surpluses, driven by exports, inject income and jobs into the U.S. economy.<sup>2</sup>



<sup>1</sup> U.S. exports include purchases by foreign tourists. Foreign tourists purchasing tickets to U.S. performing arts events, for example, count as a U.S. export.

<sup>2</sup> This effect assumes all other factors (e.g., labor productivity) are held constant.

However, trade surpluses in arts and cultural goods and services are a recent occurrence and were likely shaped by the severe economic recession of that era, and the recession's effect on consumer spending (both in the U.S. and abroad) on goods and services that dominate arts and cultural trade—the manufacture of jewelry and silverware and the production of motion picture and video goods and services.<sup>3</sup>

Between 1998 and 2006, economic times were relatively good, and the U.S. imported more arts and cultural goods and services than it exported. Manufactured jewelry and silverware account for the greatest share of U.S. arts and cultural imports (50 percent in 2011).<sup>4</sup> In 2006, for example, the U.S. imported \$21.6 billion in jewelry and silverware. However, when the recession took hold, imports of jewelry and silverware plummeted—falling to \$10.7 billion in 2009. Falling imports of jewelry and silverware, consequently, pulled down the sum for imports of all arts and cultural goods and services.

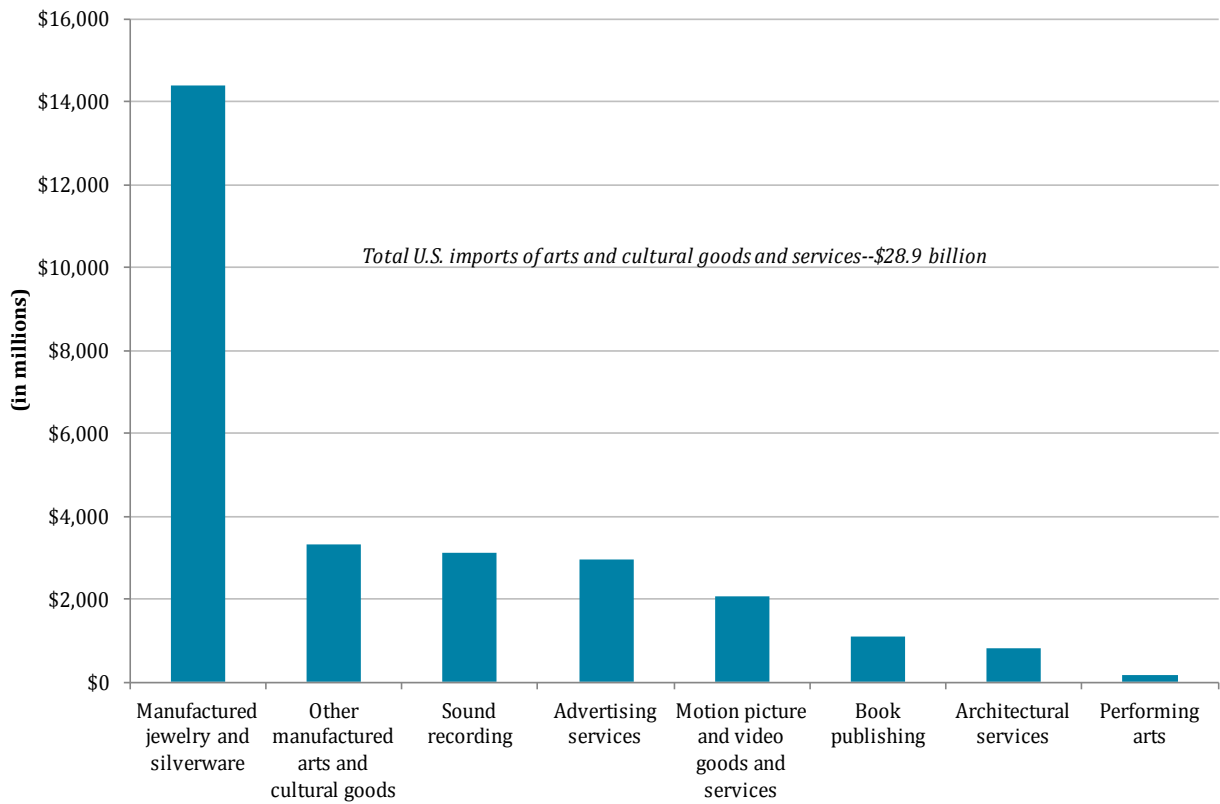
On the other hand, motion picture and video services compose the single greatest share of U.S. exports of arts and cultural goods and services (36 percent in 2011). Although exports of motion picture and video goods softened somewhat during the 2007-2009 recession, they generally trended upward. In 2006, the U.S. exported \$12.9 billion in motion picture and video goods. In 2009, despite the recession, exports in this category rose to \$13.8 billion.

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<sup>3</sup> The manufacture of silverware refers to the manufacture and engraving and etching of precious metal (e.g., silver and pewter) flatware, cutlery, and hollowware such as teapots and sugar bowls and creamers. Silverware excludes the manufacture of non-precious metal flatware, cutlery, and hollowware. Examples of motion picture and video goods and services include motion picture production; animated film production; music video production; film distribution; motion picture film libraries; cinemas; film festivals; and movie theaters.

<sup>4</sup> The ACPSA includes the manufacture of jewelry and silverware, combined, but it excludes jewelry and silverware wholesale and retail sales.

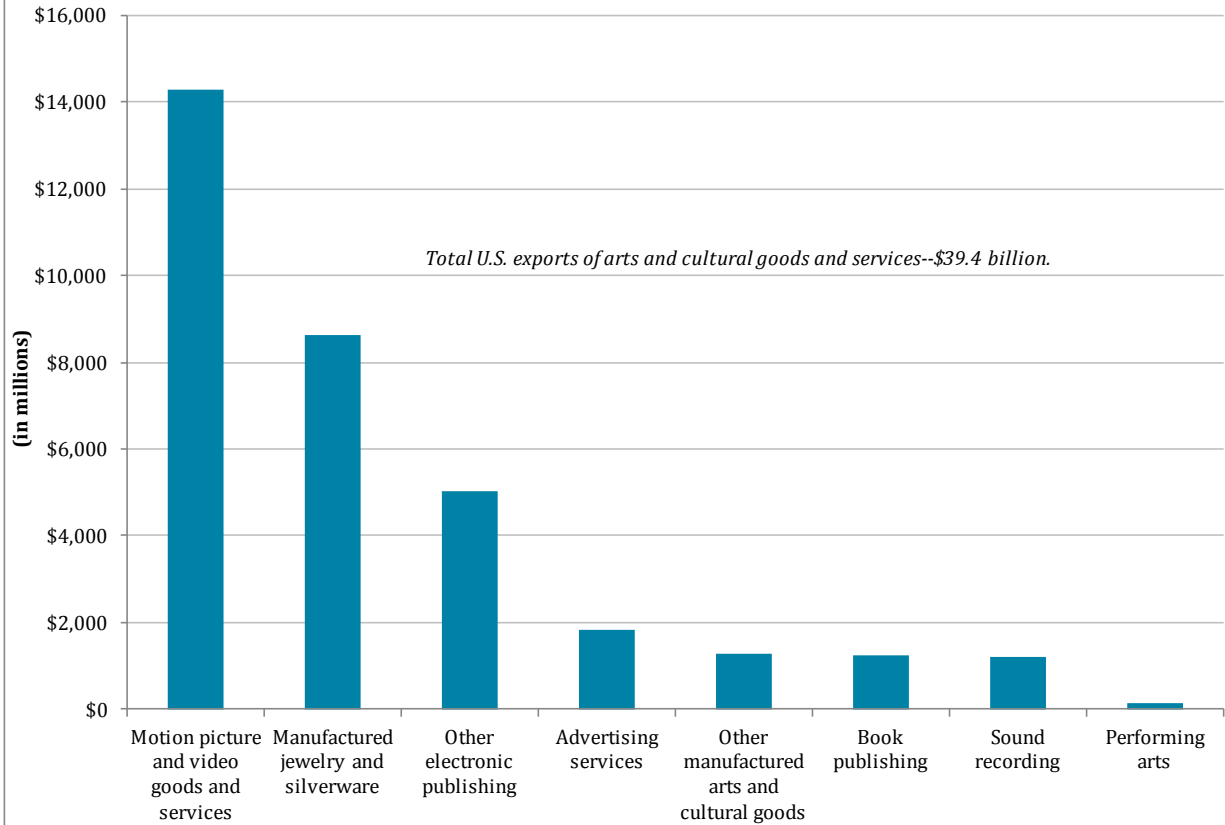
### U.S. Imports of Selected Arts and Cultural Goods and Services, 2011



Note: "Other manufactured arts and cultural goods " includes musical instruments, china and glass, Christmas tree ornaments, and basket and wickerwork.

Data source: Arts and Cultural Production Satellite Account (ACPSA), U.S. Bureau of Economic Analysis.

### U.S. Exports of Selected Arts and Cultural Goods and Services, 2011



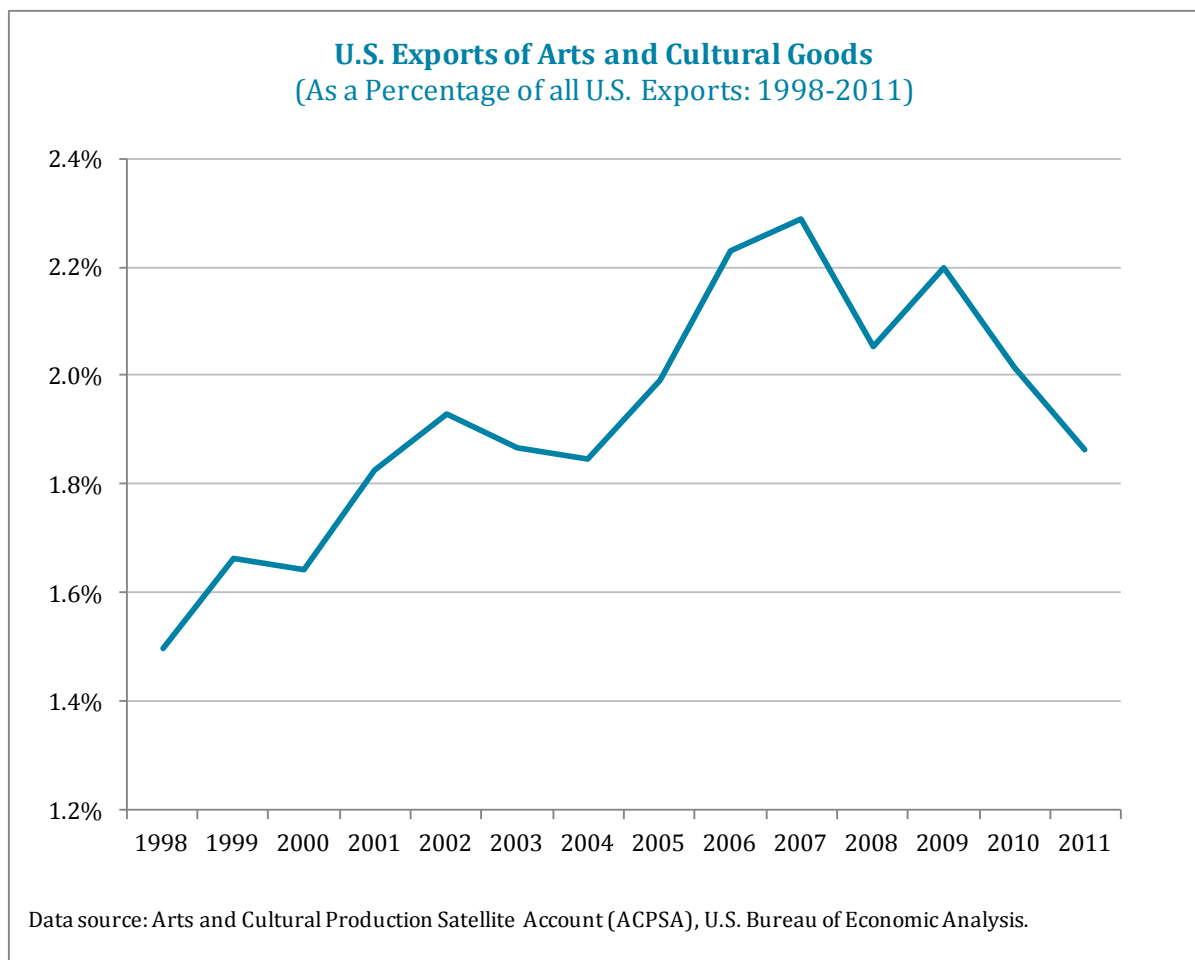
Note: "Other manufactured arts and cultural goods " includes musical instruments, china and glass, Christmas tree ornaments, and basket and wickerwork. "Other electronic publishing" is composed mainly of video games and arts-related software such as photo-processing software.

Data source: Arts and Cultural Production Satellite Account (ACPSA), U.S. Bureau of Economic Analysis.

### *Arts and Cultural Exports as a Share of all U.S. Exports*

Although exports of arts and cultural goods and services fared better than its imports counterpart, the severe world recession, nevertheless, impacted U.S. arts and cultural exports. As the chart below shows, exports of arts and cultural goods and services, as a share of all U.S. exports, generally rose between 1998 and 2007. In 1998, for example, arts and cultural goods and services made up 1.5 percent of U.S. exports—by 2007, that share increased to 2.3 percent.

But in 2008 exports of arts and cultural services, relative to all U.S. exports, began falling—landing at 1.9 percent in 2011. This pattern suggests that, all other factors being equal, foreign consumers, coping with their own recessions abroad, curtailed their purchases of U.S. arts and cultural goods and services relative to other U.S. exports.<sup>5</sup>



<sup>5</sup> The International Monetary Fund reports that real GDP in "advanced economies" fell by 3.4 percent in 2009. The advanced economies are the U.S. and Canada; Great Britain and most European countries; Japan, Hong Kong, Singapore, Taiwan, and South Korea; and New Zealand and Australia.