



Artists in a Year of Recession: Impact on Jobs in 2008

In the fourth quarter of 2007, the United States' "real" GDP (gross domestic product adjusted for inflation) slipped by 0.2 percent from the previous quarter. That December, the nation began its slide into a recession. In 2008, the GDP fell again—by 0.5 percent from the second quarter to the third quarter. The drop accelerated to -6.2 percent in the fourth quarter of 2008. The U.S. unemployment rate grew from 4.2 percent to 6.1 percent over the same one-year period.

For artists, the economic downturn has meant correspondingly high unemployment rates and discouraging job prospects. This NEA Research Note uses unpublished data from the Department of Labor's Bureau of Labor Statistics to analyze those employment conditions. The data are averages drawn from the U.S. Census Bureau's monthly Current Population Survey. In contrast to earlier NEA Research Notes that report artist employment figures on an annual basis, this publication compares the fourth quarter of 2008 with that of the previous year.

Key Findings

- 1. Artists, like other workers, are facing sharp increases in unemployment.**
 - The artist unemployment rate grew to 6.0 percent in the fourth quarter of 2008.
 - 129,000 artists were unemployed in the fourth quarter of 2008, an increase of 50,000 (+63 percent) from one year earlier.
- Their unemployment rate is comparable to that of the overall workforce (6.1 percent) but twice that of the "professional" workers (3.0 percent) category in which all artists are grouped.

2. Unemployment rates for artists have risen more rapidly than for U.S. workers as a whole.

- The unemployment rate for artists climbed 2.4 percentage points from the fourth quarter of 2007 to the fourth quarter of 2008.
- The unemployment rate for the overall workforce grew by 1.9 points.
- Unemployment among artists also rose faster than for the professional-worker category as a whole, which saw a 1.0 percentage point increase.

3. Artist unemployment rates would be even higher if not for the large numbers of artists leaving the workforce.

- The U.S. labor force grew by 800,000 people from the fourth quarter of 2007 to the fourth quarter of 2008.
- In contrast, the artist workforce shrank by 74,000 workers. This contraction may have been due partly to discouragement over job prospects.

4. Unemployment rose for most types of artist occupations—including writers, visual artists, and performing artists.

- Performing artists had a higher unemployment rate than that of artists

overall. Their rate was 8.4 percent in the fourth quarter of 2008, a 1.6-point increase from the prior-year period.¹

- Other artist jobs with relatively high rates of unemployment are fine artists (7.1 percent), writers and authors (6.6 percent), and photographers (6.0 percent).

5. A slowdown in the construction industry has contributed to greater-than-usual unemployment rates for architects and designers.

- The unemployment rate for architects was 3.8 percent in the fourth quarter of 2008. This rate was more than double that of one year earlier.
- Architect jobs are strongly linked to the construction industry. Contraction in this industry was “a leading indicator” of the economic downturn that started in 2007.
- As with architects, the unemployment rate for designers more than doubled over a one-year period.

6. The job market for artists is unlikely to improve until long after the U.S. economy starts to recover.

- Unemployment is generally a lagging economic indicator.

- During the prior recession (2001), artist unemployment did not reach its peak of 6.1 percent until 2003—two years after economic recovery began nationwide.

Employment Conditions for Artists in 2008

In the waning months of 2008, unemployment among artists rose sharply. In the fourth quarter, 129,000 artists were unemployed, and their unemployment rate reached 6.0 percent. Compared with the fourth quarter of 2007, there were 50,000 additional unemployed artists—an increase of 63 percent.

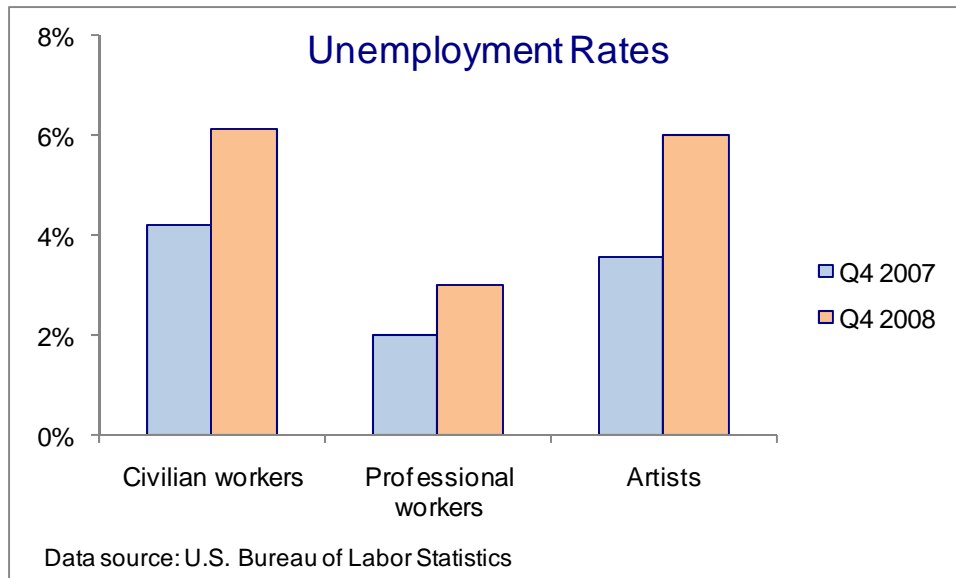
Because of their high levels of education as a group, artists fall into the broad “professional” occupational category. Even so, unemployment rates for artists are considerably higher than for professionals as a whole. In the fourth quarter of 2008, the unemployment rate for professionals was 3.0 percent—3.0 points lower than the rate for artists overall.

The artist unemployment rate is on par with that of the general U.S. workforce, which reached 6.1 percent in the fourth quarter of 2008. But closer examination reveals that unemployment worsened more quickly for artists than for workers as a whole. Between

the fourth quarters of 2007 and 2008, the unemployment rate for artists increased by 2.4 points; among all civilian workers, the gain was 1.9 points, and for all professional workers it was 1.0 point.

Equally telling is the loss of artists in the labor force during the one-year period.

While the overall civilian labor force gained 807,000 workers, the artist workforce shrank by 74,000. This finding may attest further to the sensitivity of artist workers to economic downturns. As the recession took hold, many workers undoubtedly left the artist labor force because of discouragement about finding jobs. Indeed, had workers not left the artist job market, the unemployment rate for artists would have been even higher than 6.0 percent.



Individual Artist Occupations

An analysis of employment conditions for individual artist occupations in the one-year period reveals high unemployment rates (either relative to all artists or within an artist occupation over time) for architects, designers, fine artists, writers and authors, photographers, and for performing artists considered in aggregate.

Architects

Unemployment rates for architects are usually the lowest of all the artist occupations and are often lower than the rates for all professionals. Nevertheless, in the fourth quarter of 2008, the unemployment rate for architects more than doubled over a one-year period. The rate grew to 3.8 percent—up 2.0

points from the 1.8 percent reported for the fourth quarter of 2007.

This rise was abetted by a contraction in the construction industry that began in 2006 and worsened in 2007. According to the U.S. Bureau of Labor Statistics, employment of architects is strongly tied to the activity of the construction industry.² Measured in terms of “value added” to the economy, construction—particularly residential building construction—fell by 11.2 percent in 2007.³

Designers

Among many types of designers, this category includes interior, commercial, and industrial designers. Because these workers are often employed by architecture and

specialized design firms, their high unemployment rates also may be linked to declines in the construction industry. As with architects, the unemployment rate for designers more than doubled from Q4 2007 to Q4 2008. The rate increased from 2.3 percent to 4.7 percent—a gain of 2.4 points; 83,000 designers left the artist labor market.

Fine Artists, Writers, and Photographers

Among fine artists (art directors, fine artists, and animators), the unemployment rate during the fourth quarter of 2007 was only 1.9 percent. By Q4 of 2008, that rate rose by 5.2 points to reach 7.1 percent. The fine artist workforce shrank by 7,000 workers over the same period.

The labor market added 16,000 writers and authors. Unemployment grew by 10,000, however, raising the unemployment rate for this occupation to 6.6 percent—among the highest of all artist occupations. Similarly, between the fourth quarters of 2007 and 2008, the market added 32,000 photographers. But unemployment rose to 12,000, and the unemployment rate climbed to 6.0 percent.

Performing Artists

High unemployment rates are common for some artist occupations. Among actors, for

instance, the unemployment rate is normally in the double digits. (It averaged 23.5 percent in 2007 and 32.2 percent in 2008.) The unemployment rate is also typically high for dancers and choreographers—10.9 percent in 2008. However, the numbers of workers in these jobs (as well as in the job category “other entertainers and performers”) are small—as are their corresponding sample sizes from the Current Population Survey—and do not permit comparisons from one year to another.

Rather than hazard a trend analysis for these relatively small populations, one can consider them in aggregate, as “performing artist” jobs. (This category would merge actors, producers/directors, dancers/choreographers, musicians, announcers, and “other entertainers and performers.”)

As a group, performing artists have higher unemployment rates than all artists, with rates for performing artists typically running two to three points higher. In 2006, for example, the annual unemployment rate for all artists was 3.6 percent; for performing artists, the rate was 6.2 percent.

In the fourth quarter of 2008, the unemployment rate for performing artists grew by only 1.6 percentage points from the

prior-year period, compared with 2.4 points for all artists. Yet the total rate for performing artists (8.4 percent) continued to surpass that of all artists (6.0 percent). Further, over the one-year period, the

workforce for performing artists shrank by 45,000 workers—accounting for three-fifths of the overall contraction in the artist workforce.

Performing Artists: Trends in Employment

(Numbers in thousands)

(pp=percentage points)

	Annual				Quarterly		Change	
	2005	2006	2007	2008	Q4 2007	Q4 2008	2005-2008	Q4 2007-Q4 2008
Performing artists	534	530	503	512	533	488	-22	-45
Employed	497	497	465	475	497	447	-22	-50
Unemployed	37	33	38	37	36	41	<1	5
Unemployment rate	6.9%	6.2%	7.6%	7.2%	6.8%	8.4%	0.3 pp	1.6 pp

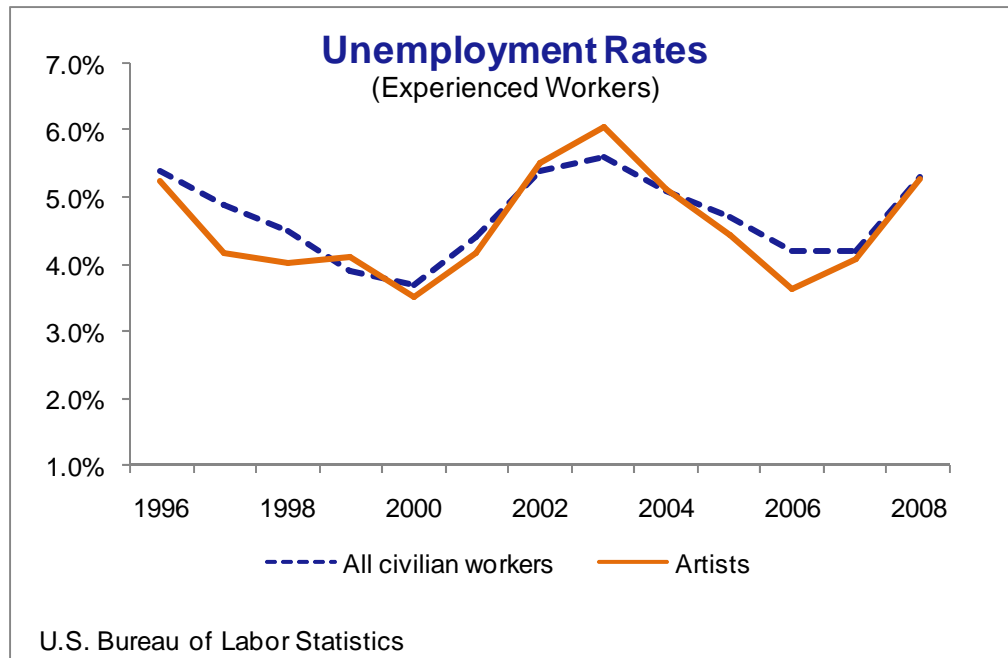
Source: U.S. Bureau of Labor Statistics

Future Job Prospects for Artists

Unemployment is generally a lagging economic indicator. For example, civilian unemployment continued to rise for 19 months after the economy began its recovery from the 2001 recession.⁴

(In 2000, the annual unemployment rate was 3.7 percent for all civilian workers and 3.5 percent for all artists.⁵ Rates crept up as the 2001 recession took hold, and hit highs of 5.6 percent for all civilian workers and 6.1 percent for artists in 2003—two years after the recession ended.)

In early February 2009, the U.S. Bureau of Labor Statistics announced that the January 2009 civilian unemployment rate had grown by 2.7 percentage points over the past 12 months.⁶ This announcement, combined with the ongoing status of the economic recession, suggests that artist unemployment rates will be even higher in 2009 than they were in 2008, and that they will remain higher than usual for many months, or even years, to come.



Recovery Act

On Feb. 17, 2009, President Obama signed the American Recovery and Reinvestment Act, which will attempt to speed economic recovery, including creation of jobs nationwide. As part of the law, the National Endowment for the Arts has received \$50 million to support the preservation of jobs in the nonprofit arts sector. Specifically, the law requires the funds “to be distributed in direct grants to fund arts projects and

activities which preserve jobs in the nonprofit arts sector threatened by declines in philanthropic and other support during the economic downturn.” More research will be needed to understand and convey the impact of that provision—and of the legislation in general—on artist employment in the United States.

Technical Section

The employment estimates shown on the following pages are averages based on published and unpublished data from the Current Population Survey, a monthly survey of about 50,000 households. The survey is conducted by the U.S. Census Bureau on behalf of the Department of Labor's Bureau of Labor Statistics.

The employed are persons who, during the reference week of the survey, did any work as paid employees, worked in their own business, profession, or on their own farm, or who worked 15 hours or greater as unpaid workers in an enterprise operated by a family member. Each employed person is counted only once, even if he or she holds more than one job. Workers employed in multiple jobs are counted in terms of the job that exacted the greatest number of hours during the reference week.

The unemployed are defined as "experienced"—in other words, unemployed people who have worked at any time in the past and who had no employment during the reference week. These people were available for work, unless they had a temporary illness, and had made specific efforts to find employment some time during the four-week period ending with the reference week.

The labor force comprises all persons classified as employed or unemployed, and the unemployment rate is the number of unemployed as a percentage of the labor force. Apart from the category labeled "all artist occupations," the unemployment rates listed in this note were obtained directly from the U.S. Bureau of Labor Statistics, which used unrounded data.

For detailed definitions of artist occupations, please see page 4 of *Artists in the Workforce: 1990-2005*, NEA Research Report #48 (<http://www.nea.gov/research/ArtistsInWorkforce.pdf>).

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Endnotes

¹ Performing artists include actors, producers/directors, dancers/choreographers, musicians, announcers, and “other entertainers and performers.”

² U.S. Bureau of Labor Statistics, *Occupational Outlook Handbook, 2008-09 Edition*.

³ Bureau of Economic Analysis, U.S. Department of Commerce. *Finance and Insurance Industries Led Slowdown in 2007*, Dec. 15, 2008.

⁴ National Bureau of Economic Research. *Determination of the December 2007 Peak in Economic Activity*, Dec. 11, 2008.

⁵ Figures are for experienced workers (i.e., they exclude new entrants to the labor market).

⁶ U.S. Bureau of Labor Statistics. Economic News Release, “Employment Situation Summary,” Feb. 6, 2009. The figures in this release are not restricted to experienced workers, but include new entrants into the labor market.

The Artist Labor Force: Trends in Employment and Unemployment: 2005-2008

(Numbers in thousands)

(pp=percentage points)

Occupation	Annual				Quarterly		Change	
	2005	2006	2007	2008	Q4 2007	Q4 2008	2005-2008	Q4 2007-Q4 2008
Total civilian workers, 16 years and over	148,655	150,811	152,497	153,520	153,138	153,945	4,865	807
Employed	141,730	144,427	146,047	145,362	146,731	144,500	3,632	-2,231
Unemployed	6,925	6,384	6,450	8,158	6,407	9,445	1,233	3,038
Unemployment rate	4.7%	4.2%	4.2%	5.3%	4.2%	6.1%	0.6 pp	1.9 pp
Professional occupations	29,503	29,825	30,872	31,546	31,199	31,865	2,043	666
Employed	28,795	29,187	30,210	30,702	30,576	30,922	1,907	346
Unemployed	708	638	662	844	623	943	136	320
Unemployment rate	2.4%	2.1%	2.1%	2.7%	2.0%	3.0%	0.3 pp	1.0 pp
All artist occupations	2,164	2,141	2,227	2,240	2,229	2,155	76	-74
Employed	2,068	2,063	2,136	2,122	2,150	2,026	54	-124
Unemployed	96	78	91	118	79	129	22	50
Unemployment rate	4.4%	3.6%	4.1%	5.3%	3.5%	6.0%	0.8 pp	2.4 pp
Architects	239	223	243	242	255	268	3	13
Employed	235	221	240	233	250	258	-2	8
Unemployed	4	2	3	9	5	10	5	5
Unemployment rate	1.7%	0.8%	1.2%	3.6%	1.8%	3.8%	1.9 pp	2.0 pp
Art directors, fine artists, and animators	245	233	238	226	223	216	-19	-7
Employed	234	223	227	213	219	201	-21	-18
Unemployed	11	10	11	13	4	15	2	11
Unemployment rate	4.5%	4.1%	4.5%	5.7%	1.9%	7.1%	1.2 pp	5.2 pp
Designers	803	842	876	870	856	773	67	-83
Employed	774	821	852	834	836	736	60	-100
Unemployed	29	21	24	36	20	37	7	17
Unemployment rate	3.6%	2.5%	2.8%	4.2%	2.3%	4.7%	0.6 pp	2.4 pp
Actors ¹	55	49	37	44	48	38	-11	-10
Employed	41	38	28	30	43	21	-11	-22
Unemployed	14	11	9	14	5	17	<1	12
Unemployment rate	25.5%	22.5%	23.5%	32.2%	10.7%	45.5%	6.7 pp	34.8 pp
Producers and directors	129	141	159	159	160	168	30	8
Employed	124	134	149	154	145	163	30	18
Unemployed	5	7	10	5	15	5	<1	-10
Unemployment rate	3.7%	5.2%	6.4%	3.3%	9.5%	2.7%	-0.4 pp	-6.8 pp
Dancers and choreographers ¹	35	31	28	28	26	26	-7	<1
Employed	31	28	25	25	26	21	-6	-5
Unemployed	4	3	3	3	<1	5	-1	5
Unemployment rate	10.4%	9.7%	11.0%	10.9%	0.0%	18.9%	0.5 pp	18.9 pp

The Artist Labor Force: Trends in Employment and Unemployment, 2005-2008

(Numbers in thousands)

(pp=percentage points)

Continued

Occupation	2005	2006	2007	2008	Q4 2007	Q4 2008	Change	
							2005-2008	Q4 2007-Q4 2008
Musicians and singers	223	213	179	195	188	169	-28	-19
Employed	213	203	170	186	179	159	-27	-20
Unemployed	10	10	9	9	9	10	-1	1
Unemployment rate	4.6%	4.8%	5.1%	4.5%	4.8%	5.8%	-0.1 pp	1.0 pp
Announcers ¹	63	64	56	42	60	55	-21	-5
Employed	61	62	51	41	55	53	-20	-2
Unemployed	2	2	5	1	5	2	-1	-3
Unemployment rate	3.6%	3.6%	9.3%	2.9%	8.5%	4.0%	-0.7 pp	-4.5 pp
Writers and authors	185	180	187	199	189	205	14	16
Employed	178	174	179	186	181	191	8	10
Unemployed	7	6	8	13	8	14	6	6
Unemployment rate	4.0%	3.4%	4.5%	6.4%	4.4%	6.6%	2.4 pp	2.2 pp
Photographers	158	133	180	191	173	205	33	32
Employed	150	127	173	181	167	193	31	26
Unemployed	8	6	7	10	6	12	2	6
Unemployment rate	4.8%	4.3%	3.8%	5.1%	3.5%	6.0%	0.3 pp	2.5 pp
Other entertainers and performers ¹	29	32	44	44	51	32	15	-19
Employed	27	32	42	39	49	30	12	-19
Unemployed	2	<1	2	5	2	2	3	<1
Unemployment rate	6.7%	1.0%	5.4%	10.5%	4.2%	5.6%	3.8 pp	1.4 pp

Source: U.S. Bureau of Labor Statistics

¹ Period-over-period comparisons may be unreliable due to the small numbers of workers in these occupations.