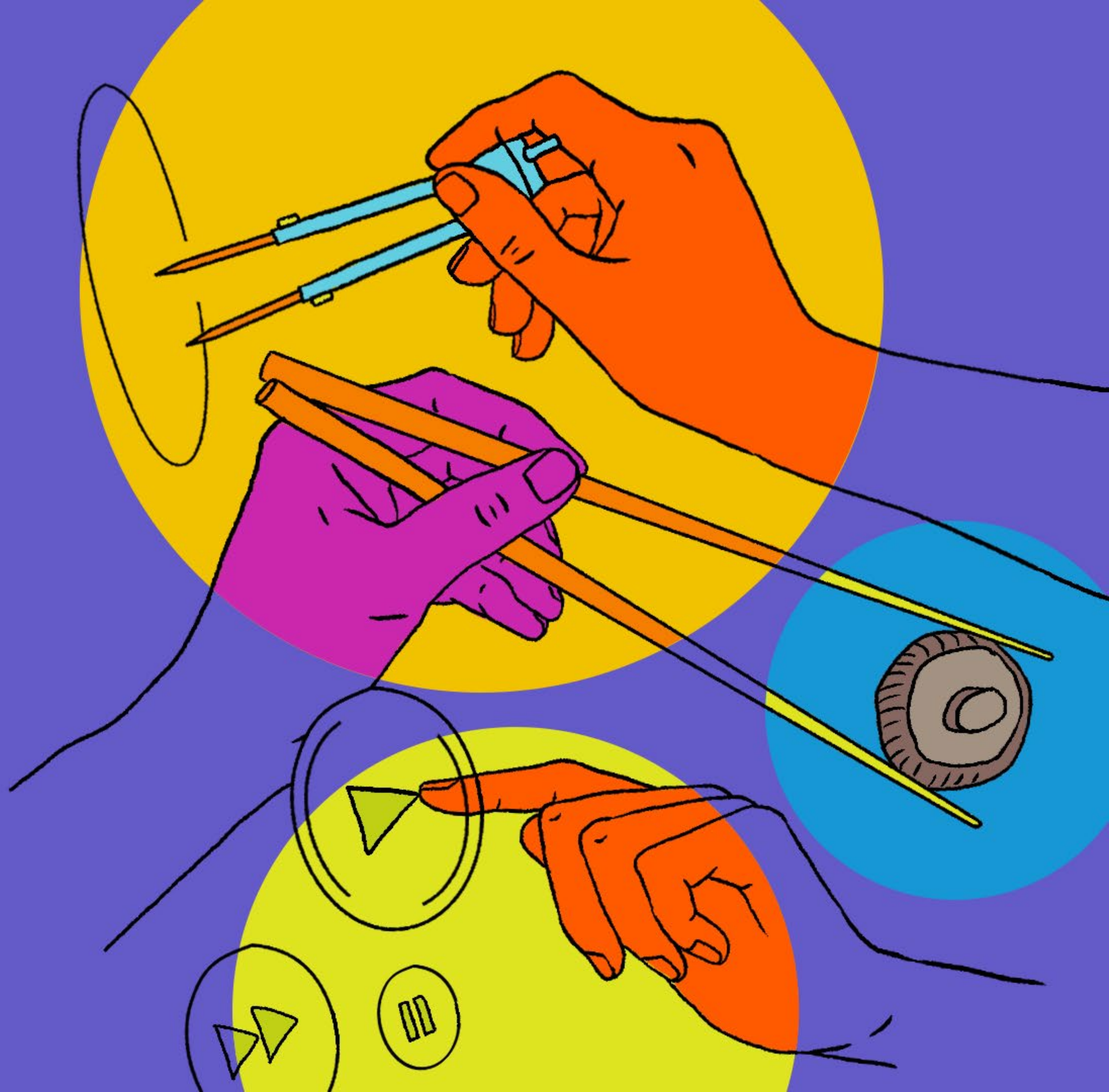


creativity
culture
& capital

Impact investing in the global creative economy

September 2021
International Year of Creative
Economy for Sustainable
Development



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Foreword

Darren Walker
President, Ford Foundation

Foreword

Fuelling the creative economy through creative collaboration

When crisis strikes, the creative economy is often a canary in the coal mine. Covid-19 has been no different: in the worst days of the pandemic, nearly half of all dancers and actors were unemployed, in the United States alone. Independent music venues across the globe shut their doors. As any artist can tell you, the Covid crisis is not over and how they recover is a signal for the entire economy.

In the face of intersecting challenges, the need for impact investing has become more urgent than ever before. This growing movement connects patient, desperately needed capital with innovative, market-based solutions that simultaneously produce both financial and cultural returns. By unlocking new resources, and connecting across sectors, we can address this crisis head on, while empowering artists and creatives and supporting the larger economy.

After all, no crisis can be solved in isolation – all the government and philanthropic assets in the world are a pittance compared to the massive scale of our environmental, social, health, and, yes, cultural liabilities. To meet this moment, we will need financial communities and fine art communities, pension fund managers and performing artists, all working in collaboration.

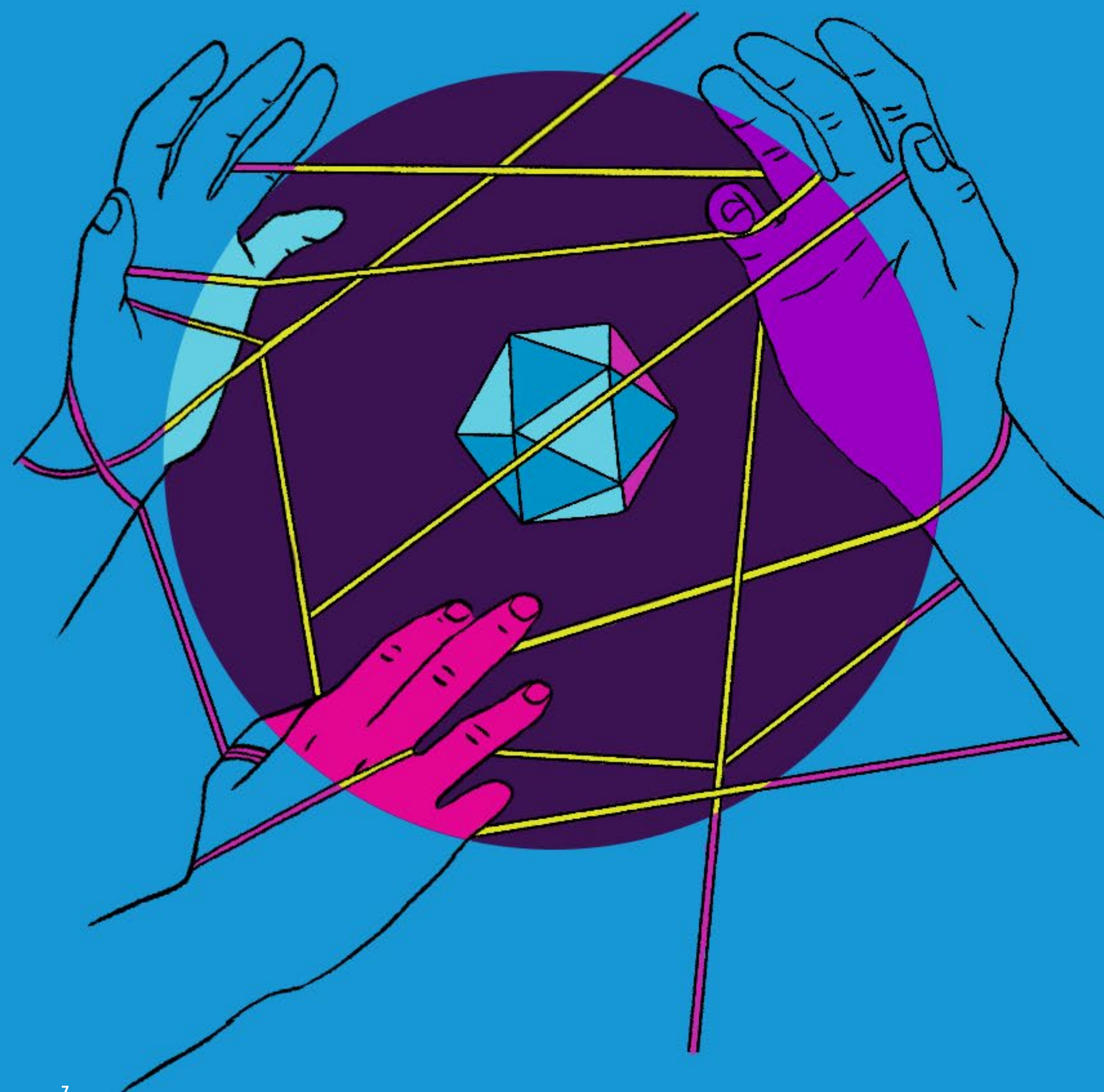
Fortunately, thanks to organisations like Upstart Co-Lab and their partners Nesta's Arts & Culture Finance and Fundación Compromiso, impact investors are already spurring just that. Creatives can now leverage private-sector tools, while private-sector actors can harness new creative energy to achieve our shared goals.

At the Ford Foundation, we've been implementing impact investing principles to fund businesses and nonprofits alike, grow our grantmaking capacity and deploy our assets in more creative ways. Through our Mission Investments programme and our historic social bond sales, we have expanded our ability to support critical work across the globe, including and especially in the creative sector. Indeed, the arts are essential because they are the oxygen of our democracy, a vital source of hope—and as my colleague Christine Looney reminds us in her essay, working closely with creatives gives our communities immense 'hope for change'.

For all these reasons, I am proud and grateful to introduce this brilliant collection. From fine arts to finance, performance spaces to private equity firms, every creative community and investing institution can benefit from this work. Taken together, these essays offer a blueprint for recovery – one we must follow for the sake of our creative economy, and the world.



Darren Walker is president of the Ford Foundation, a US\$16 billion international social justice philanthropy. Under his leadership, the Ford Foundation became the first non-profit in US history to issue a US\$1 billion designated social bond to stabilise non-profit organisations in the wake of Covid-19. Before joining Ford, Darren was vice president at Rockefeller Foundation. Previously, he was COO of Harlem's Abyssinian Development Corporation. Darren co-founded both the US Impact Investing Alliance and the Presidents' Council on Disability Inclusion in Philanthropy. He serves on many boards, including the National Gallery of Art, Carnegie Hall, the High Line, the Smithsonian National Museum of African American History & Culture, Committee to Protect Journalists, Square and Ralph Lauren. Educated exclusively in public schools, Darren was a member of the first Head Start class in 1965 and received BA, BS, and JD degrees from the University of Texas at Austin. He has been included on numerous leadership lists including Time's annual 100 Most Influential People and Out magazine's Power 50. He is the recipient of 16 honorary degrees, Harvard University's W.E.B. Du Bois Medal and was named the Wall Street Journal's 2020 Philanthropy Innovator.



Creativity at work

The creative economy touches every aspect of our lives. It is one of the fastest-growing sectors globally and provides employment to some 30 million people worldwide through the formal economy, and over 300 million more – primarily women – through the informal economy. And it offers new solutions to old problems, forges connections across cultures and lets us imagine better modes of living.

The essays in this section demonstrate the power of culture to enrich and transform – from uplifting communities in Alabama, Nairobi and Medellín to improving hygiene practices through art, challenging paradigms through dance and building cultural bridges through video games. The organisations represented here illustrate the vital role the creative sectors can play in addressing the challenges we face as we seek to build back better from the pandemic and shape a more inclusive, sustainable economy for our future.



Paskho Community-Made™: Driving a regenerative economy

Patrick Robinson,
Founder and CEO, Paskho

In the depths of the pandemic, a quality sustainable clothing label reimagined fashion production to prioritise fairness and community.

Origins

After 25 years using my creativity to solve problems in the fashion industry, I had developed a reputation for turnarounds – in the midst of a problem, clearly seeing a solution; finding a reinvigorated path for a stale, languishing brand. I had also seen the dark underbelly of the sector – the human harm of employment that was essentially enslavement in dangerous conditions; the environmental damage caused by production methods; and the tremendous waste that was only increasing with the rise in ‘fast fashion’.

This led to much soul-searching, culminating in a wilderness camping trip where I contemplated the joy of backpacking attire – by necessity highly functional, comfortable and minimal. I decided to align my work with my values, launching Paskho – the Greek root of ‘passion’ – to make quality garments to live and travel in, and producing them with reclaimed fabrics in certified ethical and sustainable factories. My ultimate goal was to be able to tell the stories of Makers around the world that produce our garments, bringing a face and story to the Makers rendered invisible by our outsourcing practices.

This path reached another breaking point with the multifaceted impact of the Covid-19 pandemic, followed by the murder of George Floyd. Faced directly with the impracticalities of our outsourced production in Laos and China, the utter lack of a health and social safety net for everyone, including our most ‘essential’ workers, and the continued racial injustice, one cannot ignore the fact that our current institutions and systems do not support community and universal human dignity. As a successful Black man in the predominantly white fashion design field, I felt this deeply on a personal, as well as professional, level. I realised for years I felt betwixt and between – for example, I felt like an outlier at mainstream events, yet was not even invited to Black design events. I recognised my – and everyone’s – need for

a supportive community, a true sense of belonging.

This recognition compelled me to bring Paskho even deeper into alignment with my values and this core, universal human need. Paskho Community-Made™ launched in July 2020 to bring manufacturing back into the United States, hire talented and skilled unemployed Makers, and create a production process that not only committed to fair treatment of Makers and protection of the environment, but did indeed create a sense of community and belonging for all participants.

Community-Made™

Paskho Community-Made™ aims to build a community of people who make things together with an intention of care and belonging, and with a regenerative, rather than extractive, production process. Such a process recognises the dignity of all participants, from the Maker to the support service providers and the customer; uses resources wisely and minimises environmental harm; and is profitable for all participants, supporting wealth-building opportunities for the Makers and their communities, not just the capital providers.

For Paskho Community-Made™, this means we begin with recognising our Maker communities’ assets, skills and talents, and focus on connecting those communities with resources to establish markets interested in what we create together. Using an app, we work directly with

Makers to manage production, eliminating the cost of traditional factories and middle management and the dehumanising hierarchies of command and control.

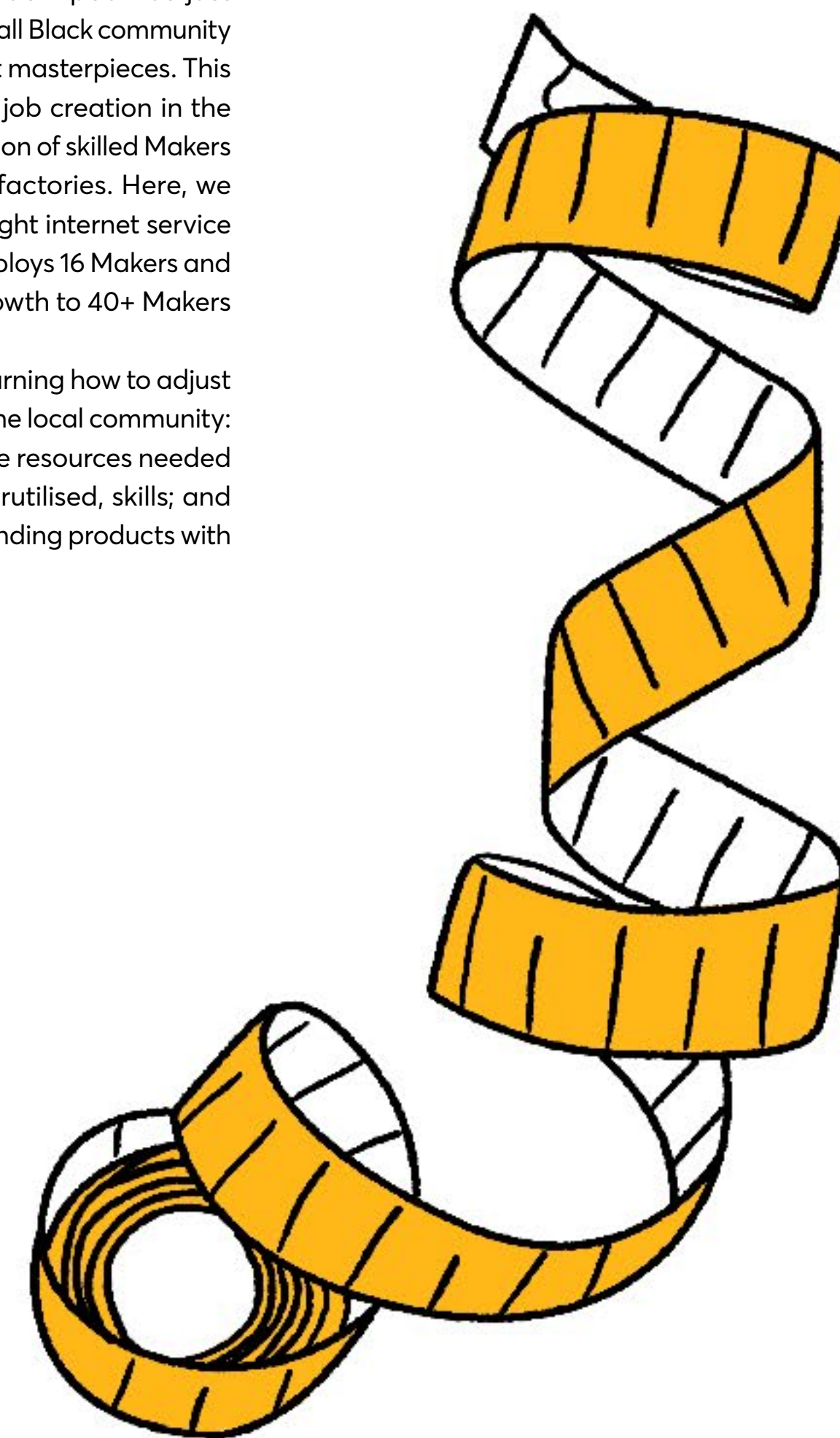
Paskho’s first Community-Made™ ‘pod’ is in New York City, where we partnered with the Skilled Laborers Brigade to work with over 45 experienced garment workers – from Broadway costumers and designer studio seamstresses to skilled factory workers – who were unemployed or underemployed as a result of the pandemic. A shut-down costume shop and a sample room in a closed

factory were repurposed to provide safe environments for the Makers to work together, while remaining socially distanced. Since December, we have produced over 2,500 garments with an 83% sell through and more currently on the way.

Our second Community-Made™ pod has just launched in Gee’s Bend, Alabama, a small Black community in rural Alabama renowned for its quilt masterpieces. This remote community has seen no new job creation in the past 50 years, but is home to a generation of skilled Makers that previously worked in offshored factories. Here, we have upfitted a local facility and brought internet service to create a workspace that initially employs 16 Makers and five support staff, with anticipated growth to 40+ Makers over the next year.

With each iteration, we are learning how to adjust to the particular context and goals of the local community: recognising their assets; identifying the resources needed to activate their significant, but underutilised, skills; and linking them to markets that are demanding products with connection to real people and places.

**We work directly
with Makers to
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command and control**



Investing for systems change

The Paskho Community-Made™ model directly addresses the interests of impact investors in compelling innovation that enables both financial return and measurable impact. Community-Made™ is driven by innovation familiar to any tech investor: we use technology to enable a distributed and more capital-efficient production process than the old (and, in my opinion, irretrievably broken) factory model. Yet, unlike most technological innovation, ours is people-centric, connecting designers, Makers and market, rather than striving to replace workers. The result is greater market responsiveness, as well as positive social and environmental impact. Domestic distributed production allows Paskho to meet the increasing market demand for transparency, traceability and meaningful brands that create connection between the Maker and the customers. Our process provides measurable impacts of interest to impact investors: quality job creation for the underserved (from urban to rural contexts); wealth building for women and people of colour; and reduction of waste and environmental harm in garment production.

2020 was a year of reckoning, with many impact investors realising that tweaking our system didn't cut it. By recreating the garment production model to centre Makers and community wealth-building in a profitable enterprise, Paskho is addressing the deep need and growing demand for real systems change. While not all of Paskho's pre-Covid investors have joined us in this model shift, we have welcomed investment from individual investors in the Gratitude Railroad network, as well as the Souls Grown Deep Foundation and others, all of whom are committed to our regenerative model.

My audacious goal is simply another turnaround: to help inspire a new, regenerative path forward for the broken and faltering American economy. Paskho Community-Made™ believes we can create production in which people bring more soul and care, and customers and Makers can make true connections with each other. My deepest hope is that this regenerative model will be replicated, with many products and in many communities. May it be so.



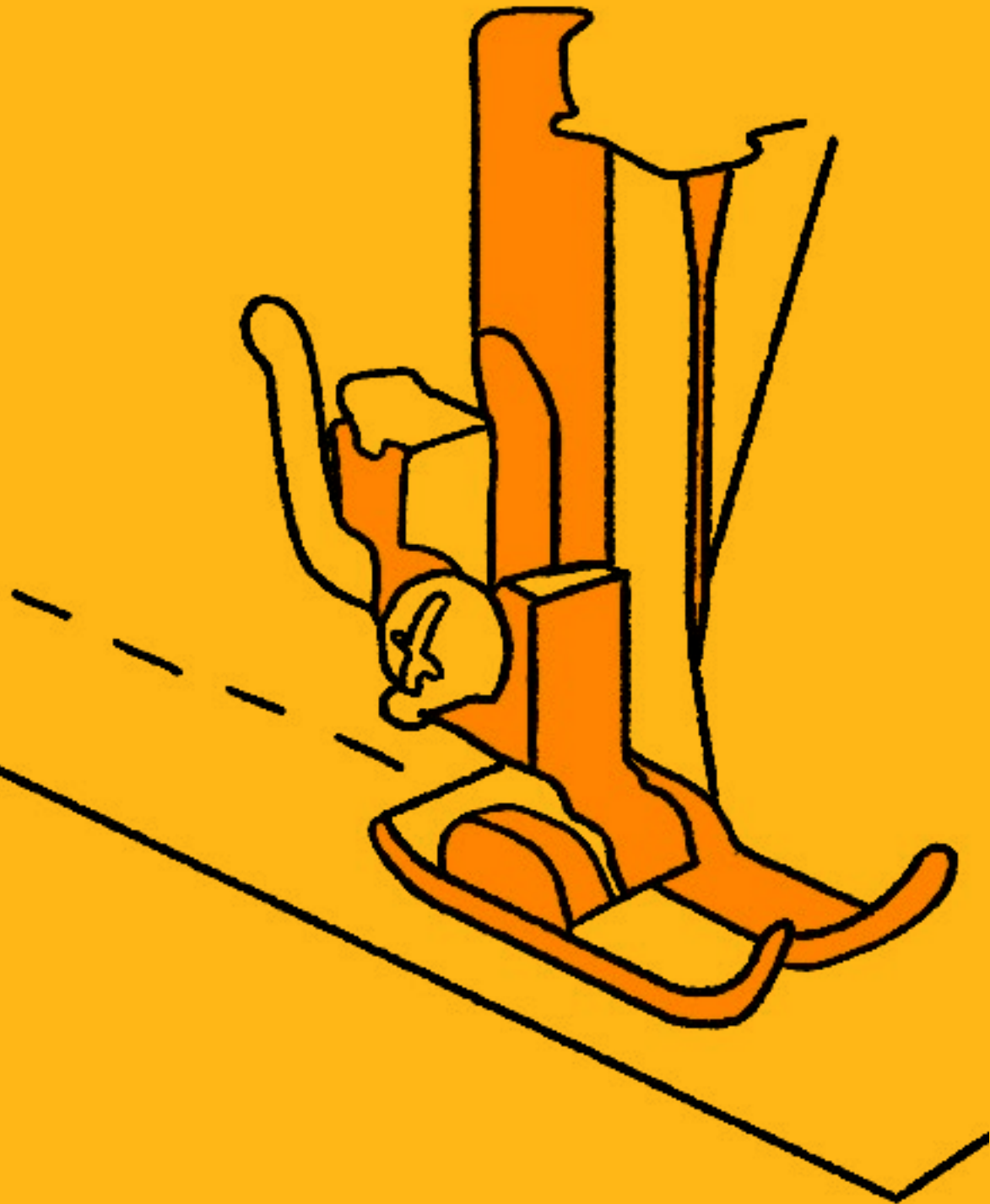
Paskho Community-Made™ pod in New York City
Photo credit: Paskho

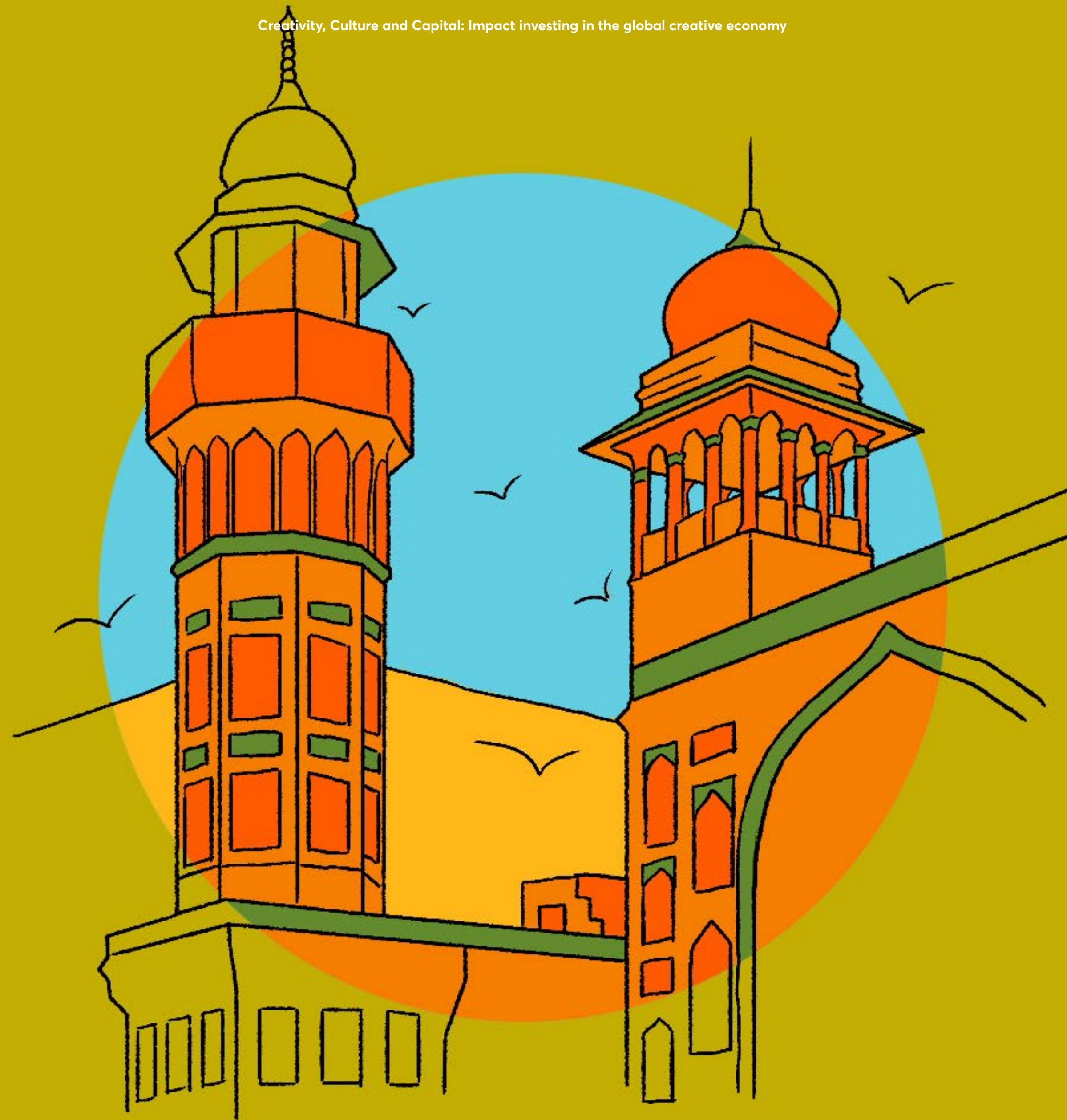


Paskho Community-Made™ pod in Gee's Bend, Alabama
Photo credit: Paskho



Patrick Robinson is a celebrated American designer with more than 25 years of experience in the fashion industry. After attending the Parsons School of Design, Robinson worked for Patrick Kelly in Paris and Albert Nipon in New York, before becoming design director for Giorgio Armani in Milan. In 1994, he became senior vice president of design, merchandising and marketing for Anne Klein. In 1996, Robinson started his own collection, winning numerous awards and being named one of Vogue's top 100 rising stars. In April 2003, he became the creative director of Perry Ellis Women's Sportswear and then in 2005 was named artistic director for Paco Rabanne. In May 2007, Robinson designed an affordable collection for Target Corporation's Go International line and became executive vice president of design for Gap Adult and gapbody. In May 2013, Robinson was hired as global creative director of Armani Exchange. 2016 marked the full launch of his Paskho collection for travel.





Windows of opportunity: Inclusion through innovation in the Walled City, Lahore

Saima Zaidi, Director, Founding Core Team Member

Saadia Pathan, Core Team Member

Numaish-Karachi

In Lahore, a public art project with a hyper-local approach created memorable moments and sustainable impact.

Pray tell me, in the city of Lahore how many are the doors, and how many the windows?

And tell me also how many of its bricks are broken, and how many are whole?

—Ustad Daman

Sheherezade: The Walled City Anthology was an immersive curatorial project by Numaish-Karachi, which unfolded in the vibrant, lived Androon Sheher (Inner City) in the heart of Lahore, Pakistan. Located at the juncture of major travel routes, this thousand-year-old walled city within a city has been besieged and liberated, razed and rebuilt by several dynasties of rulers – Hindus, Sikhs, Afghans, Mughals, the British Raj – each leaving their cultural imprint. Like the legendary Sheherezade of *One Thousand and One Nights*, the Walled City has captivated people with its labyrinthine passages: at one turn, the Khalifa Manzil with a Star of David above its threshold; further down, the Alif Shah Haveli housing an imambargh (a Shi'a congregation hall) with its huge banyan tree and opening eventually into a mazaar or masjid (shrine or mosque).

Public art ventures increased in Pakistan in the 1990s.

In 2015, Numaish-Karachi was established and began activating public heritage sites as inclusive urban retreats in the form of open-air studios, theatres, laboratories and playgrounds. Free of charge, these interventions have attracted over 150,000 visitors. *Sheherezade*, held in March 2019, was inspired by the historic spatial essence of Androon Sheher. Local and international participants included architects, artists and artisans, musicians, computer scientists, designers and digital innovators. They engaged the local community to rediscover stories, drawing from the city's mythic environment – towering minarets embellished with frescoes and calligraphy, domed gates and arches that royal elephants used to navigate, cobbled streets that motorcycles now skitter across – to create over two dozen site-specific projects that fused the digital realm with Androon Sheher's visual heritage.

Lahore attracts more cultural tourism than other Pakistani metropolises. Funding has spurred immense architectural conservation efforts since the 1980s, and

local authorities have tapped into this, highlighting tangible heritage to feed the economy within the Walled City. However, ticketed events to fund and celebrate these efforts have risked alienating the local population.

Numaish-Karachi collaborated with governmental organisations, notably the Walled City Lahore Authority (WCLA), to stimulate the area's diverse creative economy and increase democratic access to heritage. *Sheherezade's* installations concentrated on dissolving perceived barriers between strata of society, between the private and public sectors, and between disciplines through a hyper-local approach that emphasised locally available materials and technologies, and by ensuring free access to the event.

Primary research included exploring the Walled City on foot and conducting interviews with residents and vendors, with photography, architectural renderings and drone footage enabling further perspectives. The Numaish core team, mainly hailing from Karachi and primarily women, made multiple trips to Lahore over a nine-month period. We found the inhabitants were more than willing to share their impressions and identify local partners: caretakers of the Wazir Khan

Mosque, tour guides, carpenters, painters and printers.

The installations started at Delhi Gate, unfolded along the Royal Trail and culminated at the Wazir Khan Mosque Courtyard. This heritage site at the confluence of bazaars served as a hub for many of the projects, and others unspooled in radial arteries. In the courtyard, the *Jharoka Pavilion*, comprising 335 reflective steel modules, referenced the mirror mosaics of the Palace of Mirrors in the Lahore Fort. It is now a permanent installation at the fort. *Disruption as Rapture*, a 10-minute film by Shahzia Sikandar, was inspired by the visual-heavy 17th century manuscript *Gulshan-i-Ishq* (Garden of Love). The work epitomised the fusion of tradition and innovation: handmade miniature painting manifested through digital animation. Dan Hett's *The Measure of All Things* was a large-scale digital artwork fusing authentic Islamic geometric patterns with cutting-edge algorithmic generation and was projected on buildings in Sabeel Wali Galli (Lane for Drinking Water). Both digital installations captivated crowds, who

appreciated the artists' reimagining of celebrated and distinctive heritage.

Galli Soorjan Singh hosted the *Doodh Batti* project. It was curated around an existing dhaba (tea stall), *Doodh Batti* being a play on doodh patti, a popular milky tea. A local electrician suspended four dozen 'chandeliers' – distinctive dhaba mugs welded together with battis (lightbulbs) inside – along the winding lane and in the alcove of the tea stall, transforming a familiar space into one demanding exploration even by its residents. The lights, along with other projects, were gifted to the local authorities and residents post-exhibition and continue to be used.

The success of these inclusive public events was indicated by a turnout of over 50,000 visitors. Despite our presence on the ground and liaison with local authorities and partners, the residents – many of whom were fourth generation – had to be reassured that the festival was primarily for them. We have learnt that similar ventures should involve residents in a more formal capacity, perhaps through an advisory board. Another observation was that since digital interventions functioned post-sunset, fewer attendees were women: this could be circumvented by projects aimed exclusively at women. Since the pandemic, Numaish-Karachi has curated digital projects to reimagine community engagement and participation in the absence of a tangible public realm. However, with internet accessibility rates of 30% in Pakistan, such approaches remain challenging.

Sheherezade demonstrated a collaborative framework that promoted co-creating with the community in familiar streets, shrines, residences – sites frequented by those who work and live in the Androon Sheher – to enable accessibility and inclusion. Projects received favourably included the renovation of a shrine by Hast-o-Neest, a Lahore-based traditional studies and arts group, who have continued to work in the area, demonstrating the networking opportunities presented by public space endeavours. Our framework has facilitated sustainable economic impact, with local authorities and grassroots collectives adapting this urban acupuncture model for continued creative interventions, including smaller public festivals that provide a platform for local artisans – particularly the indigenous music ecosystem. The *Doodh Batti* project was reinstalled in the renovated Galli Soorjan

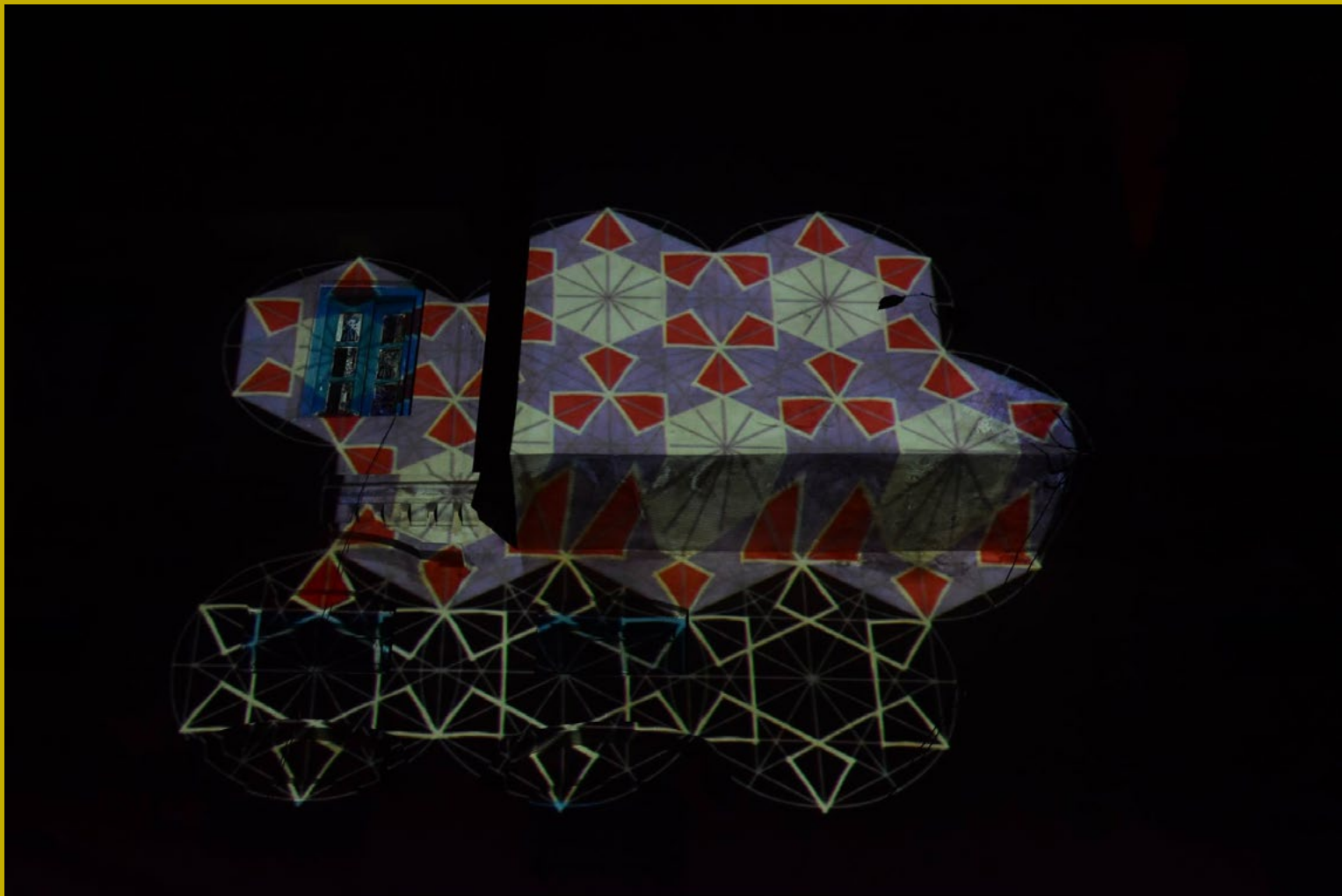
Singh in March 2021. The restoration venture went viral on social media and local news channels, and the WCLA has similarly refurbished 57 more streets. All these efforts facilitate local and international tourism that nurtures the local economy.

Most encouragingly, the Architecture-Design-Art Awards 2021 declared *Sheherezade* a winner in the Public Art Category 'by virtue of the number of collaborators... [and its] extended notions of participation, agency and interaction beyond singular understandings of what the term public art has more commonly been associated with'. Thus, *Sheherezade* offered inhabitants of the Walled City an opportunity to rediscover their own stories within stories, in their city within a city.

Sheherezade was in collaboration with the Walled City Lahore Authority and MadLab (UK), and was funded by a Digital Heritage Grant awarded to Numaish-Karachi by the British Council. With thanks to the core team members: Misbah Azhar, Asmara Faiq, Umar Hameed, Umair Afzar Khan, Zoha Jabbar, Tahir Mahmood, Meher Malik & Ali Rizvi



Lahore Da Daman by Zahid Mayo
Photo credit: Humayun Memon



The Measure of All Things by Dan Hett
Photo credit: Humayun Memon



Disruption as Rapture by Shahzia Sikander
Photo credit: Arif Mahmood



Saima Zaidi is a communication designer and the founding core team member of Numaish-Karachi, an award-winning interdisciplinary collective, which opens public spaces of the city for cultural production. Zaidi edited and designed the book *Mazaar, Bazaar: Design and Visual Culture in Pakistan*, published by Oxford University Press, Karachi in collaboration with the Prince Claus Fund Library, Amsterdam (2010). She has taught design at several institutions, including the Department of Visual Studies, University of Karachi. She received her undergraduate degree from the National College of Arts, Lahore, and her master's from the Pratt Institute, New York.



Saadia Pathan completed an MA in Modern Literature and Culture at King's College London, prior to which she studied Communication and Design at Habib University, Karachi. She has been part of Numaish-Karachi, an interdisciplinary collective for public design, since 2018. Keen on interactive modes of storytelling, Pathan is currently focusing on developments in video games and music.



How Gen Z's definition of creativity can revolutionise the arts and culture sector

Fabio Thomas,
Insight Manager, Beatfrees

Young people see themselves as creative, but don't feel that the arts are for them. The answer? Broader definitions.

Nine in 10 Gen Zs in the UK see themselves as creative, but young people often are less likely to engage with organisations that position themselves in the 'arts and culture' sector, further perpetuating homogenous and unrepresentative workforces, audiences and content in the creative industries.

Beatfreeks is an engagement and insight agency that connects young people with brands, governments and funders to unleash creativity and change the way things work. One way we do this is by working creatively with young people on their terms, while solving business issues, co-designing services and creating engaging content for organisations along the way.

In October 2020, we spoke to 2,000 Gen Zs about a broad range of topics as part of our [National Youth Trends](#) project. The research covered everything from young people's thoughts on the UK's heritage sector to how much they've got in their savings accounts. One of the questions we asked was whether they see themselves as 'creative'. 90% said yes.

Following a year that saw [digital content consumption worldwide double](#), and [99% of young people tell us they are on some form of social media](#), the depth and breadth of our internet use has undoubtedly played a role in the self-perception of young generations. In 2021, creation and curation, for the majority of people, takes place online. Twitter is our new, open submission, satirical comments section. Instagram, a personalised runway or catwalk. TikTok, the form-binding, short and sweet comedy snippet show. The digital manifestation of creation and consumption draws from our historical understanding of creative spaces, but pushes it further, and, crucially, wider.

The thing about TikTok is it's so easy to create a video [...] for example YouTube it takes me a whole week to edit [...] with TikTok, you just record yourself, you add some text, you make it funny, whatever, and it's out there, and I managed to gain a little following. I think I'm on 14k right now, which is, I'm very surprised by that.

Josh | 18 | Birmingham

It's now not only Gucci, Prada and YSL that can project their vision of contemporary fashion on the world, but also Lucy from Glasgow, Suki from Cardiff, Sean from Hackney. It's all made possible through media that (to an extent that can be heavily contested) levels the playing field – gives you some tools and a platform, and says: do what you like. While we should not ignore the [digital divide in the UK](#), content creation has in many ways become the most democratic creative outlet we've seen to date.

This broadening understanding of creativity, brought on by the wider access to content creation through digital media, is often not reflected in young people's inclusion in our arts and culture sector. Time and time again, we find in our research that young people think the sector is not a space for them as 'creatives', but one reserved for the 'artistic'. This is – we fundamentally believe – at

odds both with what the sector wants and with what young people would enjoy (and benefit from) engaging with as employees, audiences and citizens.

Our findings point to the fact that the arts and culture sector – at least in the eyes of many young people and at most within the workings of the sector itself – is still too bound by traditional notions of what we understand 'art' and 'culture' to be.

As young people understand it, in 2021, culture encompasses anything and everything: from the design of public space through to the way our digital marketing profiles are mapped to the time at which a piece of theatre takes place. The same applies to art, which has long crossed

over the arbitrary 'entertainment' vs. 'art' line in the sand. Art is Netflix, is [NFTs](#), is content. In short, if art and culture are intended to reflect the world around us while attaining a soft power over the direction of society, then – in line with Gen Zs definition – the sector needs to broaden its terms.

Yes, I am a creative person. I am less of a creator and more of a curator. I can bring things together to create larger meaning. I'm not an artist.

Anonymous | 19 | Croydon

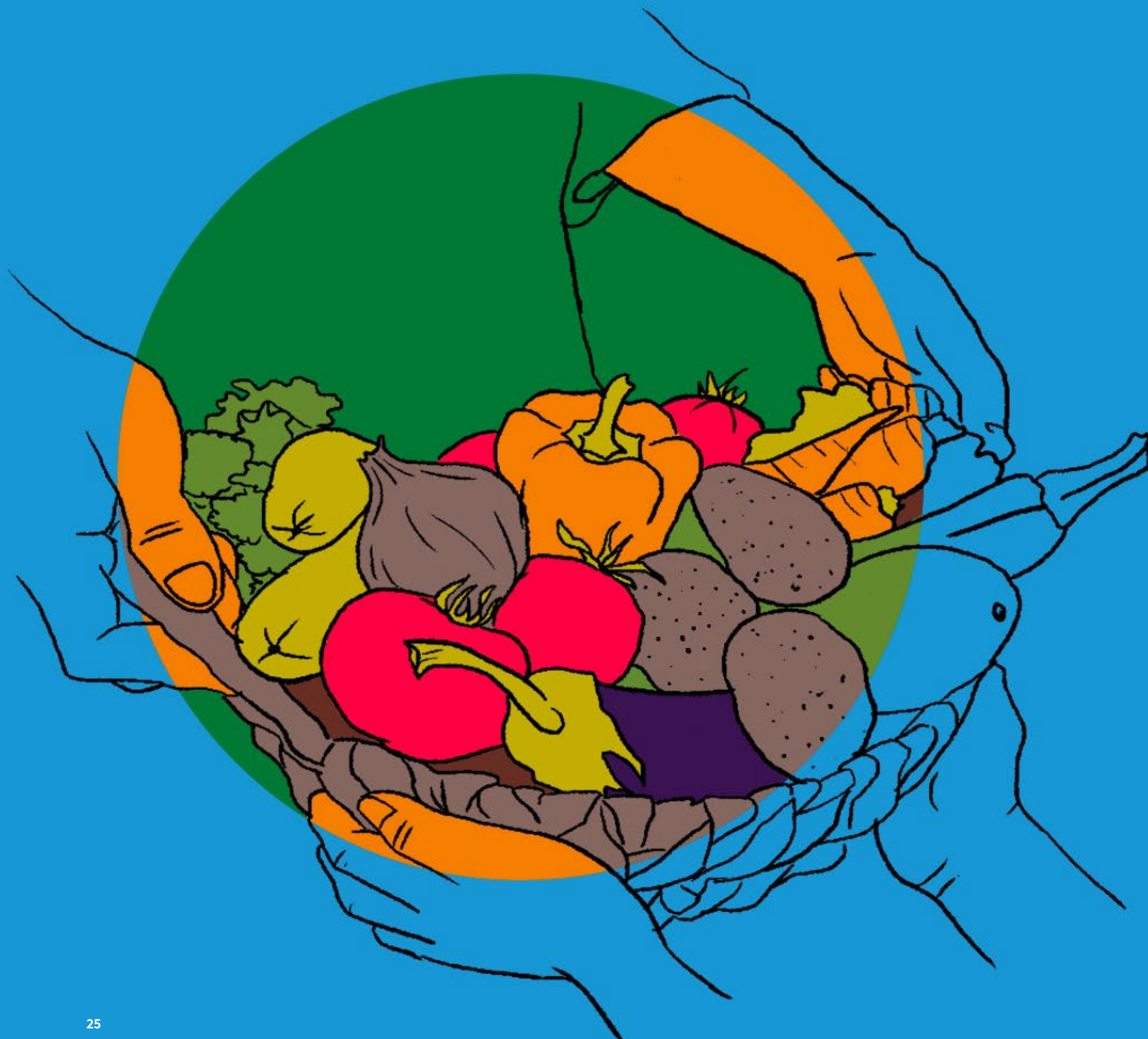
Beatfreeks pushes young people and businesses to unleash this new idea of creativity. Through empowering the natural innovation of young people by actively pursuing a broad interpretation of creativity, we're aiming to bring Gen Z's lived experiences to the table on the basis of their inherent value, as opposed to a tokenistic youth voice exercise. In doing so, we are working with organisations who want to build the [institutions of the future](#); who see that it's inherently beneficial to get relevant and to stay there.

Through our internal research project, [National Youth Trends](#), we're aiming to hit that old artist's sweet spot of matching up our content and our form. We're empowering young people to take the data they have given us (about how they think we should innovate, how they define the terms, what they want to see change, why they think issues are important) and present it in innovative, creative, accessible ways. This sometimes means Gen Z presenting their data as [memes](#) (see the Gen Z starter packs in our [Institutions of the Future](#) report) and their insights as [Insta reels](#) or autoethnography via [grid posts](#).

Moving forward, at National Youth Trends we're pushing this further: thinking about how we can turn young people's data about creativity, culture and art into creative commissions that provoke others to take on the challenge of innovation for democracy. This could look like co-design of city space through the lens of its young occupants; like management of engagement programmes by the participants from the off; like a wider interpretation of what we refer to as art and culture, for a generation who are already building tomorrow's sector today.



Fabio Thomas is insight manager at Beatfreeks and leads its National Youth Trends work. Beatfreeks is an engagement and insight agency made up of a community of young creatives across the UK. We connect this community to brands, government and funders, so that together they can challenge the way the world works. National Youth Trends is Beatfreeks' channel for all things young people, youth voice and pop culture in the UK today.



Food and creation

Kamal Mouzawak
Founder, Souk el-Tayeb

Beirut's first farmers' market led organically to the growth of a suite of food businesses grounded in tradition and with human development as their guiding principle.

This is not going to be about how to plate a dish creatively on a square plate. Creativity is not just about art or design or anything fancy – creativity is about every single thing we do, because life itself is constant change, and changing is creating a new moment.

Creative industry is redundant... because industry is about creating in scale – a product or a service – constantly producing is constantly creating, and adapting to new needs and realities. And if you don't adapt, create and recreate, you just vanish and die.

Food is the ultimate creation... because it creates life. Every time one eats, one sustains one's own life and thus contributes to creating it.

Food is the ultimate creation... not as a multiple-starred chef's sophisticated creation, but as the simple food of a place and a time... here and now.

Food is an expression of here, of a land, where it grew – what is available, planted, foraged, produced, what the seasons yield...

Food is an expression of now, and an accumulation of what people in this place have planted, foraged, cooked, preserved and eaten since they've been here. It is their food tradition, built on the past and adapted every day to new needs, new tastes and to what was available at the time.

Food is an expression of the people – who transform the products of the land according to their needs... hot food for cold days, fresh raw food in warm climates.

Food is an expression of tradition. Of all the expressions of tradition – architecture, dance, costume, poetry – food is the one that travels the furthest through time and place (immigrants lose their language but keep their food) and is an expression that does not exclude others, but rather includes them... come share a meal!

Food and creative industry... Food and impact investment... I had to google impact investment... 'investments made with the intention to generate positive, measurable social and environmental impact alongside a financial return'... not so amazing as I thought it was the only possible way.

Are there any other investments possible? Is it possible to do anything that does not generate a positive impact? Why would one do it? Just for a financial return? If so, selling one's children provides a financial return... why won't we do it? Isn't it the same as investing in something that makes a financial return but with a high social or environmental cost – or when it's not one's own kids, is it more acceptable?

Agriculture is not about production. Fukuoka Masanobu, the Japanese farmer and philosopher celebrated for his natural agricultural approach and his re-vegetation of desertified lands, couldn't use the word 'food production' as farmers do not 'produce' something from nothing, but merely assist the soil that does 'produce' all plants.

I started Souk El Tayeb in 2004, and I just wanted to change the world. Nothing more...

To do so, I knew the importance of a dream = a purpose, but knew too that dreams without realities do not go far – realities of finance, proper management, the right systems...

And I understood that any project – whether you are selling a can of cola, or saving the wounded like the International Red Cross – functions in the same way: having a purpose (selling a can or saving a wounded person), managing people, finance, production or services, communication... it is all the same.

So my reality started in late May 2004... invited to a garden show event, to organise the 'food' section – where I gathered some 10 producers that I knew... and that gathering of real people, and real food, attracted masses like a magnet – so the obvious thing to do was to go on...

and create a weekly gathering of farmers in the city – a farmers' market.

Souk El Tayeb was born as a farmers' market in early June 2004 – just by reacting, doing, finding a solution to a need or a problem. No five-year plans, just open eyes and ears to what is wrong and a will to bring in solutions.

Since its first days, Souk El Tayeb was never about selling vegetables and fruit, but about human development – supporting people, wonderful farmers and producers,

bringing them to where there is demand and purchasing power: the city; putting the producer in direct contact with the consumer; showing that food is produced by someone and not just a product that money can buy on a supermarket shelf; giving recognition to the farmers and producers feeding us.

In 2007, we went the other way – from urban to rural, in one-day events, Food & Feasts, to celebrate regions, their produce and their people ... and have a lunch at noon that is typical of that village or region. A typical lunch means cooked by traditional home cooks... women, mothers and grandmothers perpetuating tradition as in a traditional home-cooked cuisine.

In 2009, Tawlet was born – the farmer's kitchen, where every day a different home cook comes from her village or region, to cook a buffet of the day that is typical to that region. Then followed different Tawlets all over Lebanon – each one specific to the region's cooks, ingredients and recipes.

And the Beit project, in 2015: guest homes celebrating local architecture, food, arts and crafts... people and their traditions.

Reacting to every need and finding solutions to every problem meant launching Matbakh El Kell, a soup kitchen, just after the 4 August Beirut port explosion in 2020, and cooking around 2500 free meals a day since then to support the most needy.

So food has never been an end in itself. It is not about being a foodie or celebrating the food itself, but rather using food as a tool for the development of humans, as an expression of their roots, history and traditions, and as a way to bring people together... in creative ways that lead to income generation too – as financial sustainability is a necessary drive for the life of a project.

Back to dreams and realities... then again, realities without dreams do not go far either! When the bottom line is just about the financials, it may make millions... but then what? Millions do not change the world!

It is not about
being a foodie or
celebrating the food
itself, but rather
using food as a tool
for the development
of humans



Souk el-Tayeb
Photo credit: Karim Sakr



Souk el-Tayeb
Photo credit: Karim Sakr



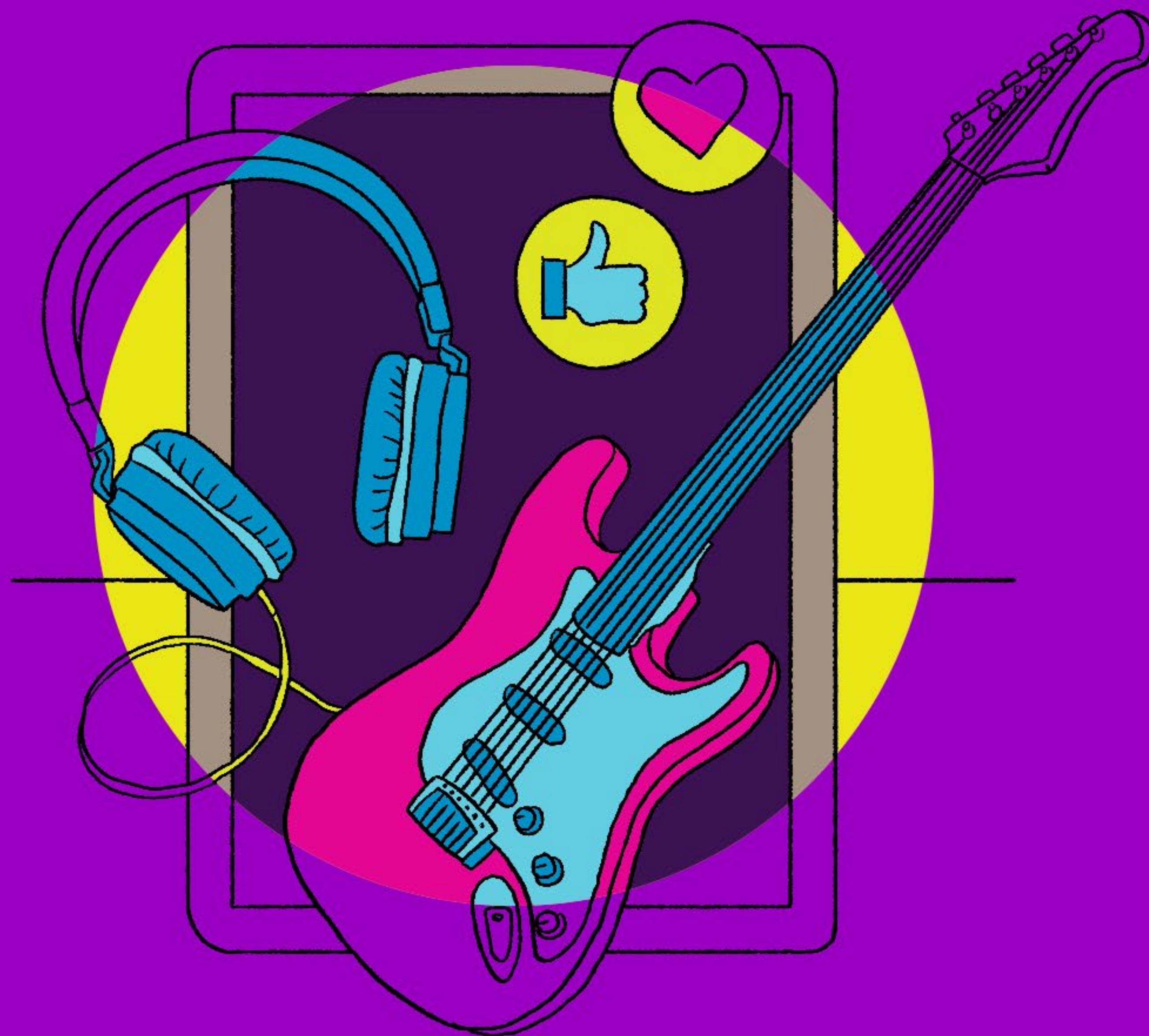
Souk el-Tayeb
Photo credit: Karim Sakr



Souk el-Tayeb
Photo credit: Karim Sakr



Kamal Mouzawak is the founder of Souk El Tayeb. In 2004, he created the first farmers' market in Beirut to preserve food traditions and the culture of sustainable agriculture in Lebanon. That first market expanded to include a weekly farmers' market, as well as Tawlet farmers' kitchens featuring regional specialties from all over Lebanon; Beit guest homes; Food & Feast regional festivals, educational and capacity building projects; and Dekenet, a showcase of products and handicrafts from Souk El Tayeb. The newest addition to Souk El Tayeb is the community kitchen Matbakh El Kell, an initiative that began as an emergency kitchen in response to the catastrophic Beirut explosion.



Harnessing community-facing enterprise in a pandemic? Host a music festival!

Lucy Squire,

Head of Music, University of South Wales,
Member of the Cardiff Music Board

In South Wales, a digital music festival at the height of the pandemic created new networks and proved an invaluable training ground for its student organisers.

Immersed! is a unique music festival that is curated by Creative Industries students at the University of South Wales, working in liaison with the local community in aid of Teenage Cancer Trust and the #saveourvenues campaign. The immersive project has been running for three years and involves intensive collaboration with multiple stakeholders, including cross-subject disciplines, music fans, commercial venues, charities, professional bodies, booking agents, artists, communities, policymakers and technicians.

In 2021, the project was faced with a wicked problem aligned with that facing the music industry: how to adapt a successful festival brand to engage a range of stakeholders and audiences with a digital concept during a pandemic? Instilling a sense of 'liveness' and community using technology was the crux of the challenge, along with ensuring students accessed an authentic learning experience. In an industry in which experience is essential, embarking on this mission magnified the wellbeing needs of students, staff and, critically, the community. We were acutely aware of digital disadvantage and other inclusion challenges – always present, and exacerbated by the pandemic.

Instilling a sense of 'liveness' and community using technology was the crux of the challenge

The framework used to explore solutions was a design thinking methodology drawing together resources to problem solve using a three-pronged approach:

- 1. Inspiration:** We conducted field research, exploring market trends and taking influences from events across the globe to consider practices that could fit with our audience.
- 2. Ideation:** We consulted, brainstormed and synthesised options with a diverse range of individuals and groups to stimulate divergent thinking. We found common themes kept rising to the top as other ideas were discarded: for example, the importance of a representative and diverse programme, or the goal of prioritising quality content for broadcast by seeking to film inside music venues over less professional environments.
- 3. Implementation:** We began to turn our ideas into an action plan, with prototyping used to test and ultimately validate the project. We conducted extensive exploration

around how and where best to host the festival. Following a testing period we settled on three platforms – Facebook, Twitch and YouTube – to facilitate both quality and accessibility for our key stakeholders.

Working with the local industry, 50 students were tasked with every aspect of music programming, performance, promotion and production of a real-life festival in a task that nurtured vocational skills and network building. A wide range of personal qualities, behaviours and transferable skills that encompass all six of the attributes we seek to develop throughout student journeys at the University of South Wales – namely, commercial awareness, communication, digital literacy, project management, leadership, innovation and enterprise – were embedded in the project. At a time when government messaging suggested the most viable option for creative industry professionals was retraining, passions for staging the festival ran high and the students seized the opportunity to draw the festival together. [The website homepage](#) addressed the question of the viability of the arts head on, embodying the ethos of the festival.

Logistics were the biggest issue.

With social distancing in place and venues closed, the team worked hard to find practical and safe solutions to facilitate filming performances for broadcast. Music venues grasped the opportunity to open their doors to support the project and raise awareness of their plight, which in turn precipitated rigorous risk assessing and site management. The promotions team worked tirelessly to inject personality and meaning into the festival's storytelling – not only its programmed content, but the heroes behind the scenes making it happen. There were interviews, music clips, press articles, blogs and features about the music venues, artists, politics and charity campaigns involved, which swelled engagement.

Before the pandemic, Immersed! Festival 2020 took place at Tramshed Cardiff. It featured 27 bands, including Grammy award headliner Richard Ashcroft, and raised thousands for the charity Teenage Cancer Trust through ticket sales. Unrestricted by venue capacities, dates and times, Immersed! 2021 saw a creative community embark on a fast-track journey to expand the festival digitally. The

end result was a three-day event with 48 artists streamed across multiple platforms to an audience of 10,000, offering a diverse programme that represented and celebrated the wealth of talent in South Wales, while representing a triumph over adversity during the most challenging of times. The fundraising scope of the activity was extended as attendees donated to Immersed! causes using the Just Giving platform throughout the weekend's broadcast.

Key to the success of the festival were industry partnerships and collaborations that equipped early-career event managers with the skills, knowledge and networks required to maximise their potential. We allocated stages to music labels to showcase their talent and worked with local businesses to generate content and merchandise to fundraise for the #saveourvenues campaign, which aims to prevent the permanent closure of venues due to Covid-19. A design competition generated a commemorative festival t-shirt, raising awareness and proceeds in support of the campaign. Tackling challenges, finding solutions to real-world problems and partnering with industry were at the forefront of the mission. With the live sector in a state of disruption, it was crucial to think creatively and consider sustainability, diversity and enterprise.

Immersed! has provided a tangible blueprint for event startups and digital diversification within and outside education. Outcomes included bookings for artists and invitations for the Immersed! brand to host stages within larger festival projects across the UK, as well as employment offers for the student organisers with Brecon Jazz Festival, National Youth Arts Wales, Screen Alliance Wales and Libertino Records. We have built a valuable network around Immersed!, providing ongoing connections and resources for like-minded stakeholders to feed into next year's festival and offshoot opportunities. Going forward, we intend to build on our success by incorporating further cross-discipline collaboration and multimedia creativity and tackling more wicked problems. Immersed! 2022 will continue to engage a range of stakeholders and address important issues, with a climate change and music conference incorporated in the festival. We are committed to upskilling and developing online elements to enhance any physical festival in the future, while exploring monetisation models for digital creative experiences. It's an exciting playing field as we consider how to build back better.



Live performance
Photo credit: Immersed! Festival



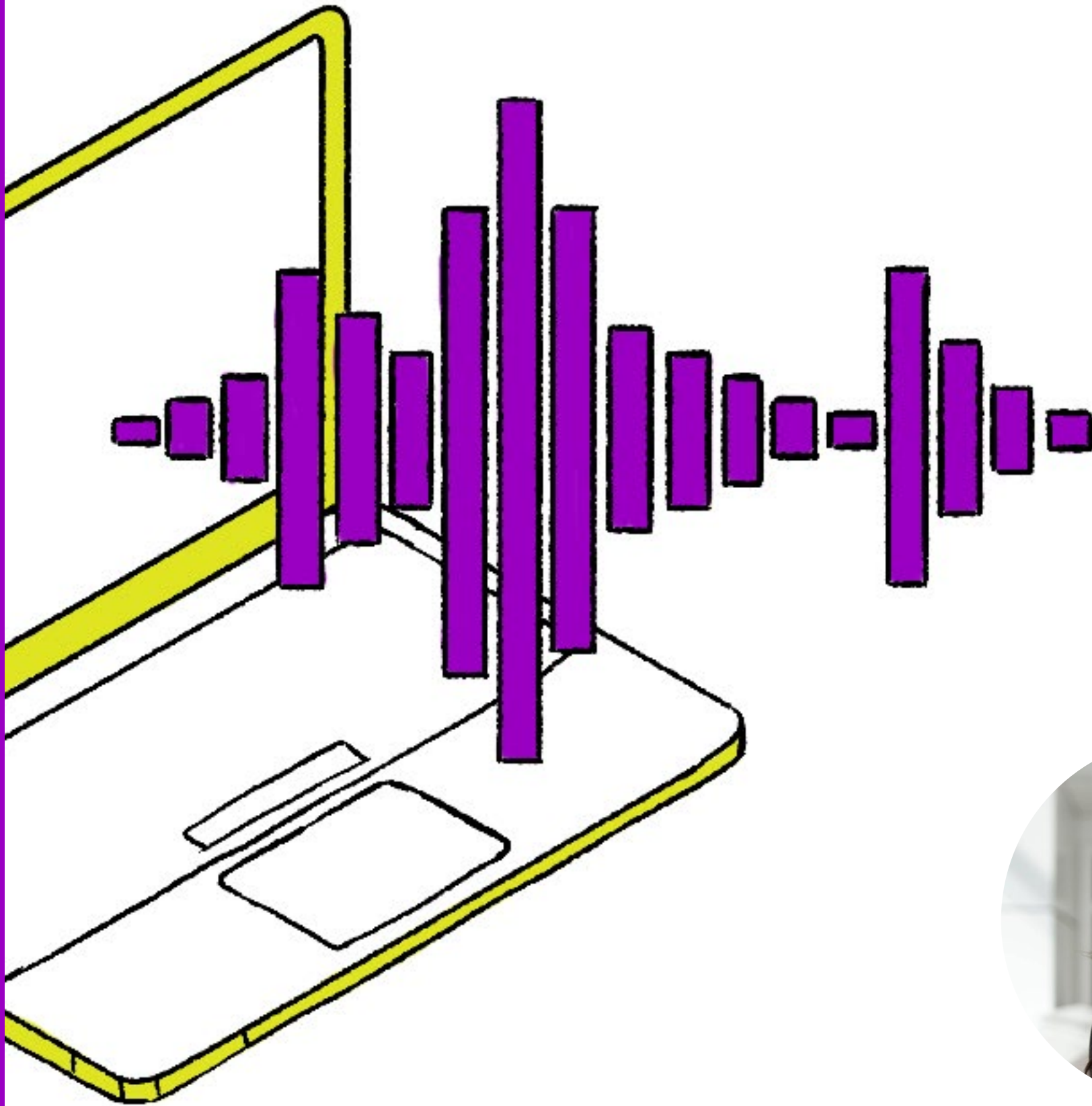
Immersed! Festival act Adwaith
Photo credit: Adwaith



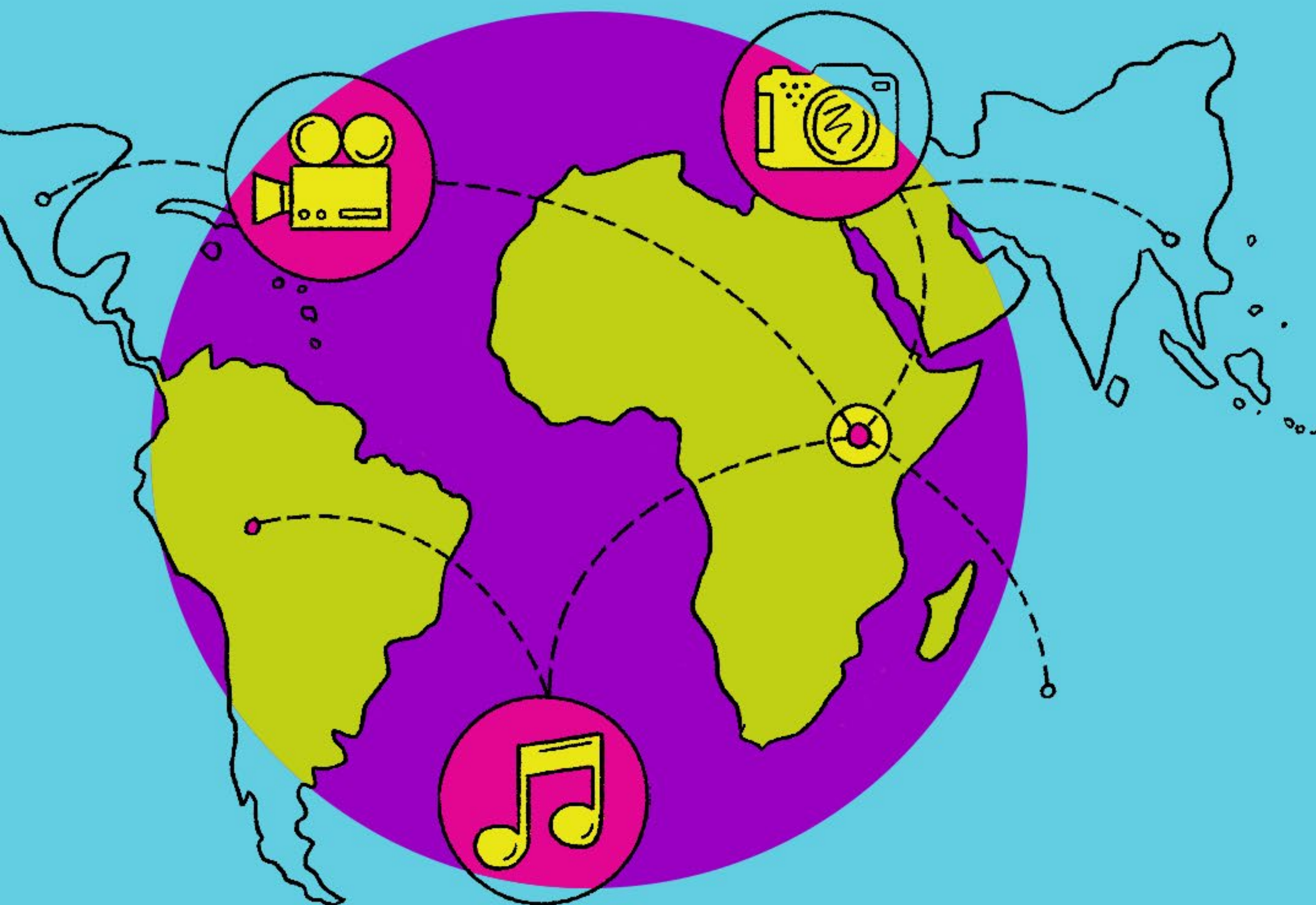
Immersed! Festival merchandise
Photo credit: Immersed! Festival



Immersed! Festival act Bloom
Photo credit: Immersed! Festival



Lucy Squire is head of music at the University of South Wales, member of Cardiff Councils Music Board and founding director of Catapult Records. She is a creative industries speaker and mentor. She is driven by a passion for connecting education with industry and combines a depth of experience and a forward-thinking vision to support both sectors.



How creative industries in Nairobi are uplifting communities

Aileen W. Fry, Chloe Villalobos & Yvette Waweru,
Researchers, Arts and Homelessness International

In an informal settlement in Nairobi, an entertainment label is imagining and working towards alternative realities, with benefits for the whole community and for similar visions around the globe.

Arts and Homelessness International (AHI), in partnership with the British Council and Calouste Gulbenkian Foundation, is running a five-year project to develop the arts and homelessness sector in the Global South. This project seeks to expand their current network of organisations using the arts to bring positive change to people, projects and policies impacting homelessness. Throughout the initial research phase, we have engaged in thought-provoking conversations with over 100 different artists and organisations in the Global South, who have shared their stories of resilience, solidarity and transformation. With a diverse range of people from Rwanda to Mexico, artists are advocating for the right to adequate housing through their creative capabilities.

Where neoliberal economies and inadequate social systems have left many living in vulnerable conditions, our research found vast use of the arts to advance social welfare. Many collectives we spoke to are creating an economy that uplifts their communities by ensuring environmental, social and economic gains are equally balanced and maximised. A group of young creatives from Mathare, Nairobi's second-largest informal settlement, are paving the way for a creative economy that shapes a more equal and sustainable society.

Mathare was a centre for the Mau Mau freedom fighters' struggle for Kenya's independence from Britain. Since then, it has been ostracised from the political sphere and the government has failed to implement sustainable socioeconomic programmes in the region. Housing rights are precarious, with the settlement constantly experiencing forced evictions and militarised security that criminalises its youth. However, the orchestrated oppression fails to prevent Mathare from being a soulful and vibrant community. It is home to thousands of gifted creatives, brilliant thinkers and vigorous social justice activists who are using their skills to develop alternative modes of living that care for the environment and cater to the community's socioeconomic needs.

Local artists formed Mathare Empire (ME), an entertainment label, in 2016, recognising a strong need to unite and provide a platform where they could grow collectively and discuss issues that impact their community in a palatable way. The label recognises the ability of the arts to transcend the capitalistic ideology of material growth, as art speaks to the depths of our souls by affirming

our experiences, tending to our wounds and offering alternative ways of living.

ME partners with the Mathare Green Movement, and together they share the philosophy of 'Mathare Futurism', which is the idea of using the imagination to envision and work towards possible realities for Mathare. This philosophy is channelled throughout all of ME's creative activities in order to generate social change, implement community-based solutions and positively impact the mindsets of Mathare residents. Members of ME use their art to illuminate the need for change, paint a picture of what transformation can look like and provide practical steps to make their imaginations a reality.



Mathare Empire during the transformation process
Photo credit: Lyrical Farmer



Mathare Empire after the Mathare Green Movement transformed the space
Photo credit: Lyrical Farmer

On April 21 – World Creativity and Innovation Day – Zero Point Zero, ME's audio-visual podcast aimed at finding community solutions to injustices, conducted a segment on Kenya's creative industry. Throughout the session, creatives exchanged stories of their experiences.



Zero Point Zero's Creative Industry episode
Photo credit: Kabatila Kavat, fashionpicha.org

The Kenyan creative industry is controlled by a few entrepreneurs whose power allows them to choose who reaps the benefits of market share. Many creatives are disregarded in this process and find it challenging to depend solely on art for their livelihood. One artist told us about a time they were called to perform at a high end, profitable TV programme. The performers weren't reimbursed their expenses for transport once the performance ended. Instead, they were told they were lucky to be given a 'platform'. This was just one of many similar stories of how artists are exploited. In response, ME's artists are working to build an alternative creative industry: one that isn't solely focused on individual growth but centres their community's livelihoods and wellbeing.

Creative hubs of Nairobi are often found in the city centre or upper-class neighbourhoods, areas that many Mathare residents find inaccessible. ME understands the importance of creating cultural spaces within the community – made by the community, for the community. Through collaborations, capacity-building workshops and skill-sharing initiatives, ME is working towards becoming a sustainable independent label.

ME's economic philosophy recognises the benefit of sacrificing short-term individual gains for long-term

collective profit. Members pool individual resources to accumulate assets for the label that are leading to sustainable economic growth. Collective funding can be a long process, but ME members understand the importance of becoming a self-reliant label whose decisions are predominantly influenced by and for its members.

Binding their unity is the understanding of how diverse yet interconnected the creative industry is. They recognise the infinite artistic power that resides in Mathare: they have visionary producers, skilled managers, beautiful models, and the list of talent goes on. By combining these diverse skills and uniting them with the philosophy of using art to empower their community, the members create powerful interdependent partnerships, strengthening their creative outputs. Simultaneously, the diversification of products allows the label to tap into different market spaces in an industry in which putting all the eggs in one basket is a high-risk approach.

Art speaks to the
depths of our souls
by affirming our
experiences, tending
to our wounds, and
offering alternative
ways of living

ME's current assets include an entertainment space, an arts and crafts gallery, studio equipment, an audio-visual podcast, a YouTube channel and ME merchandise. ME's space can be rented for music videos, photo shoots, auditions and other events. The members expand the local economy by investing in studio equipment to produce affordable music for ME's artists and the community. Beyond this, ME's skill advancement initiatives seek to develop business and creative skills to enable the community to best leverage the opportunities that come their way. These efforts are all aimed at financially sustaining the members, building partnerships and polishing their art, as they build an entertainment label for an international audience, while creating an accessible art hub for the community.



Mathare Empire's fashion and beauty event, Mr. and Mrs. Mlango Kubwa
Photo credit: @topha_graphy



Mathare Empire's fashion and beauty event, Mr. and Mrs. Mlango Kubwa
Photo credit: @topha_graphy

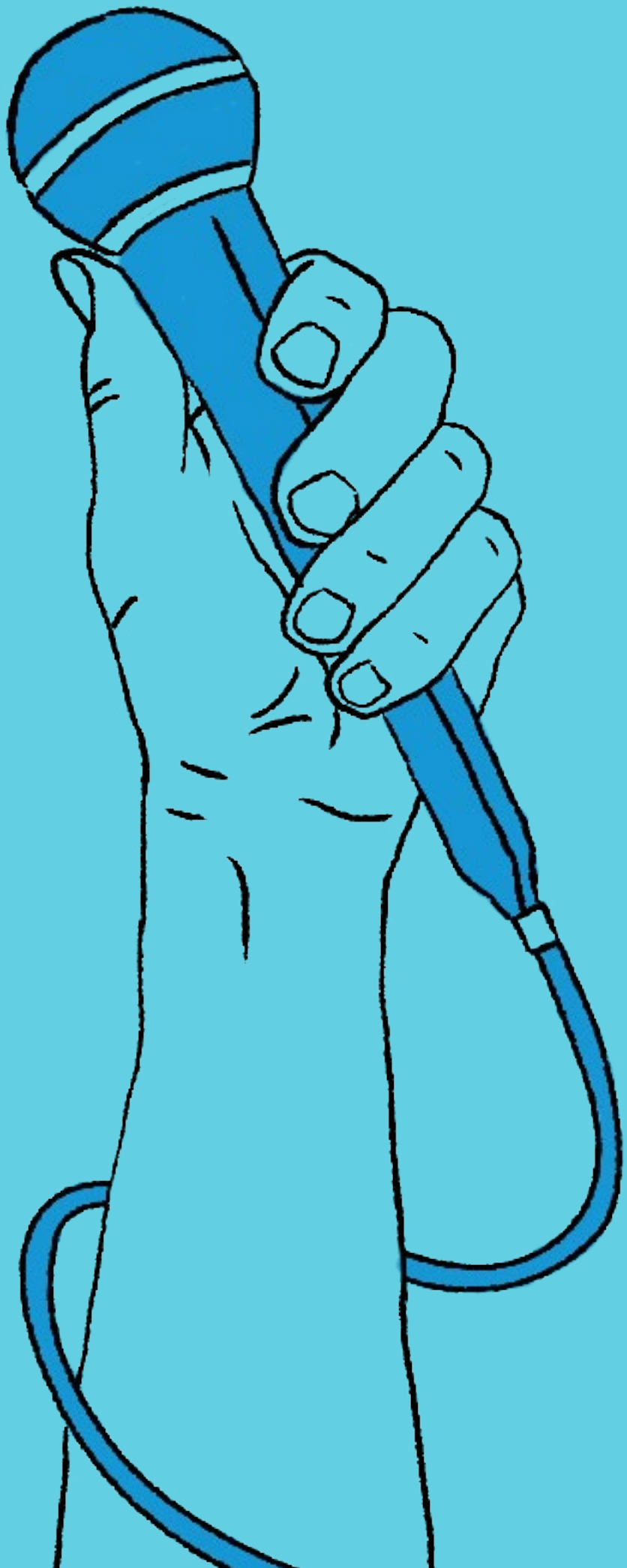
These creative processes of restructuring systems and imagining alternative futures are some of the ways in which people are using the arts to make a positive impact in their lives and communities. Through AHI's expansion of its transnational network in the Global South, such diverse perspectives and approaches will come together, increasing opportunities for global collaboration to solve the problems of the day. Our conversations have revealed a keen interest in transnational collaboration. The global similarities of the root causes of inequality, and the diversity of solutions, indicate that there are great opportunities for people around the world to benefit from the power of network building.

Organisations like Mathare Empire play a critical role in demonstrating the power of unity, knowledge exchange and long-term planning. They also illustrate what the creative industry can do for the impact economy: collectively, we can forge alternate futures that holistically care for the needs of communities while supporting similar visions around the globe.

If you know of any project, collective, organisation or individual artist from the Global South that is using art to highlight and find solutions to housing injustices and would be interested in being part of the international network, please email our team of researchers at david@artshomelessint.com

Find out more about Arts and Homelessness International at: artshomelessint.com

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Aileen W. Fry, Chloe Villalobos and Yvette Waweru are a transnational team of freelance researchers based in Brazil and Kenya.



Exploring and extending world cultures through video games

Michael Angst, Co-Founder and CEO
Alan Gershenfeld, Co-Founder and President
E-Line Media

A collaboration between a game developer and a pioneering Alaska Native tribal organisation demonstrates that video games can be a bridge, rather than a barrier, to cultural understanding.

In today's rapidly changing, digitally infused and increasingly complex world there is a growing concern that youth are becoming disconnected from their culture, heritage and the timeless wisdom of their elders. Those voicing this concern often point to the rapid growth of video games as one of the culprits of the phenomenon. This is especially true since the depiction of minorities, indigenous peoples and other under-represented communities in commercial games is often appropriated, mindlessly sampled or outright caricatured.

But can this incredibly powerful medium be harnessed to explore cultures from around the world in an authentic and meaningful way? Can the billions of highly engaged hours spent playing (and watching) video games be harnessed to connect gamers with cultures around the world as well as their own culture – and could this also be commercially viable in a very competitive marketplace?

We strongly believe that the answer is yes – but also recognise that it is not easy. Leveraging the unique power of this medium requires multi-stakeholder partnerships among experienced, proven game developers who can navigate the unique challenges of game development and publishing along with diverse groups of elders, youth, storytellers, artists and community members who can collectively represent a community's voice and culture.

As with the transition from oral to written stories, interactive digital games represent a fundamentally different form of storytelling. Digital games are participatory and player-driven. They give players agency to step into different roles, confront complex problems, make meaningful choices and explore the consequences of various choices and strategies. They are active, not passive. They are immersive and interactive. Players can fail safely and get feedback from the game, peers and mentors. Games therefore present great opportunities – and great challenges – for extending, enhancing and transforming the art of storytelling, especially when tackling deeply resonant cultural themes.

Games present great opportunities for extending, enhancing and transforming the art of storytelling, especially when tackling deeply resonant cultural themes

At E-Line Media, we first explored the idea of celebrating and extending culture through video games with *Never Alone (Kisimia Ingitchuna)*, a game developed inclusively with the Cook Inlet Tribal Council (CITC), a pioneering Alaska Native tribal organisation. Seeking to create unrestricted revenue streams as a form of self-determination, CITC decided to pursue mission-aligned investments that celebrated their culture, stories and language. They also wanted to inspire Alaska Native youth, as stewards of their future. E-Line and CITC engaged in an inclusive development process and together went on a two-year journey to create the game. *Never Alone* is not a game made about the Alaska Native people, it is a game made with the Alaska Native community.

The game explores a story passed down through the oral storytelling tradition, is in the Inupiat language, and features 26 'Cultural Insights' (mini-documentary videos) that get unlocked through gameplay. It is a two-player, cooperative puzzle-platform game that reinforces the core themes of interdependence, intergenerational wisdom and resiliency – attributes that have enabled Alaska Native people to survive for thousands of years in one of the harshest (and most beautiful) places on the planet.

Never Alone touched a nerve globally. It's been downloaded over 4 million times, featured in over 1,000 articles (including the Guardian, BBC, NPR, the New Yorker, LA Times and many others), selected for over 75 best of year lists and nominated for virtually every major game award, winning a BAFTA (British Academy of Film and Television Arts) award and Game of the Year at Games for Change.

The game is profitable, and CITC has converted its revenue participation in the game into equity in E-Line, becoming E-Line Media's largest shareholder. E-Line and CITC formed a joint management team, with CITC's CEO becoming E-Line's executive chair and CITC's CFO taking over the finance role at E-Line.

Although the primary channel for the game is through consumer entertainment platforms, *Never Alone*

has also been distributed with a classroom guide to all school districts in Alaska, and classrooms throughout the world, from grade school to graduate school, have incorporated the game into their curriculums. The game has been showcased in many museums, including the Denver Art Museum, the Heard Museum in Phoenix, the China Academy of Fine Arts and the Smithsonian.

The impact goes beyond the game itself. CITC and E-Line continue to deepen their reciprocal partnership, and are now developing a sequel to *Never Alone* and a possible movie based on the game. Together, we hope to partner with other communities through this inclusive development process to create a series of 'world games' that can help bring underrepresented voices and perspectives to the medium.

Another outcome of the partnership was recognising the need for impact investment models that enable investors with an interest in harnessing the power of games for positive impact to share risk, partner with creative talent and achieve some level of portfolio diversification. Together with CITC, we are inviting other impact investors to join our mission-aligned investor group through equity-based investments or through revenue-interest vehicles. These revenue-interest vehicles enable funders to see returns from their investments directly from the revenue of a single game or mission-aligned portfolio of games, without incurring the liquidity or exit risk that comes

with equity investments in private companies. Our work with CITC has brought together a diverse set of investors, including other indigenous organisations, foundations, non-profits, family offices and other early-stage investors, around an aligned mission and a belief in using market mechanisms to make positive impact.

As games evolve from games-as-product (games one plays and finishes) to games-as-service with social gameplay (games that build communities and become social spaces), there is a great opportunity to create culturally infused worlds that inspire curious gamers not only to explore other cultures, but also to explore, share and reflect on their own cultures. In addition to making games inclusively, we also support youth game-making programmes to help cultivate a more diverse workforce across the industry and ensure that, in a generation, every community will be able to make commercial games representing their own cultures.

Across the planet, we spend over 3 billion hours a week playing video games and billions more watching them being played. Impact investing in commercial games that explore, extend and share cultures is a powerful way to leverage this considerable time and energy to make sure rich cultures that have sustained themselves for thousands of years are authentically and evocatively represented through the newest technologies and entertainment mediums.



Spirit Owl, *Never Alone*
Image credit: E-Line Media



Sky People, *Neuer Alone*
Image credit: E-Line Media



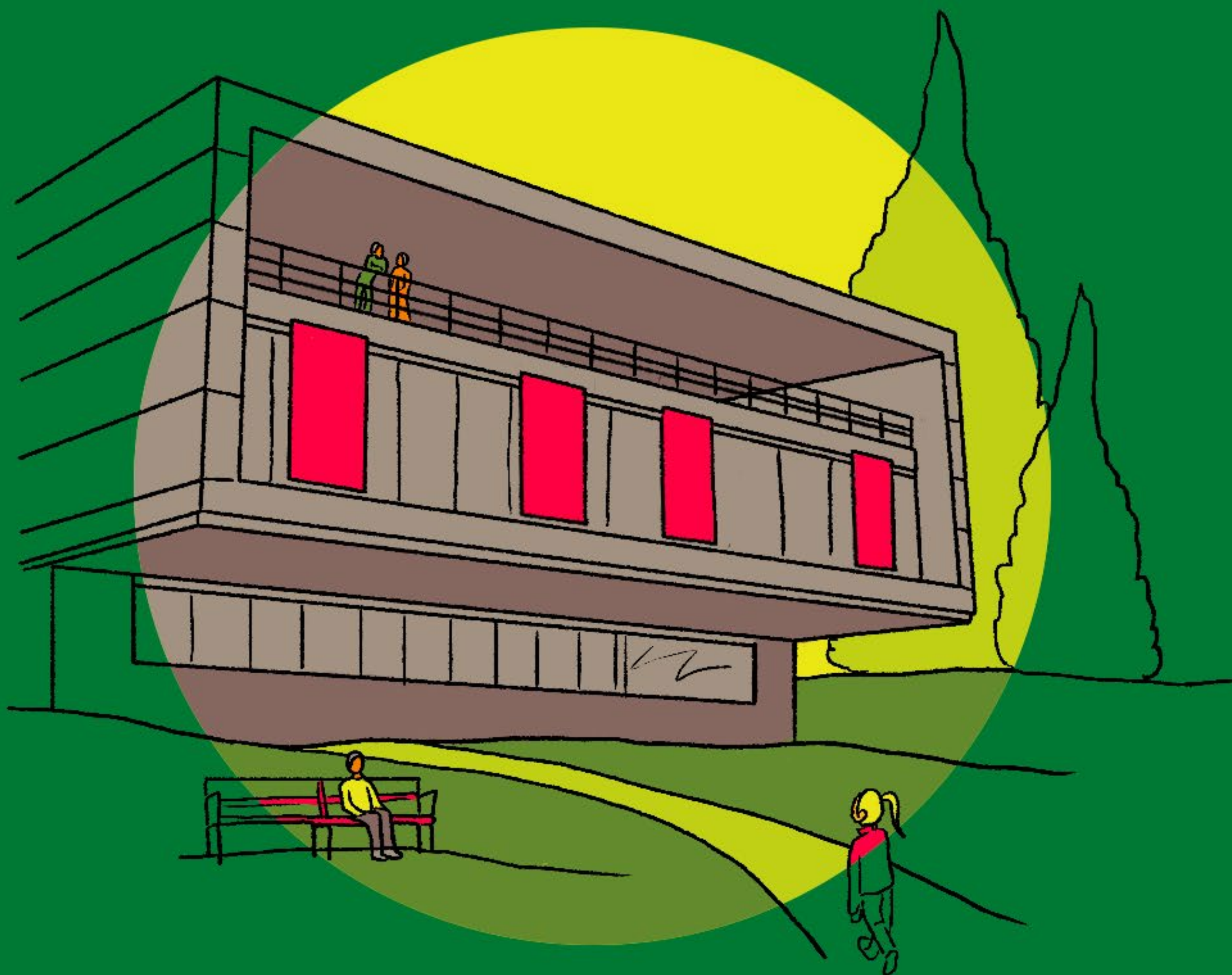
Voice recording
Photo credit: E-Line Media



Michael Angst is the co-founder and CEO of E-Line Media. In addition to his operating role, Michael provides creative oversight of the company's diverse slate of impact games and recently directed *Beyond Blue*, a game that celebrates the mystery and wonder of our ocean. Michael has spent his career as an operating executive and private equity investor in healthcare, education and media, focused on how companies can achieve financial success while making positive impact in the world. He formerly served as the executive chair of FilmAid International.



Alan Gershenfeld is the co-founder and president of E-Line Media. He has worked on impact game projects with the Gates Foundation, MacArthur Foundation, NSF, BBC, USAID, DARPA, White House OSTP, Cook Inlet Tribal Council, Google and others. Alan was previously senior vice president of Activision Studios and a filmmaker. He has served on the Board of FilmAid International, and the Advisory Boards for iCivics and Joan Ganz Cooney Center at Sesame Workshop. He is former chair of Games for Change and a founding industry fellow at the ASU Center for Games and Impact.



Culture: The key to the transformation of Medellín

Jorge Melguizo

Consultant in public management and culture,
Red Bibliotecas Medellín

Once the city with the highest murder rate in the world, Medellín, Colombia is now a symbol of transformation – testament to the power of focused, sustained investment in social interventions.

Some years ago, at a conference in Recife, I was asked the following question: What is the key to a sustainable city? My answer: My wish is that we may achieve not only sustainable cities but also sustainable societies. And the key to the sustainability of societies is to succeed in expanding the middle class to become a majority. The most sustainable societies in the world, those that enjoy a more peaceful coexistence, where social conflicts are resolved in democracy and where public policy is a guarantee of universal access and quality, are the societies in which the middle class is a majority.

Triggered by social, cultural, educational and urban transformation projects undertaken since the early 1990s and accelerated from 2004 (with fluctuations), Medellín has become more competitive both nationally and internationally. It is the Colombian city that has attracted the most foreign investment in recent years¹ and is among the Latin American cities for which domestic and international tourism² had grown the most before the pandemic. For 20 years, Medellín was the city with the highest rates of violence in the world. By December 2020, that rate had dropped to only 3.7% of the rate recorded in 1991,³ the worst year. Since 2007, Medellín has been the Colombian city with the best quality of life.⁴

The *Medellín cómo vamos*⁵ survey shows the progress made in quality of life over the past 15 years, thanks to the essential interventions in areas of Medellín with greater poverty, violence and population density: 'Culture, recreation and sport are closely related to the quality of life in a city. These elements, in turn, are interrelated with major aspects, such as education and health, that constitute critical factors when explaining quality of life, and also with urban habitat conditions that afford an adequate supply of goods and services, such as the spaces designed for enjoying these activities. When, at a point in time, a society can prioritise certain minimum conditions, to the extent a majority of the population progresses in the attainment of those minimum conditions,

it starts to demand new goods to increase its welfare. Such is the case of goods and services such as culture, recreation and sport.'⁶

Nicanor Restrepo Santamaría, president of the multinational company Sura from 1984 to 2004 and leader of the Antioquean Business Group, an alliance of leading companies in the Antioquia region, said in 2008: 'The best business deal we've made as businessmen of Medellín has been to invest in public educational and cultural projects, because these projects allowed us to improve the quality of life of the city and made us shine in the limelight of the world.'

Significant cultural investments attract substantial economic investments

I served as Secretary for Citizenship Culture of Medellín between 2005 and 2009, a wonderful period for public cultural management. During that time, Medellín stepped up its public spending on culture to 5% in 2007 and 2008, compared to 0.68% in 2002. Until 2020, it maintained those spending levels between 3% and 5%. Over a 15-year period, the more substantial investments focused on the construction and management of 60 cultural facilities with strong symbolic value in neighbourhoods of higher poverty, greater historic violence and highest population density.⁷ These cultural facilities – including nine library parks, the Moravia

Cultural Development Center, the Children's Reading House, the House of Music and the 20 Units for Articulated Urban Life (cultural, recreational, sports and educational spaces) – are designed as integration centres for cultural, educational, recreational, sports and social programmes, and bring the best architecture to neighbourhoods where it seemed impossible that buildings of this quality would ever be built. They are essential components within broader programmes that seek the promotion of equality and quality through public policies in all urban areas.

Another key element was the work undertaken across Latin America under the programme Puntos de

If a city is designed to guarantee the rights and promote the enjoyment of its own inhabitants, it also becomes an attractive city for tourists and investors



Parque Biblioteca
Photo credit: Fernando Botero



Parque Biblioteca
Photo credit: Fernando Botero

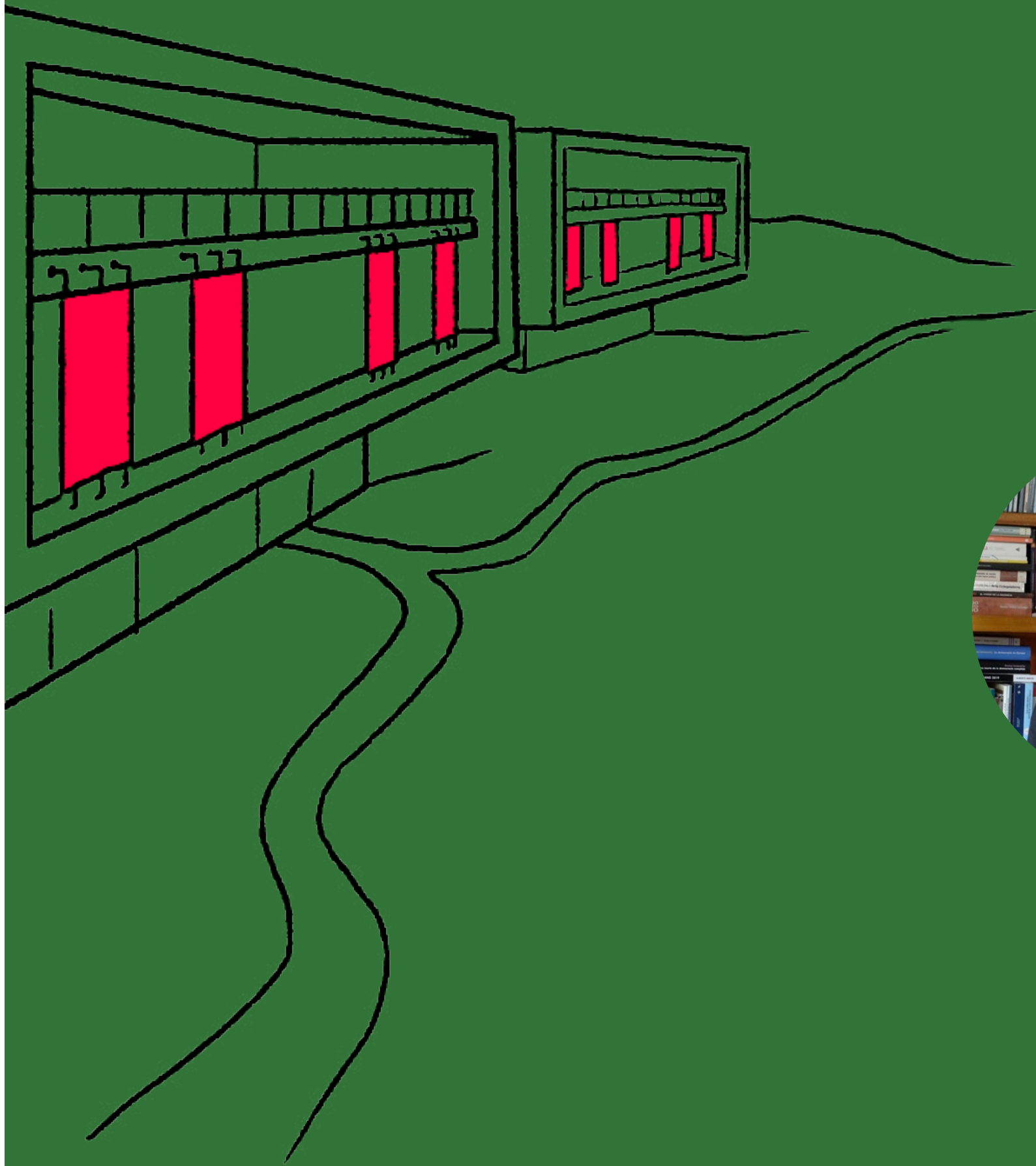
Cultura and the movement Cultura Viva Comunitaria to learn about, acknowledge, recognise and promote all urban and rural community projects that, through culture, build a new reality in their areas without the state, in spite of the state or even against the state. These projects bring together the lore, experience and knowledge of physical, social and human geographies that are part of the social capital built over time through community, private and public investments.

This set of interventions shaped Medellín into a better-connected city where public buildings and projects increase the value of the neighbourhoods in which the interventions are carried out. If a city improves quality of life and is designed to guarantee the rights and promote the enjoyment of its own inhabitants, it also becomes an attractive city for tourists and investors. The appreciation in value created by these public interventions benefits neighbourhood residents themselves, thus avoiding the dreaded gentrification. Instead, public investments, especially the most symbolic, such as cultural projects, have strengthened the sense of attachment of the residents.

And to conclude, one of the most singular and emblematic cases: the Moravia Cultural Development Center, built in 2007 at a cost of US\$2.8 million, 100% funded by a corporate foundation. Management is funded by another private social organisation through an annual contribution of US\$700,000, equivalent to 30% of the centre's annual budget. For 16 years, from 1968 to 1984, Moravia was Medellín's open dump. For this reason, it became the squatter settlement closest to downtown (barely seven kilometers away), the most violent neighbourhood and one of the higher poverty neighbourhoods. Between 2004 and 2011, around US\$100 million was invested in this neighbourhood of 40,000 residents, through public utility, housing, health, educational, environmental and cultural programmes, in particular. Since then, the Cultural Development Center has been a symbol of Moravia. It is the pride of the neighbourhood, its home: the place where residents meet and from where they connect with the rest of the city. Moravia, once a symbol of squalor and violence, is now a symbol of social transformation. Moravia is the neighbourhood of happiness in Medellín. Its streets now smell of freshly baked bread.

Medellín's example demonstrates that profound social interventions are possible when they go hand in hand with major changes in public management policy and focused, sustained investment in high-poverty neighbourhoods, in partnership with the community and the public and private sectors. Medellín tackled insecurity with a different formula: building coexistence, not security. And coexistence is built with social, educational and cultural projects. Medellín is now a beacon for many other cities in the world.

1. www.bluradio.com/nacion/medellin-una-de-las-ciudades-con-mas-potencial-para-atraer-inversion-financiar-times.
2. www.revistas.urosario.edu.co/xml/5095/509565795001/html/index
3. www.youtube.com/watch?v=MXAtUhzK8aa - Watch minute 10:40. Conference given by Jorge Melguizo in Colón Panamá, 2021.
4. This site lists Medellín as the best place to live in Colombia for three years running – 2018, 2019 and 2020 – and also features several of its cultural projects: www.rankia.co/blog/mejores-opiniones-colombia/3120172-mejores-ciudades-para-vivir-colombia-2021
5. *Medellín cómo vamos* is an observatory of companies, universities and the media that performs follow-ups of indicators measured in city development plans and conducts supplementary citizen surveys. It is part of the network *Red de Ciudades Cómo vamos*.
6. <https://www.medellincomovamos.org/system/files/2020-04/docuprivados/Informe%20de%20indicadores%20subjetivos%20sobre%20c%C3%B3mo%20vamos%20en%20cultura%2C%202018.pdf>
7. Medellín is the third most densely populated city in the world, with 19,700 inhabitants per square kilometre: www.catorce6.com/investigacion/12069-despues-de-daca-y-mumbai-medellin-es-la-tercera-ciudad-con-mayor-densidad-poblacional-en-el-mundo



Jorge Melguizo is a social communicator and journalist with a lifelong link to social transformation projects in Medellín, from neighborhood groups and NGOs to the public administration. He is an international consultant, lecturer and professor at various universities in public management, integrated urban projects, culture and social participation, with short and medium-term actions in 135 cities in 18 countries. Between 2004 and 2010, he worked in the Mayor's Office of Medellín in three positions: Manager of the Center of Medellín, Secretary of Citizen Culture and Secretary of Social Development of Medellín.

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Empowerment through dance

Yoana Wida Kristiawati
Co-Founder, Nalitari

In Indonesia, an inclusive dance company is breaking down the barriers around who can dance, and shifting paradigms in the process.

Social standards of what is 'proper', especially in a society like Indonesia with a high-context culture, have excluded those who do not comply with the criteria. These exclusions extend to the dance sector. In a region in which cultural and/or traditional dance is relatively dominant, those who do not meet the standards – generally due to their body shape or ability to move certain body parts – are not allowed to perform.

We do not mean to suggest that traditional or other mainstream dancing styles are 'bad'. The practice of dance just tends to be insufficiently inclusive and leaves some people feeling excluded. When people do not comply with the established standards, they are labelled as 'non-dancers'. Even when they keep dancing, they are judged. Finally, most of them give up their passion, taking away with them the belief that they are not good enough.

Thus, many of the people we encountered through our work told us they could not dance. When we asked why, their answers showed they were still trapped in conventional standards – they said they did not have a certain type of body or could not perform a certain movement of the body. Some felt shame, believing that the 'real' dancers would judge them.

In 2013, based on this experience, we built Nalitari, an inclusive dance community for all people, including women with or without disabilities. Nalitari creates a safe space for people to express themselves and move their bodies as they want. This community believes that people who want to dance should be allowed to do so. It aims to inspire a more inclusive society and promote changes in attitudes towards people from different backgrounds, regardless of social judgement or standards of what beauty is or what a dancer is.

People with different physical abilities also face challenges in other fields, such as economic development and employment. Of Nalitari's disabled dancers, 90% did not have permanent jobs and were financially dependent on family or relatives. We saw an opportunity to make dancing a professional activity. Through our activities, we wanted to provide productive employment and decent

work for people with disabilities, especially our disabled dancers.

In 2019, we began Nalitari's transition from community-based organisation to social enterprise. With the DICE Fund from the British Council, Nalitari collaborated with We Are Epic from the UK. This collaboration was our first and most substantial step towards becoming a social enterprise. As an arts organisation, we needed to learn things outside of the arts, such as organisational management, strategy development, marketing and branding.

We received training and mentorship to strengthen our management approach and develop Nalitari's economic potential. We developed our mission, vision, goals, values, organisational structure, business model and products. With our new governance structure, we registered as a company in Indonesia, opened a bank account and registered for tax.

Our next important step was to map out our strategy to create a durable business model. We decided on dance performance as a primary product. Through changes including the introduction of regular practices and professional artist workshops for Nalitari dancers, we made our performances more professional and saleable.

In 2019, we officially established the Nalitari Dance Company, which delivers inclusive dance performances for events and festivals. Within a year, we benefited 27 performers, 40% of them people with disabilities, through 10 performances. The salaries of our dancers have increased threefold compared to 2018, demonstrating the financial benefits of our enhanced quality and increased activities.

As another source of income, Nalitari created dance workshops, offered to institutions such as the government, schools and travel agencies, with our dancers acting as paid facilitators. The workshop format was chosen to engage people with limited time, skills or experience in dancing. Workshops could be delivered at short notice, on an ad hoc basis, in any location, with a minimum time of two hours. In 2019, we delivered two workshops with 37 participants in total.

Nalitari has also created collaborative merchandising projects. In 2019, for example, we collaborated with an inclusive

school. We invited their students to dance together and then encouraged them to express their feelings when dancing through paintings. These designs were printed onto t-shirts. So far, 63 t-shirts have been sold and the income shared to support both organisations.

Nalitari is making an important contribution to the social economy of Indonesia. Indonesian society is diverse but, sadly, not everyone understands how to live in a diverse community. Concrete examples can help. Through its inclusive activities, Nalitari has successfully established itself as such an example.

Mainstreaming disability in development requires tackling paradigms. In Indonesia, people with disabilities are commonly perceived as objects of development or recipients of charity. Nalitari challenges that paradigm by letting people discover the work and talents of disabled people and their active participation in society.

At Nalitari, we acknowledge the challenges experienced by diverse people. We slowly but surely encourage our participants to express themselves, no matter what the cultural norms dictate or what other people say. Nalitari also encourages participants to respect and accept each other's views and differences.

Thus, inclusive dance has an impact not only on society but on the dancers themselves. By finding a safe space to express themselves, dancers also gain a secure space to explore themselves. This helps build self-confidence and a more positive social identity – the initial capital that will enable the dancers to play a more active role in the sustainable development of social inclusion. Their active involvement is, of course, very important, because we assuredly know nothing about them without them.

This community believes that people who want to dance should be allowed to do so





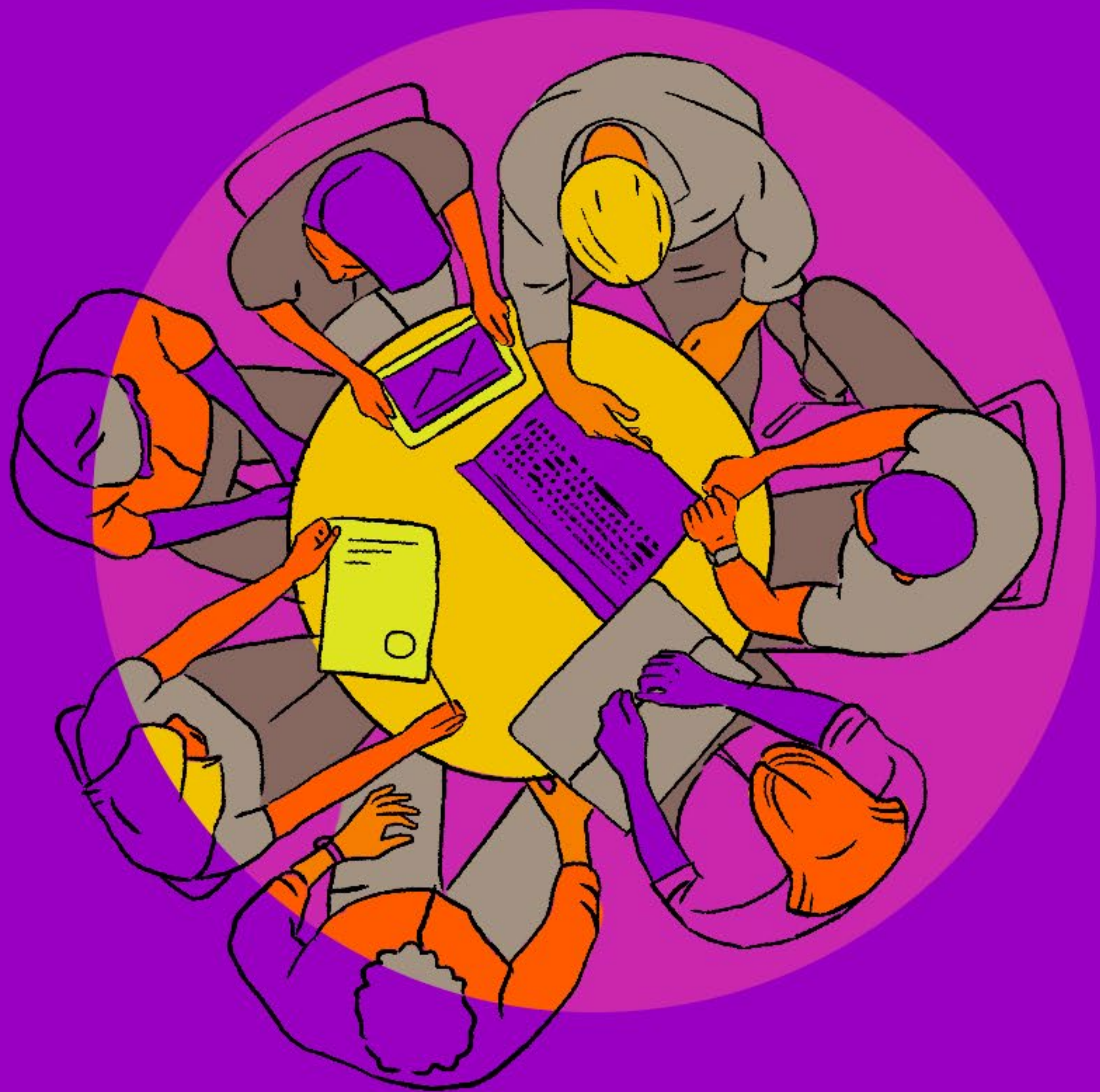
Nalitari team, Indonesia
Photo credit: Nalitari



Nalitari dancers, Indonesia
Photo credit: Nalitari



Yoana Wida Kristiawati is an art and culture enthusiast, an interest developed since her studies in intercultural communication. Through her work with young people, she experiences cross-cultural exchanges as well as observing the challenges of human interaction in society. She believes that art can be a tool for change, including shaping a more inclusive culture. In 2013, she was inspired to build a dance community, Nalitari, that embraces inclusivity. Along with her three female co-founders, she works to promote inclusive dance at a regional, national and even international level.



Global citizenship education powered by art

João Correia
Founder, Collezionista

A São Paulo-based social project demonstrates that art is a powerful gateway to global idea sharing, promoting creative and collaborative thinking about the largest challenges we face.

The Covid-19 pandemic initiated a health crisis that drew attention to other urgent global challenges. According to Boaventura Sousa Santos, a Portuguese economics professor, a fundamental challenge critical to solving many others is the development of global intercultural dialogue skills. The arts have an important role to play in this process.

In São Paulo, we at Collecionista founded a social project in the creative economy called A_ARCA to facilitate global citizenship education through art. A_ARCA engages a plural audience from NGOs, the private sector, the public sector and the arts, varying in age, gender, ethnicity and geographic location, in online dialogues through an innovative teaching approach inspired by the work of Santos, as well as educator Paulo Freire, philosopher Edgard Morin and social activist bell hooks. A_ARCA works by matching the topics of the United Nations Global Citizenship Education agenda with contemporary artists from five continents who address these topics in their artworks.

Dialogues start with problem questions formulated through research into the artists' work. Examples include 'What defines the feminine?' (based on the work of Fabiana Faleiros and the topic of gender equality); 'What is freedom in the digital world?' (based on the work of Constant Dullaart and the critical analysis of social media); and 'Who lives, in the 21st century, in the colonial imaginary?' (based on the work of Kiluanji Kia Henda and the historical heritage of slavery).

The definition of the feminine varies from São Paulo to Aracaju to Lisbonne; it also varies for an 18 year old versus a 72 year old; and it varies for a gay woman versus a trans man. And so on. But this understanding affects us all daily in our relations with others and in our reflections on gender equality at home and at work. In A_ARCA dialogues, multiple perspectives are shared and mutual understanding is built.

Participants answer these questions themselves and look at how they have been answered by philosophers

and anthropologists. They then look at works of art that enrich the understanding of the questions, initially without contextual information or suggested interpretations. Finally, participants vote on their preferred answers and justify their votes – typically leading to a lively dialogue among the diverse group.

In the UNESCO Global Citizenship Education pedagogical guide, it is recommended that participants over eighteen years old go beyond theory and take action. At this stage of the process, participants are therefore encouraged to stop being thinkers and become doers, identifying actions that can be taken to address the topic, by answering questions such as 'How will you act differently tomorrow?'.

Finally, participants become not just doers but creators. Grada Kilomba comments that when we write

our story we move from being the object in someone else's story to becoming the subject of our own. This empowering idea inspired us to add an extra question to the class structure, enabling participants to create their own story: 'What would you do if you were an artist and were planning the next artwork?' Initially resistant and unused to thinking creatively, participants gradually begin to develop the skills and confidence to think like artists – visually, creatively and intuitively – and to share their ideas collaboratively with the

group. In some projects, we have collected and reported this data to the artist, creating a connection between artist and community.

Silvia Uemura, a Sorocaba-based engineer of Japanese descent and the founding partner of Work Industrial, a company that advises industries whose products and economic output impact millions of people in Brazil, joined one of A_ARCA's discussion groups for 10 sessions. Through the project, she was exposed to the realities of indigenous communities through the work of Ernesto Neto, the dangers of capitalism through the work of Thomas Hirschhorn, and the social life of objects through

Participants are encouraged to stop being thinkers and become doers, identifying actions that can be taken to address the topic, by answering questions such as 'How will you act differently tomorrow?'

the work of Rachel Whiteread. According to Silvia, the methodology of A_ARCA means she not only discovers artists and topics, but experiences them in ways that are immediately applicable in her work.

Silvia explained that gaining sensitivity, intercultural dialogue and global citizenship skills in a plural environment has many upsides: 'I study art for very pragmatic reasons: continuous art studies develop my creativity, communication and critical thinking skills that allow me to observe the behaviour of new clients, understand how they see the world and better translate the work scope for them. Writing a better work scope in their industrial sector, I can then provide a better correlation between what they need and what they are going to get from their investment, improving the cost-benefit correlation of the project.'

Malu Mendes, a digital marketing specialist with Black and indigenous ancestors, was touched by another aspect of the project: 'Studying the artworks of Sonda Perry inspired me not only because she is a Black woman, but also because it depicts how social and technological agents such as algorithms impact our identity. Artworks such as *Graft and Ash for a Three Monitor Workstation* (about how avatar libraries do not offer options to represent overweight Black women) and *Eclogue for [in]HABITABILITY* (about how landscapes are racialised) made me recollect transformational moments of my childhood. This led me to read more about the lives of children and research related statistics; ultimately it reignited my desire to volunteer to NGOs like Projeto Axe. This dialogue also transformed my ideals, mental patterns and, consequently, my actions. It made me believe that I can transform my context as I restore my words in speech, become a better listener, behave differently in my relationships and try to reconfigure family dynamics. At work, it showed how technology can be used for positive and scalable change.'

A_ARCA has impacted 5,000 people in less than three months since launch. With the education sector due to grow 20% year on year for the next five years,¹ and with benchmarks such as the philosophy professor Michael Sandel, whose equally dialogue-based classes can engage

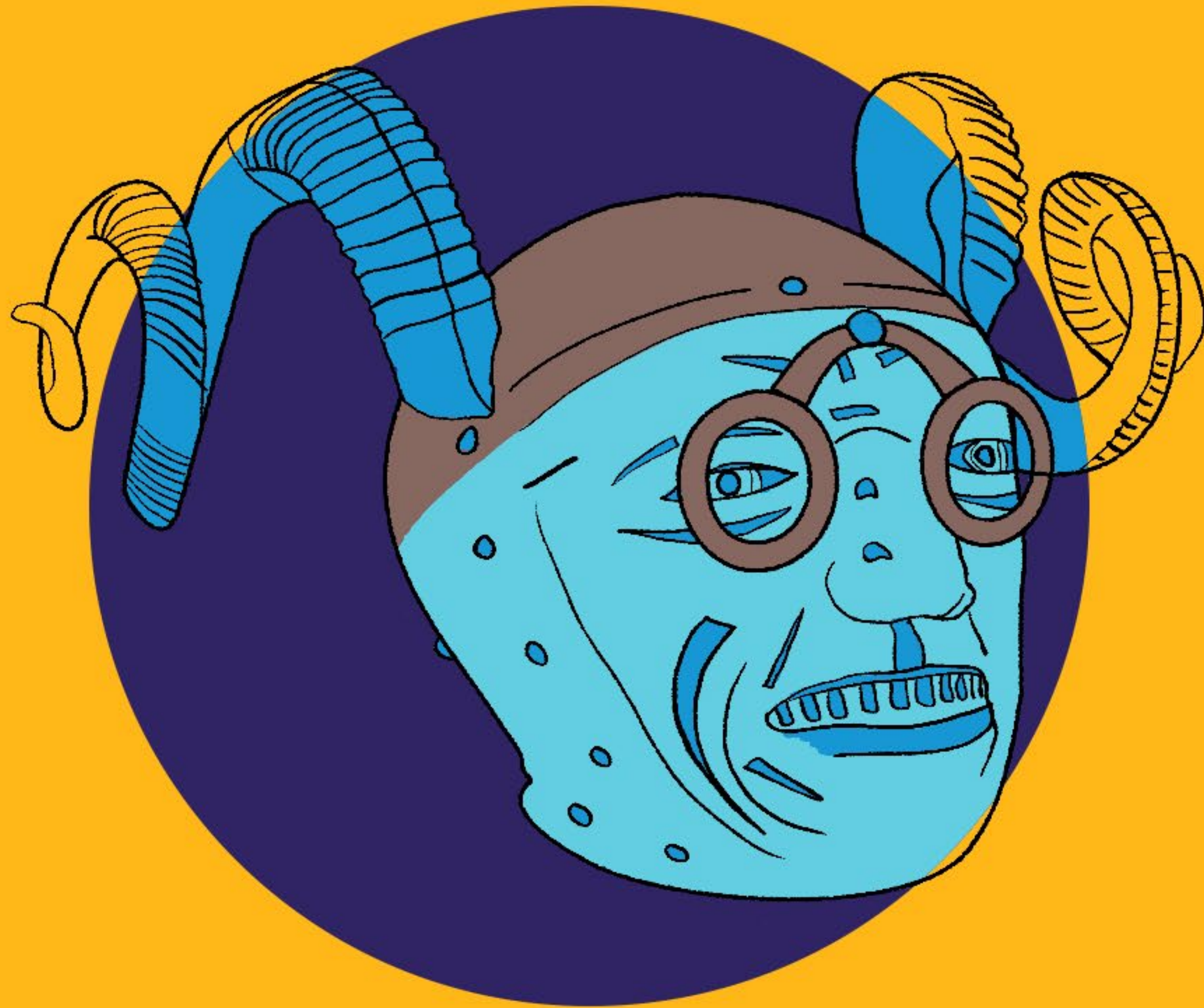
over thirteen million people online, the project has the potential to reach wide audiences across the globe.

A global classroom dedicated to reimagining art-based global citizenship education virtually is the purpose of this social project; it is also a cross-border vehicle that scales connection and provides the public with the skills to become agents of change in the creative economy on urgent topics in the global agenda. A_ARCA is demonstrating that engaged contemporary art may be just the right trigger to attract audiences to discuss transformational topics and, together, brainstorm ideas, actions and visions for a better future.



João Correia is a British/Brazilian art historian and entrepreneur with a BA in art history and history from the Open University and an Executive Master in Cultural Leadership from the Royal Academy of Arts and Maastricht University. He currently directs São Paulo-based arts consultancy Collecionista and manages A_ARCA, a Collecionista project.

1. Research presented in an online seminar of the Singularity University in March 2020: www.crowdcast.io/e/covid-19-virtual-summit



Co-design's power to boost social, environmental and financial impact in the heritage sector

Chloe Baldwin

Founder and Creative Director, Buttercrumble

Co-design is an under-appreciated research method that democratises the creative and design process, providing a powerful way for creative practitioners to realign cultural sites with the needs and values of contemporary audiences.

Heritage defines us. It helps us to understand who we are as people. It guides us as a country. As our world changes, it equips us to plan for a better future. The links between identity, heritage and creativity are clear. Our heritage is formed by our cultural traditions, and creativity helps us to express its special meaning.

Our historical sites also have the power to bolster the perceived quality and beauty of a place. They are interwoven with our natural environment through parks and green spaces. They increase property values, and more effort is made to conserve and protect the surrounding environments.

Heritage sites provide a harmonious link between the impact and creative economies. Sites such as castles, mills and ancient runes generate clear social and environmental impact, alongside a measurable financial return. Creative businesses boost such financial return through collaboration, rental space and art engagements. The value of heritage is evident: in 2019, Historic England contributed £31 billion to the English economy.

However, our heritage is challenged as it struggles to attract contemporary audiences. Many sites underuse resources, harbour apologetic colonial connections or mask these relationships. In order to fuel interest among wider audiences, organisations can employ co-design, recruiting the skills and knowledge of the public throughout the planning and creative process to capture diverse and inclusive perspectives. By engaging all voices (including those previously neglected), we can truly acknowledge the needs of the public.

Sunny Bank Mills in West Yorkshire is a stunning Georgian textile mill, and a melting pot of creativity, housing restaurants, galleries and makers' workshops. It is an environment in which businesses, visitors and employees alike can take inspiration.

However, engaging the public with its historic archive has been a challenge. Sunny Bank Mills is a large and sprawling space, so visitors weren't always aware of its history or the full range of facilities on offer. The archive is

situated behind other buildings and there was no incentive for visitors to walk to the space. As a result, it felt private and reserved to special visits.

Buttercrumble partnered with Sunny Bank Mills to increase footfall and visitor engagement at the archive through co-design. We visited a local primary school – a core target audience – to adapt our prototype and generate mind maps about the Mills. The children's feedback provided useful context and articulated their visitor motivation.

As a result, we were able to enhance the visitor experience through a map, activity sheet and new way-finding system, which enabled Sunny Bank Mills to engage more visitors over its Heritage Open Day Weekend in 2019.

At the Royal Armouries, the national museum of arms and armour, we engaged internal teams through co-design. Our goal was to increase gift-shop turnover in a resourceful way. After all, we understand that public organisations like the Royal Armouries have limited resources. Our solution was a customer experience guide that could be easily adopted by non-designers. By immersing the retail team in the design process, we could collaborate to produce a successful and sustainable advertising strategy.

Co-design is a tool that all museums and cultural places can adopt to achieve results. An understanding of your audience and their challenges is hugely beneficial to funding applications, helping to communicate clear benefits to stakeholders. At the same time, co-design gives the community a sense of usefulness and ownership, so that both the participants and the organisation benefit.

However, many organisations don't realise that co-design is an option due to a lack of awareness around creative research and processes. This is a missed opportunity. Following our success with Sunny Bank Mills and The Royal Armouries, we are planning to integrate the method into our design process fully, supported by education to spread awareness. By creating a structured co-design model, we believe we can enable the concept to

be replicated by other practitioners, so that more design solutions will be informed by communities.

For organisations interested in co-design, there is a key consideration: good outreach relationships are essential. It's clear that the best results come from communication, creativity and planning. This can require a significant time and cost investment from organisations that rely on public funding. We are keen to overcome this hurdle by nurturing local connections and expressing the value of creative practitioners: we are not untouchable artists, commissioned to create pictures; we are partners and an extension of the team.

Creative experts can help heritage sites by providing a holistic approach to problem solving. We hope that co-design can become a widely adopted tool in supporting cultural and heritage organisations, and that organisations will see the value of enlisting creative practitioners who understand the personal power of heritage and take an empathetic approach to research.



Chloe Baldwin directs the creative communications studio Buttercrumble, specialising in community-sensitive and family-focused brands. Before starting Buttercrumble, Chloe worked in a PR agency designing for FTSE 100 companies, before moving in-house to design commercial ranges for crafters. Chloe is a graduate and scholar of the University of Leeds, England. She is passionate about promoting entrepreneurship and creativity, and does so with the support of organisations such as the British Library, IPSE and National Saturday Club.



Nailing creativity through smart beauty

Pree Walia
Founder, Preemadonna

An interactive tech startup acknowledges the cultural power of teenage girls and provides an avenue for both creative self-expression and digital experimentation.

I am a 30-something woman who has the not-so-secret fashion, music and creative choices of a teenager. I am part of a millennial generation that transformed young artists – Britney Spears, Christina Aguilera and Destiny's Child – into cultural icons in the late 1990s. Our middle-school fashion is now considered nostalgic by Gen Z trendsetters, with throwback designs of the taste we had as 13 year olds – scrunchies, pleated skirts, claw clips, Caboodles and Polaroid pictures – filling Pinterest boards and Instagram feeds.

While the creative artists occupying mindshare and economic power in popular culture have changed over the decades, one set of agents accelerating creative outlets remains unacknowledged and under-appreciated: pre-teen and teen girls.

Time and time again, teenage girls in the United States have influenced western popular culture through their social clout and economic power. In pop music, teen girl 'fandom' is responsible for the meteoric rise of the Beatles and their modern-day counterparts One Direction.¹ Young adult literature featuring female protagonists, such as *Twilight* and *The Hunger Games*, inspired multi-billion-dollar entertainment franchises.² Yet teen girls are often dismissed as frivolous, cliched and not serious, and their cultural power underestimated.

The spending power of teen girls is serious: digitally native Gen Z tweens and teens in the United States have US\$143 billion in direct spending power,³ which they use to consume fashion, food, beauty, electronics & entertainment products and experiences. American Gen Z females spend US\$368 per capita annually on beauty products. More than three quarters of them discover the brands and people they love on Instagram⁴ and shape their purchasing behaviour, in part, by what they see other teen girls posting across social media platforms.

What I have learned from spending time building a product with Gen Z young women is humbling and inspiring. Today's young women are multi-dimensional. They identify as creators, makers and artists. They are activists. They often view gender as fluid and socially constructed. They

believe they are more creative than previous generations and they show it in the ways they decorate their nails, hands, bodies and hair.

These young women were the early adopters and evangelists of Instagram, making it their preferred social media platform. This generation also grew up with the smartphone, and its accompanying camera has democratised creative expression and scaled every girl's ability to see – and to influence – the world. As a result, today's teens also bear the curse of real time, nonstop camera documentation of every person's perfection and filtered flaw.

Gen Z may face even more unrealistic expectations of culturally perceived beauty than previous generations.

But constructions of femininity and masculinity are being continually redefined – and Gen Z girls have the power to advocate for beauty diversity and inclusion using their digital wallets and social media accounts. Beauty is no longer sold primarily on attracting the male gaze, as in earlier chapters of the industry. Instead, beauty is heavily intertwined with self-expression and individuality.⁵ How Gen Z young women paint their nails, decorate their bodies with tattoos or henna or choose their hair

color speaks volumes about the morphosis of makeup as a fundamental outlet of creativity.⁶

Beauty is reaching consumers in more personal ways, on demand and at their fingertips through a smartphone. 'Women's growing interest in beauty products coincided with their new sense of identity as consumers.'⁷ Makeup play is a rite of passage into adulthood, now discoverable and influenced by social media platforms and the stars governing them. 'Nail' is among the most popular posted categories on social media, and young women are the most active consumers of nail products, with over 92% of preteen and teen girls using some form of nail cosmetic.⁸ Nail is a category that straddles the intersection of beauty, arts and crafts, STEM and technology. This is why I invented Nailbot.

Nailbot is a connected, at-home manicure device that instantly prints on nails any photo, emoji, image or

self-created design. Along with the product experience comes a built-in community of Gen Z creators via a mobile app art marketplace. Nailbot addresses a huge US\$15 billion market opportunity but it is also a not-so-obvious technology impact vehicle. Our community can learn digital design, learn how Nailbot was made through our hacker kits, and eventually code their own nail art. Our long-term perspective is that our company, Preemadonna, embodies smart beauty in both our products, like Nailbot, and our consumers – who are co-creators in our community with us.

The investors that have funded the development of Nailbot reflect the gender dynamics of our team and the values of our community, and understand the problem we are solving. The majority identify as female and have personal conviction in the influential creative impact of our most engaged target demographic of preteen and teen girls. Our diverse and collaborative group of investors include Jesse Draper – Halogen Ventures, Angela Tran – Version One Ventures, Helen Greiner – inventor of the Roomba and former President of iRobot, the Spanx by Sara Blakeley Fund, Tara Bosch – founder of SmartSweets, Eva Lau – Two Small Fish Ventures, the Amazon Alexa Fund and more.

Teen girls are not going anywhere. Today's young women will grow up, but in each generation their spending power remains and their ability to influence popular culture with their music choices, fashion trends and beauty purchases remains. Investing in the next big thing in creative culture means investing in, co-creating with and powering young women and the categories they love. By doing so, we will reinvent and accelerate smart beauty and new forms of seriously fun creative expression.



Pree Walia is the founder and CEO of Preemadonna, a Silicon Valley based technology start-up building interactive hardware & software experiences and powering creative platforms. Pree previously worked at high growth venture-backed start-ups focused on connected devices and building automation services. She started her professional career working on progressive political campaigns as a political fundraiser and community organiser. Pree holds an MBA from the University of Chicago and a BA from Northwestern University. She serves on the Board of Advisors for MakerGirl, a nonprofit that inspires girls to pursue STEM fields. Pree was named one of the top 25 Women in Robotics to know by Robohub.

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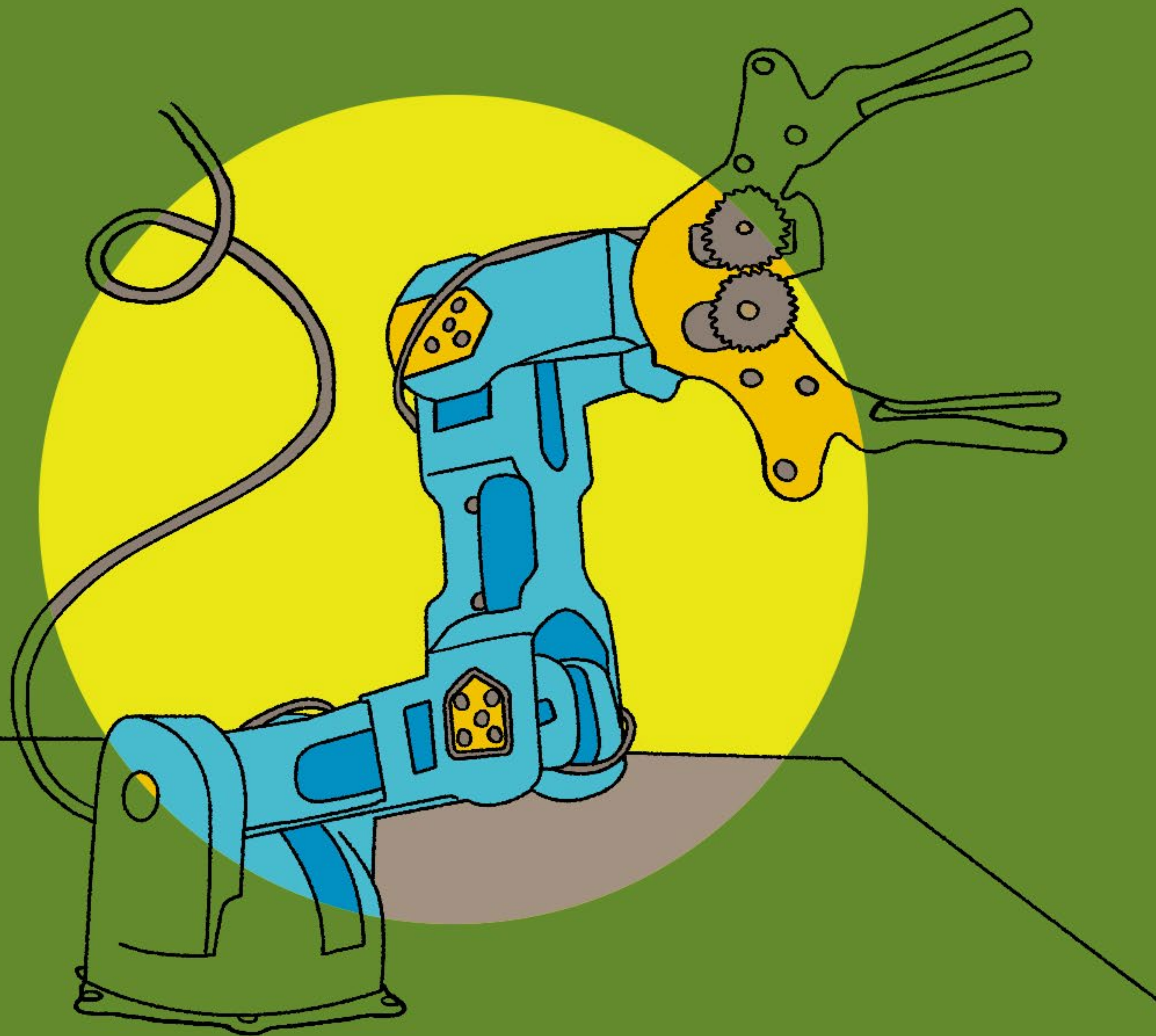
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Going full circle

Mart Drake-Knight
Co-founder, Teemill

A t-shirt producer with a truly circular supply chain demonstrates the power of technology in reimagining systems and creating companies that benefit us all.

Somewhere along the way, perhaps we forgot why we invented the idea of companies. The idea enables people to formally join forces and solve problems that cannot be solved alone. Profit is the concept that helps society reward the team for the solution. The bigger the problem, the bigger the prize for those products that improve the lives of other humans. It's such a brilliant and simple idea. The name comes from its well meaning place: comme, pan: breaking bread together. It was never meant to be about disadvantaging others, or harming the environment, or our future.

Everybody knows something must have gone wrong to have led to this global disconnect between our economy and our environment. Perhaps what has been forgotten is that our society is dependent on both.

Even in a creative world like fashion, limiting beliefs now block people from even imagining progress. In our industry, some challenge fast fashion with the counterslogan 'slow fashion'. Simple slogans are sticky, and it has stuck. And there is at least some truth in it: buying less would indeed slow it down, or buy us time.



Change in fashion means traceability, but then doing something about what you find
Photo credit: Teemill

But 60% of clothing is made out of plastic, with three out of five t-shirts bought today thrown away within 12 months. This means there's a dump truck of textile waste going to landfill or incineration every second. Even if we halved all waste worldwide, the outcome would be one truck burned or buried every two seconds, instead of every one. Reduction is not an ambition or a goal, because it's meaningless to aim for the same amount of pollution but

in 10 years time instead of five. Instead of slow fashion, let's change fashion.



For fashion's voice to be heard, the foundations of the supply chains need integrity
Photo credit: Teemill

At Teemill, we are a team of people that work together in a company to solve the massively harmful pollution in fashion, because we can't do it alone. At the beginning we decided to make clothes from natural materials instead of plastic, using renewable energy instead of fossil fuels. When we tried to design sustainable products, we realised the organic cotton being thrown away at the end was the very same material used in the manufacturing of the product at the start. Hopefully you can see the solution jump off the page like we did. Simply bend that conveyor belt line around into a circle, then the waste feed is the raw material.



Reprocessing worn-out products into new ones designs out waste at Teemill
Photo credit: Teemill

And because the material at the end is valuable to us back at the start, there is room to pay an economic reward to make recovery happen. Everyone is better off for keeping material flowing and in use.

Doing it for real, though, was a serious challenge. Design so that a product is made to be remade back into itself requires much more effort. Because policy and regulation does not reward this and does not cost in pollution, the economy pushes back with increased localised cost at first, making the costs of design, the recovery incentives, reverse logistics and handling painfully expensive steps – all of which makes it feel like you are going the wrong way. But the basis – that waste saved is money saved – holds as true as true North. We committed to our destination when we set out, and we trusted the compass.

What do you call a customer, if they are also your raw material supplier? What new name do you use for waste, if you make new products from it?

It is exciting watching material start to return. And from the other side of the bridge, there are some interesting dynamics to report back. There's a new species of customer, for example. Except, what do you actually call a customer, if they are also your raw material supplier? What new name do you use for waste, if you make new products from it? How do you tell a story of a product, if there isn't a beginning or an end? And did those people buy a product from us at all, or were they really renting it all along? When we start reaching the edges of vocabulary and need new words for things, we take it as a sign of progress.

What makes this progress possible, more than anything, is the conscientious application of technology. Clothing is generally mass produced speculatively – and around 40% of clothing manufactured is never even used. That is unacceptable. So we developed the automated

hardware and software systems required to produce products in real time, in the seconds after they are ordered. Today we only print the t-shirts people need, when they need them.

The proceeds from these efficiencies fund advances in sustainability. Organic cotton costs more on paper per kilo, but it costs half that per item if you remake the t-shirt twice. Plastic-free packaging costs more, but robotic packaging systems make it competitive.



Conscientious application of technology creates efficiencies that enable sustainability to be economical and competitive
Photo credit: Teemill

One brand cannot contain one of the world's only working, scalable circular fashion systems. We built the Teemill platform to share it. Teemill enables anyone with an internet connection to start their own brand, build an online store, then create and sell their designs. Every product is designed to come back when worn out, so tomorrow's brands are being built on a circular model from day one. Tens of thousands of them.

The most important use of technology in our business has been in building the digital infrastructure needed for the reverse logistics that turn worn out material back into new organic cotton yarn. We call it Remill. Fashion waste is a very high volume and very low value stream. It was important to us to design cleverly so that our materials flows are simple and pure to eliminate the cost of sorting, but even then the actual act of processing waste is a mountain of repetitive work for humans. It's a shame that many companies balk at that and turn their back on their products after they're sold, passing the pollution on to the public. We just looked at the issue – millions of tiny decisions that need to be made at the speed of light – and

took the solution that was right in front of us (literally: you're probably reading this on one). Use a computer.

It is reassuring that we can use tech to create change now, and within the current framework. It should be encouraging in a wider sense if it can be done in one of our more competitive industries. It can be done. So let's do it.

Investing in or even buying a company is an opportunity to create meaningful change, as it buys, among other things, power to rest a guiding hand on the tiller. To those looking to do that well, to make money and a difference, it is tempting to simplify down to another three-word slogan, 'social impact investing'. It's not a bad slogan. But perhaps we could navigate more precisely with a simple question in lieu of a compass, and use this as a test to see if we are on track towards a better future: if it grows, will this company truly benefit life on earth? The stronger the answer, the stronger the company, and the stronger the value created – yes, in money, but with the best answers, in our society, in the environment and in our culture.

After all, to go full circle, this is why companies exist in the first place.



Mart Drake-Knight is an engineer and co-founder at Teemill, a company that built and now shares access to a working circular supply chain for t-shirts. From the Teemill campus on the Isle of Wight, products are made in real time from organic materials using renewable energy, and designed to come back and be remade when worn out, so instead of creating waste the company makes new products from it. This technology is accessible to anyone online via the free platform at teemill.com, which enables startups, business and charity to co-create the future of fashion.



Artists are mediators of social change and must be involved in building resilient systems

Tania Vachon

Director, Social Art for Behaviour Change™
One Drop Foundation

Resilient water, sanitation and hygiene systems must go beyond building or rehabilitating water infrastructure. Art and artists have a fundamental role to play.

What does sustainable water provision have to do with culture and creativity? More than you think.

Despite billions of dollars invested in building and rehabilitating water, sanitation and hygiene (WASH) infrastructure, one in three people globally lack access to safe WASH services due to a continued failure to invest in the systems underpinning their service delivery.¹ It is increasingly clear that sustainable change will only happen if user needs and desires are centred in the development of these systems. And what do humans do? They behave following rules dictated by societal and systemic norms and values. As such, behavioural changes at a community level are needed to start and maintain WASH systems in perpetuity. One Drop Foundation's *A.B.C for Sustainability*TM model suggests that sustainable systemic changes require an integrated solution that improves access to water infrastructures, encourages a change in behaviours and supports revenue-generating activities. Understanding a complex system from a behavioural lens is not always obvious; however, we are encouraged that more governments and international agencies recognise the linkages between collective behaviours and policies.

The One Drop Foundation has collaborated with hundreds of artists in over 14 countries, for over 13 years, to increase WASH behaviours such as handwashing with soap and water, and increase the use of latrines to end open defecation and to improve menstrual hygiene management. These behaviours have a significant impact on people's health and global wellbeing – especially on the lives of girls and women. Art, and artists as catalysts of social change, have been at the centre of One Drop Foundation's innovative Social Art for Behaviour ChangeTM (SABC) approach, recognising the fundamental role that emotions play in human decision-making processes.

Neuroscience has demonstrated the limited impact that rational thinking has on decision-making and shown how triggering emotions and involving individuals in the change process are more likely to result in sustained changes. As individuals in communities participate in creative and participatory processes – what we call social

art – we believe they are much more likely to adopt healthy behaviours individually and as a community, changing social norms and thus improving their health and the health of their families.

Supporting local artists in communities plays an instrumental role in this approach. Through their deep connection to the local context, through their imagination and creativity, the artists generate a fun and enabling environment, translating complex and often taboo issues into accessible formats that inspire, activate and sustain change. They bridge the art with the non-art and, by doing so, become the mediators of individual and collective change. Projects implemented in the field, in collaboration with international organisations, give social art partners and artists a platform to drive collective intelligence: train, explore, elaborate, innovate and share their experiences,

learnings and insights so that others can apply them and install an iterative process of innovation and knowledge.

In Burkina Faso, our partner Espace Culturel Gambidi (ECG) started as an organisation that only implemented SABC interventions. After many years of being responsible for delivering these SABC interventions under the supervision of WASH organisations, ECG was asked by the One Drop

Foundation to lead the project through an SABC lens, with key contributions from WASH experts. We work to encourage this type of outcome and inspire creative leaders from traditionally excluded populations to professionalise and to become leaders of systems change. This can serve as a model of decolonisation of practice in the development field and amplify marginalised voices.

Revisiting behaviour change strategies such as Community-Led Total Sanitation (CLTS) by adding social art is an example of how artists act as mediators of social change. In one of our projects, two art groups developed a theatre-debate show on open defecation, while others accompanied this with the creation of murals on the use and maintenance of latrines. Those interventions were implemented within communities as a special opportunity for exchange, debate, engagement and collective action.

We work to inspire creative leaders from traditionally excluded populations to professionalise and to become leaders of systems change

The objective was to 'produce cumulative and positive effects on the community – that is, psychosocial conditions conducive to the adoption and maintenance of new behaviours. These conditions include the development of psychosocial skills such as self-esteem, empathy, self-confidence and interpersonal trust, self-efficacy, a sense of belonging, and collaboration.'² Thanks to this 30-month intervention, the proportion of built latrines being used and properly maintained increased from 36% to 98% in 2019.

There is often some resistance to collaborating with and recognising social artists' contribution to WASH projects. The resistance is often because results coming from artistic interventions can be non-tangible ones that are more difficult to assess than the number of latrines constructed, for example. Furthermore, artists are victims of strong prejudices and are often considered as both non-essential partners in development projects and non-essential citizens. If they are women from rural communities, they face even more challenges and their prospects of pursuing an artistic career are negated.

We need to recognise the contribution of the creative sector beyond just the quantitative numbers. Local creative leadership is essential in the WASH ecosystem. Shouldn't evaluation parameters evolve along with innovations?

Community-based and -driven creative processes are essential for human development, social cohesion and collective self-efficacy. Espace Culturel Gambidi is now leading a cross-francophone community of practice composed of artists and behaviour change experts in a WASH project by providing local artists with the skills to be involved in the digital transformation of the sector, especially in rural environments.

We would like to see different actors valuing and investing in culture and arts as catalysts for social change. If we want lasting change, we need to shift the perceptions of those maintaining traditional ways of collaborating in development projects. Why not break down the systemic barriers to collaborating with art and culture? Bring theory to practice in an easy and fun way using social art. Water crises and major health threats such as pandemics need a change of paradigm. Funders should be open to innovating and shifting ways of addressing challenges, analysing them through new lenses while supporting local arts-based civil society organisations and governmental efforts towards delivering the Sustainable Development Goals.

Art has the power to trigger emotions, actions and sustainable change. Together, let's turn art and water into action.



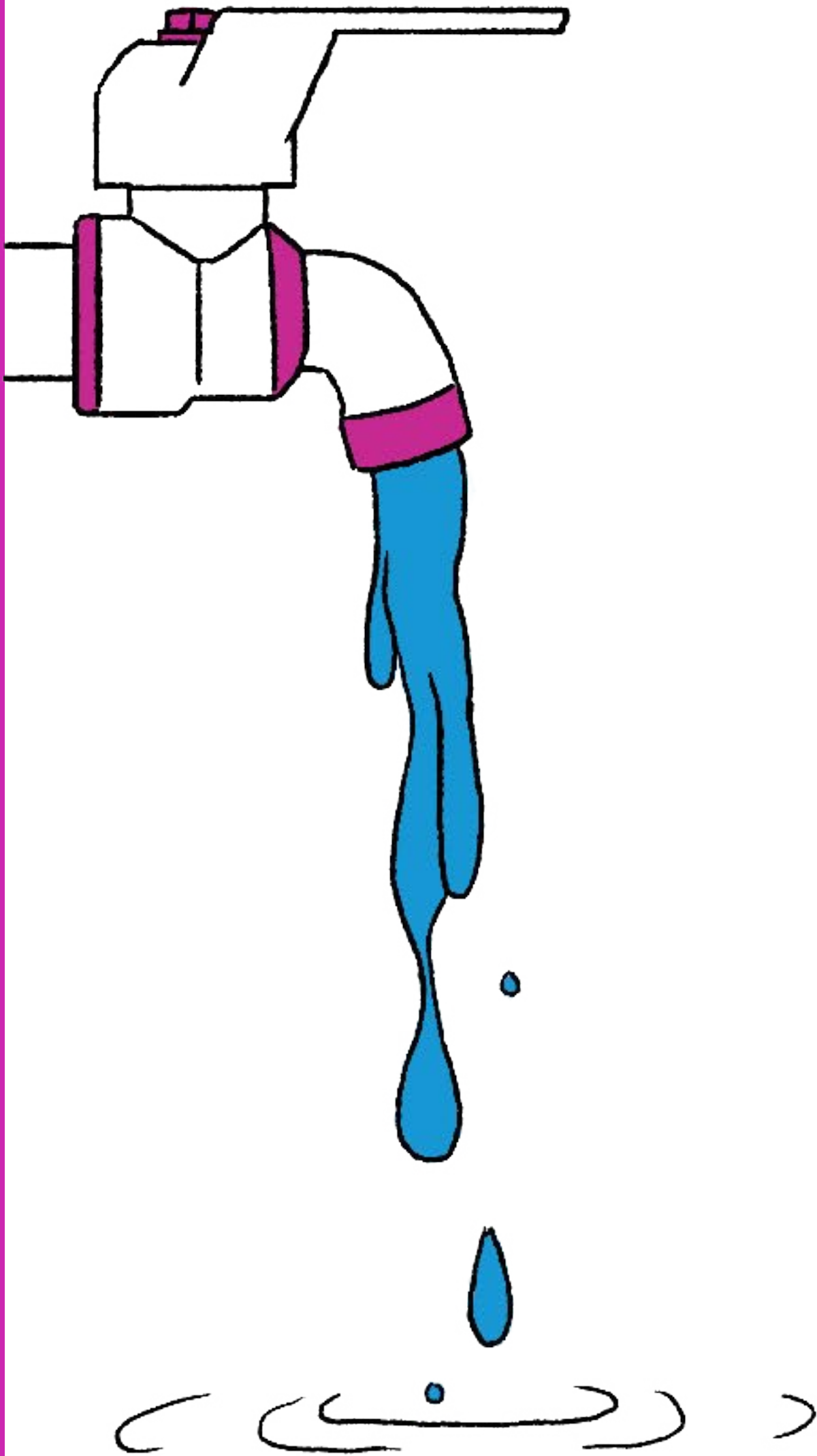
Burkina Faso, Saniya So+ Project
Photo credit: Espace Culturel Gambidi

1. WHO-UNICEF, 2019

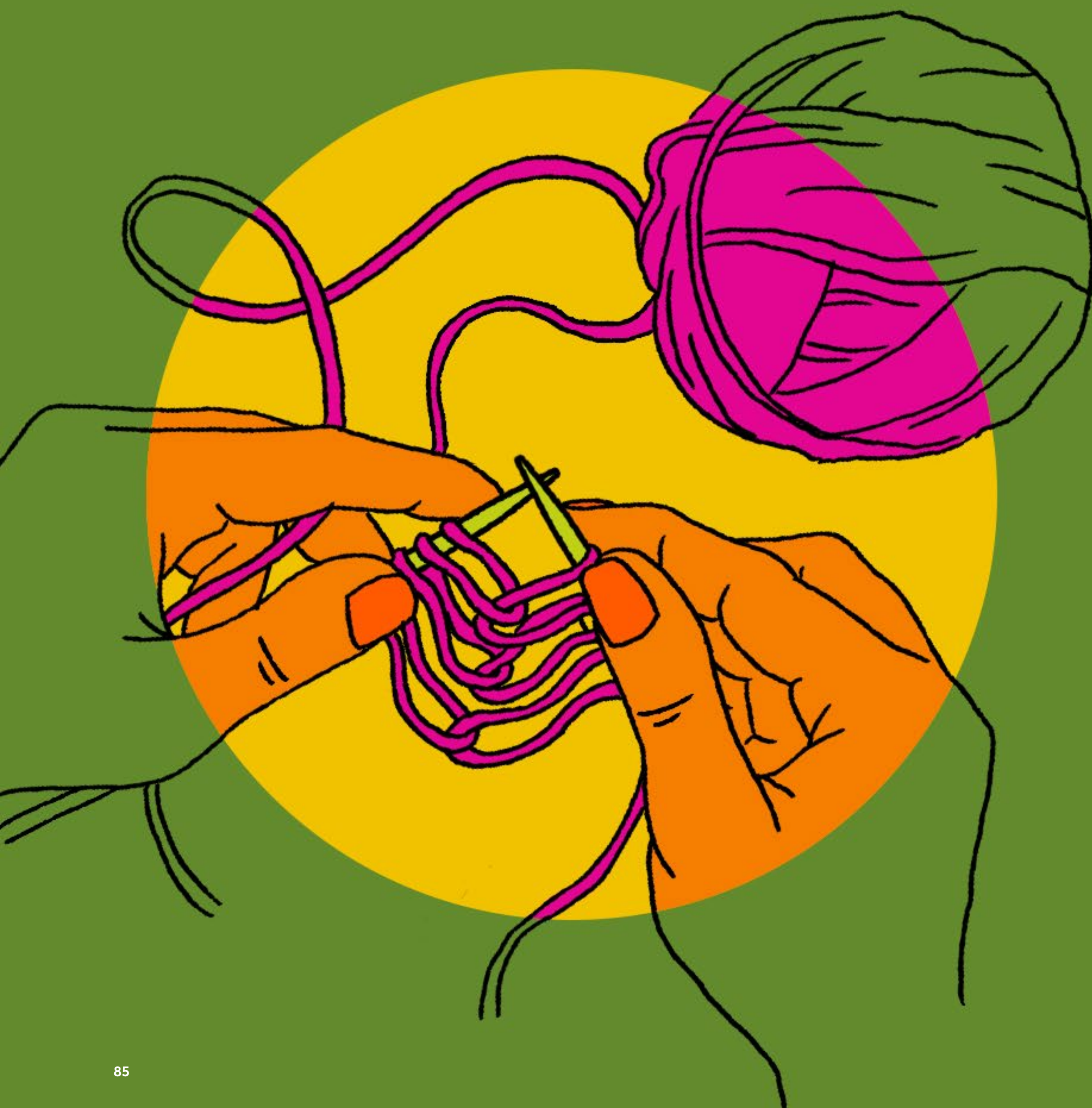
2. www.onedrop.org/workspace/uploads/files/case-study-clts-sabc-en2020.pdf



Ji Ni Beseya
Photo credit: WaterAid and Guilhem Alandry



Tania Vachon has a wealth of knowledge to draw upon when it comes to her day-to-day life at the One Drop Foundation, bringing over 25 years of experience to the table. Her background in social and cultural anthropology, and sociology, has laid the foundation for a lifelong dedication to social innovation and change. For Tania, the most satisfying part of her job is making sure humans remain at the centre of systemic change and become protagonists of their own change process.



Motivated by the belief that ethics and aesthetics can join hands, channelling culture via design

Laerke Skyum, CEO and Creative Director
Adriana Cachay, Administration and Digital Manager,
AYNI

A responsible business drawing on ancient values and textile traditions led to the creation of an alliance designed to amplify Peruvian brands on the global stage.

‘All we knit is love’

AYNI is the belief of ‘today for you, tomorrow for me’ in the ancient language of the Incas. The word embodies the concepts of cooperation and reciprocity that are central to members of local communities – a way of living with the belief that giving comes before receiving.

The AYNI philosophy is the thread that holds the fabric of our value chain together. AYNI is based in Peru, a country with an ancient textile tradition dating back more than 5,000 years. Every single garment is made in Peru by Peruvian artisans and using only the finest Peruvian materials, such as pima cotton and alpaca wool.

This responsible business model is based on reciprocity and mutual benefit, allowing everyone in the value chain to be part of a deeper sense of purpose. Our main purpose is to create, inspire and empower, driving social, economic and environmental impact while contributing to creating a more responsible ecosystem of fashion that favours people and the planet. We believe we all have a better chance of being happy and successful when we can dedicate our lives to the things we love and feel passionate about. In our case, we are motivated by the belief that ethics and aesthetics can join hands, channelling culture via design.

‘We create pieces that cultivate heritage based on the philosophy of reciprocity with love as our driving force’

The AYNI family includes more than 250 artisans from more than 10 different workshops, from Lima to the high Andes cities of Cusco and Puno. Most of the knitters (92%) are women, who, on average, support families of five members.

In 2012, we established the AYNI Certify programme in collaboration with the Peru Ministry of Employment. We have trained and certified more than 2000 artisans in Peru and Bolivia, giving them official recognition for their arts and labour. The certification centre is a way of giving back, and there is one important element that connects everything and everyone in the value chain: love.

This responsible business model is based on reciprocity and mutual benefit, allowing everyone in the value chain to be part of a deeper sense of purpose

At AYNI, we consider design and craft as equal. Craft practices and social design processes are our key areas of innovation. We transform and translate culture and heritage through contemporary yet timeless design that is understood and appreciated in our modern complex lives around the world. It’s part of our DNA to communicate through our collections, using storytelling to share our values and create awareness about arts, crafts and good practice while we encourage our customers to wear their values.

Empowerment is of extreme importance at AYNI – the empowerment of women in particular. Many of AYNI’s artisans have now become workshop leaders, role models for future generations and living testimonies of how ‘empowered women change the world’ – the slogan of Fondation Chanel, and one we can relate to.

In 2017, one of our AYNI projects was selected for support by Fondation Chanel, in collaboration with CODESPA. The main objective was to enhance social and economic inclusion for women in the Lake Titicaca region in Peru and Bolivia through their craftsmanship. Part of the project was to train and

certify more than 300 artisans in the labour skills of handcrafts and knitting, encouraging specialisation and strengthening the understanding of quality standards and international demands, while preserving textile traditions and highlighting the talents of the artisans. This enriching experience fostered new opportunities for all parties. One outcome was a capsule collection that was launched in September 2018 in Bergdorf Goodman in New York, where AYNI was invited for a special event. Selling our line in the prestigious department store was a dream come true, and seeing our designs in the windows facing Central Park and Fifth Avenue an achievement and a motivation to continue our work.

The AYNI brand has received both national and international recognition as an innovative company creating high social impact by optimising traditional

techniques, developing new yarn compositions and experimenting with natural-plant based dye to combine impact with competitive advantage, driving more sales and differentiating our products. To continue expanding the AYNI family and including more artisans in our value chain, we must first and foremost be a sustainable business, increasing sales and strengthening our brand positioning. AYNI’s vision of tomorrow’s luxury in the world of fashion and lifestyle has already attracted key international partners such as Moda Operandi, Barneys and Bergdorf Goodman, as well as many retailers in the US, Europe and Asia. The brand is often featured in the international press, from *Bloomberg* and *NY Journal* to *British Vogue*, *Vogue Italy*, *Paris* and *Latin America*, *US Elle* and *Harper’s Bazaar*. AYNI is also frequently featured on trend forecasting platforms such as WGSN and Fashion Snoops as a trendsetting brand to watch, and is included in the brandsharing platform TAGWALK, also known as ‘the Google of fashion’. All these achievements and experiences led to the idea of creating the Peruvian fashion and textile cluster FAIR

(Fashion Alliance for Innovating Responsibly). We have always strived to be change-makers and to actively participate in the development of the industry and the complex ecosystem of fashion and lifestyle. We align many of our goals with the UN’s Sustainable Development Goals and believe strongly in the power of creating alliances and partnerships to achieve those goals and deliver impact.

AYNI has gathered together some of the most important industry players, from suppliers of primary material to manufacturers, brands, universities, ministries, public and private institutions. Today, AYNI is one of the 30 founding partners also represented on the board of directors, leading initiatives with the common goal of improving the competitiveness of the sector and internationalising Peruvian brands. We want the label ‘Made in Peru’ to be associated with quality, innovation and good practice, while encouraging more conscious lifestyles and consumption.



Makers in Peru
Photo credit: AYNI



Garment created by AYNi
Photo credit: AYNi



Laerke Skyum & Adriana Cachay
Photo credit: AYNi



Laerke Skyum is the CEO and creative director of AYNi. She studied international business at Copenhagen Business School and has extensive experience as an international consultant for business development. She is the president of the Peruvian Danish business council, a board member of EURO Camera in Peru and active member of Camara de Comercio Lima. She founded the Peruvian Fashion Council and is founding director and board member of the Peruvian fashion and textile cluster FAIR. Laerke has a strong desire to play an active role in designing the new normal for the fashion and lifestyle ecosystem in favour of a better tomorrow.



Adriana Cachay is the administration and digital manager at AYNi. She graduated from San Ignacio de Loyola University in Lima with a degree in Business Administration and holds a master's degree in Industrial Engineering from UNMSM (Universidad Nacional Mayor de San Marcos) in Lima, Peru. She is an expert in public relationships and international business, focused on fairtrade, corporate social responsibility, and responsible and sustainable business management. She is a consultant specialising in textile & fashion design, with more than 10 years of experience in the sector.



Impact-led innovation: Architecture that balances people, planet and profit

Harry Thorpe

Founding Director, CAUKIN Studio

A project conceived by university friends in search of meaning became a collaborative global architecture and education provider delivering three-pronged impact.

When founding an impact-driven practice, it's crucial to maintain a near-perfect equilibrium across the three-way scales of people, planet and profit. CAUKIN Studio was built on the premise that architecture and construction can, and must, prioritise environmental sustainability, social inclusion and economic development, engaging with, and actively seeking out, partners or projects that act as vehicles to create impact through architecture.

From its inception, CAUKIN Studio was an idea, and then a company, born of these three elements. As second year university students, the founders had an acute recognition of the many needs, across the world, that could benefit from innovative design solutions. As a group, there was a shared ambition to complete meaningful projects and a collective feeling that this ambition wasn't being addressed within formal education. All that was required now was the opportunity. This was something that had to be created.

As a collective, CAUKIN Studio began to explore what a project could be beyond the systematic procurement, delivery and connection of different materials to form a space. Who could learn from the project process? What could it teach them that would improve their lives? How could a project bring people together, and how or what could it help?

From the outset, innovative thinking and the ability to be reactive and nimble were key to the studio's survival. Through the first three playspace projects, we explored different funding methods, including crowdfunding and donor-based strategies, before settling on a frugal path of bootstrapping the business. It was these early years of scarcity and need that led to creative thinking and business innovation. This mindset continues to be central to the business model today, organically iterated over six years of projects – from a group of friends with a shared interest, to early adopter paying participants, to international recognition as a course provider for students everywhere.

Each international development project is funded through a quasi joint venture approach that simultaneously

benefits the various stakeholders and balances our company scales of people, planet and place. Charitable or NGO partners pay a reduced-rate design fee for the professional delivery of the project, while students from all over the world pay individual fees to participate in a practical educational course, using the project as a live vehicle for learning. This joint financial commitment to the project breeds ownership and creates huge added value: the charity gets a project of much greater quality for a cost it can afford and the students get a unique, career-enriching experience.

Harnessing the team's early ambition as fuel to learn through doing, while also recognising our limitations and learning from those with experience, has led to the

completion of over 28 projects, across 12 different countries. These projects have engaged over 6,000 end users and, through the process of onsite education, upskilled around 560 local beneficiaries and international participants. As well as generating over £160,000 of investment into built infrastructure and local economies, the projects have truly achieved the three-way balance of impact that we look for. Annual impact reports,

pooling information from all of our stakeholders and incorporating both quantitative and qualitative targets, aid the monitoring of company-wide impact and areas of progression.

As we explored different methods of practice, a clear recognition of the actors crucial to a project's success naturally formed a stakeholder-driven project structure. Our stakeholder model involves a ring of different actors with the shared project sitting in the centre. Each stakeholder gives their own value to the project in the form of time, financial resources, knowledge or professional expertise, while benefiting from the process as a result.

Operating design and build projects through open and honest communication is a distinct departure from the traditional hierarchical tree. Removing titles and positions in favour of roles and responsibilities creates a collaborative

team atmosphere conducive to creative innovation and meaningful, long-lasting impact on a multitude of levels.

In this democratic environment, the question of responsibility in terms of impact is a fairly straightforward one. The responsibility for the project's social, environmental and economic impact falls at the feet of all stakeholders. Of course this is the theory; in reality, the project sits in the centre, so is pushed and pulled in all different directions. Our role and agency as architectural designers therefore naturally shifts from dictation to facilitation – acting as a conductor of sorts by bringing in stakeholders and their incorporated value, making sure all can be heard and understood, and ensuring the project remains true to its impactful intentions.

One particular example of this process is the Bula Batiki Virgin Coconut Oil (VCO) processing plant, constructed on the tiny island of Batiki in Fiji. With a team of 30 international participants working alongside the community cooperative, on one of the most remote sites we have worked on to date, this 2019 project posed immense logistical challenges alongside the anticipated social and environmental ones.

Stakeholders for the project included two local government ministries, the cooperative's board, local village members, international participants and pro-bono engineers, meaning there were plenty of voices to be balanced. This project provided a great lesson in managing unexpected issues and collectively turning them into opportunities. Issues including infrequent and unreliable logistics, miscommunications of product specifications, and manual construction strategies due to the lack of infrastructure became opportunities to collaborate, learn and create together. They led us to learn new skills such as constructing a traditional Fijian Bure out of forest timber (a dying skill only known by village elders), hand mixing concrete as a team and re-roofing a whole village house when incorrect roofing iron arrived. All examples of impact-driven innovation, made possible by nimble practice, project balance and the openness of stakeholders.

As a company we have seen our evolving strategy of three-pronged impact generation through the built process more than 28 times worldwide. The model has rapidly progressed over the past five years with every project undertaken. Working on more projects in developed contexts, from mental health awareness installations

in central London to inclusivity workshops with primary schools in south Wales, we are beginning to witness the important transference of many of these ideas.

We believe that impact can be created in any and all architectural projects, be that through educating and upskilling 50 more young men and women, slashing the carbon emissions of our projects or increasing accessibility through our delivery methods. We are driven, regardless of budget or brief, to unite stakeholders in the interrogation of design and build projects, beyond the final built product. Once we can do this universally, we can start to deliver on impact in any context.

Removing titles
and positions in
favour of roles and
responsibilities creates
a collaborative team
atmosphere conducive
to creative innovation





Nottage Primary School project, Wales
Photo credit: CAUKIN Studio



Evergreen School project, Zambia
Photo credit: CAUKIN Studio



Nottage Primary School project, Wales
Photo credit: CAUKIN Studio

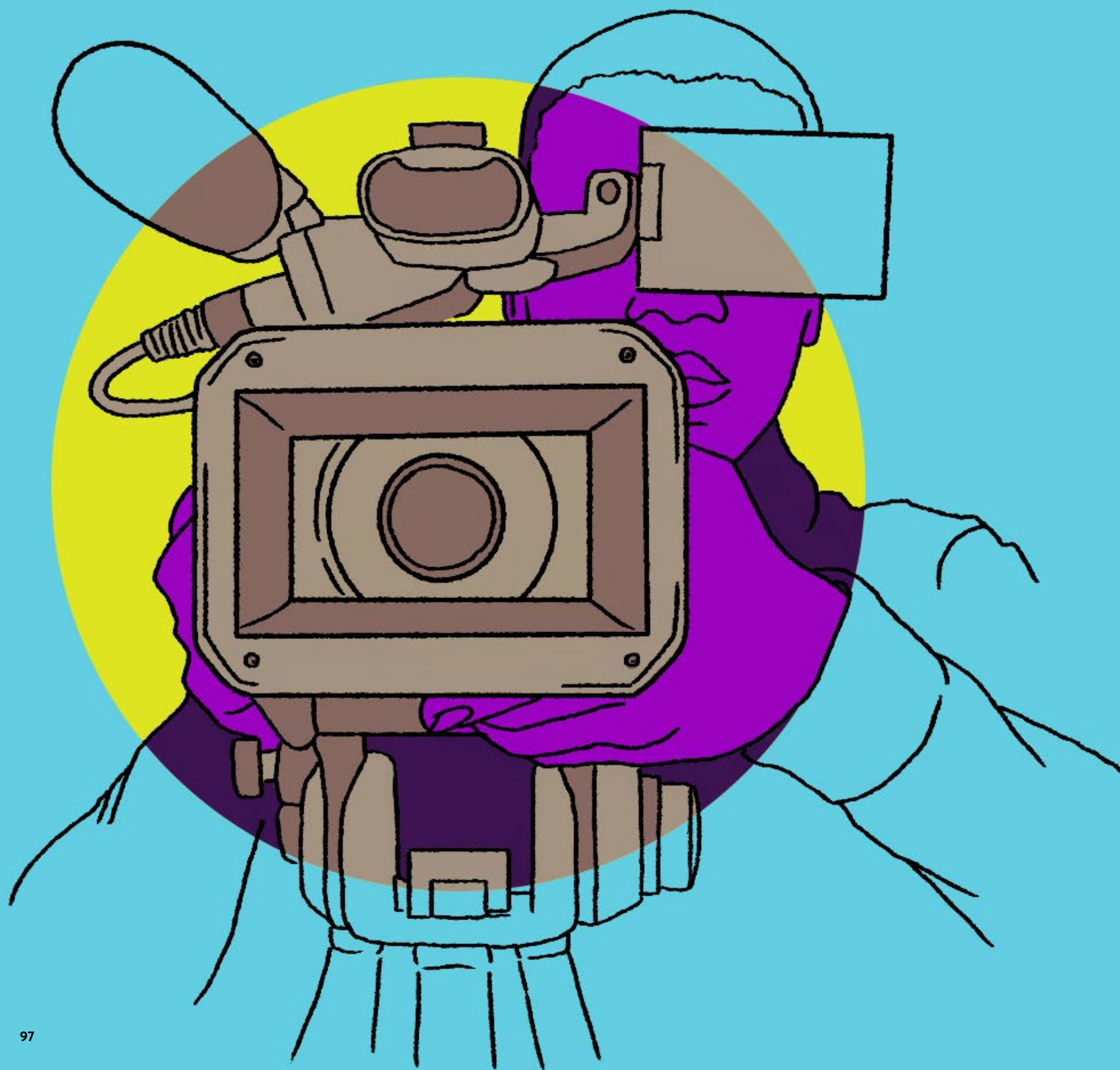


Ranwas School project, Vanuatu
Photo credit: CAUKIN Studio



Harry Thorpe is a founding director at CAUKIN Studio. His role lies primarily in stakeholder engagement strategies, big picture thinking and wider systematic cohesion. His role is crucial in ensuring that every CAUKIN project achieves the highest level of impact possible, through open communication with collaborators and active engagement strategies with community end users. He is always thinking ahead and recognising systematic global issues that could be solved through design thinking, coupled with in-depth research and analysis.

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caukinstudio.com/impact



How to Level Forward

Adrienne Becker

CEO and Co-Founder, Level Forward

A new kind of media company aims to extend the pen and the microphone to a wider range of storytellers, while setting standards of accountability and transparency.

In 2018, we created Level Forward, a new kind of media company registered as a public benefit corporation (PBC), cementing our commitment to balance shareholder return with public good. From inception, we have been unwavering in challenging tentpoles of the status quo, pursuing change on project and systems levels, and attempting to balance dual value creation – financial and social – as we strive to be a profitable PBC startup in media.

Our lofty mission has been to extend the opportunity of, and access to, creative excellence in furtherance of equity and economic transformation. We chose these pursuits because opportunity, in the storytelling industries, has historically been limited to a select few, and most traditionally, white, cisgender men, with specific and largely privileged experiences to share. This narrow purview limits who holds the pen, the microphone, and who can access the work, often skipping marginalised communities where inspiration and hope are needed most.

We have made some progress. We created the first open-source financial waterfall participation agreements, through which non-profit partners share in back-end profits of projects such as the film *The Assistant*. We incorporated the first impact fees in production budgets, supporting *the Impact Advisory Board* of musical *Jagged Little Pill*, a travelling art exhibit for the play *What The Constitution Means To Me*, and *storytelling workshops for Appalachian youth* inspired by our film *Holler*. We created a *Gun Neutral* offset – a programme we launched with Tony-winner *Oklahoma!* We helped produce two of the first *Black Outs on Broadway*, and free Sunday Talks, with our *Slave Play* partners. We developed unique *Arts Action* programming for companies to advance cultural learning. We have greenlit feature films from first-time writer/directors, curated several multi-media portfolios, and earned Critic's Picks, Tony Awards and an Emmy for our creative work. And, because of our incredible roster of values-aligned investors, we've deployed millions of dollars that made all of this good work possible, including causing cash payments of more than US\$300,000 to our non-profit partners.

We dream big
while we fall short,
we make mistakes
and we learn so as
not to repeat them

Internally, we brought antiracism training to our company in 2019 and initiated a weekly meeting of white employees and a monthly joint meeting tackling topics such as privilege naming and performative activism. We work through questions about our own social identification: Are we a predominantly white institution? Multiracial? How do we define these descriptions and how do our partners? We weeded out non-disparagement agreements from personnel contracts, and ensured that all employees hold stock options in the company. And, on a personal note, we've held my CEO's salary to no more than four and a half times that of our median full-time employee since the company's inception.

With strides forward, we have also made missteps, hit walls and generated unanticipated consequences. In creating opportunities that were previously unavailable, we fell short in providing support to combat the tokenism

arising from being first and sometimes only. Our early antiracism work needed more preparation than we gave it. Our Black Outs and LGBTQIA+ programming have created a delicate set of questions around how to discern who can work in community-only spaces. We continue to parse through the complicated facets of who gets to tell what stories, and while we offer

chances to step outside of past trauma, it has taken time to realise the significant privilege needed to do so. Perhaps most profoundly, the reality of our entrepreneurial culture – a start-up with limited resources and an aspiration to be an exemplar of a new workplace – can often feel too disconnected from our potential.

Accomplishments and setbacks co-exist in every company and organisation, among leadership and within individuals, and these particularly difficult pairings seem to flourish in enterprises committed to social impact, where expectations can soar. Neither people nor organisations are linear, and with change coming in fits and starts, from and in all directions and at different velocities, the work can feel chaotic and discordant. It can happen that the things we say and the decisions we make do not always align with the constant neuroplasticity of our brains, the hypertrophy of our hearts or the cultural headwinds of our society.

We dream big while we fall short, we make mistakes, and we learn so as not to repeat them.

I wish there were a way that we could see and plan ahead for every cause-and-effect reverberation of progress. Level Forward came with neither a blueprint nor a roadmap to guide us in crisscrossing the expectations of people and communities who had felt invisible or silenced, and who rightly held our small company, and me as a leader, to account for our stated aspirations. Amid the forward, and the swell of potential, there are times I fell short and still do.

As you traverse similarly uncharted terrain, learn from my mistakes: overestimate the difficulty of intersectional work spanning culture, capital and creativity, and underestimate your abilities to resolve the complications that will ensue. Make sure you have a great support system in place, with specialised help, and figure out how to ask for it, especially when you struggle to do so. Spend time with your team; you will succeed because you made it a priority to get to know them. Value how you do the work over declaring what it is. Finally, don't be afraid to share what you did wrong with your investors: if you choose wisely as you source capital, they will be there when you fall down, just as they are when you leap ahead.

Never have the cross-currents of cultural change and economy converged as they do today. Our challenges remain plentiful and ongoing. As leaders, we must prepare to admit our mistakes, apologise and learn as publicly as we pronounce achievements. It may be that the ultimate way to Level Forward is to be transparent in these struggles. If these things happen in your work, consider how it can be a most meaningful step forward to share them.



Adrienne Becker is CEO and co-founder of Level Forward, an ecosystem of storytellers, businesspeople and social change-makers focused on expanding the access to and opportunity of creative excellence in pursuit of equity and economic transformation. Adrienne was previously an entrepreneur-in-residence at Creative Artists Agency, CEO of DailyCandy, Inc., and senior vice president at both The Nielsen Company and InterActive Corp. Her big break, however, took place on an airport tarmac in Philadelphia, as a 'rope line holder' for then Governor Bill Clinton, and was followed by positions as a campaign press secretary and a special assistant to Labor Secretary Robert Reich.

Connecting impact capital

To deliver on their vast promise, the creative and cultural sectors require funding models that can match them in imagination and dynamism. They need partners with the flexibility and vision to look beyond tried and tested financing structures, and to rethink traditional models of value and narrow definitions of success.

In this section, we hear from some of those partners in impact investing and beyond. Funds and foundations that have made impact central to their investment approaches, in the US, Africa and Latin America. The creator of the world's first orange bond. The founder of an artistic community with a unique tenant ownership model. With such resourceful and innovative partners, and through global collaboration and idea sharing, the creative economy can achieve the secure footing it desperately needs to play the central role it deserves in our society at this critical point in human history.



We need to redefine 'success'

John Howkins
Global Strategist and Author

The ambitions of creative businesses transcend commercial success, demonstrating the possibilities of a truly human economy.

The architect Richard Rogers says he has two clients for every job: the person who pays him and the person who walks by and takes a look. As far as I know, the people who paid for his Lloyds HQ in London, the Pompidou Centre in Paris and other buildings are happy. But it's the public, not them, who decide if a building succeeds. The Irish novelist Margaret Wolfe Hungerford reworded an old Greek saying that 'beauty is in the eye of the beholder'. In the creative economy, success is in the eye of the beholder.

I believe all creative businesses have this split personality. At least, I'm convinced all good ones do. As well as wanting to be commercially successful, they are ambitious and competitive in ways that go beyond business expectations. Their desire to make money mingles with their personal desire to do good and their desire for peer-group respect.

Richard Rogers is massively successful. He is Lord Rogers, one of only three British architects honoured in this way, and has received many of his profession's top prizes. And he still worries what an anonymous passerby might think.

This sensitivity, this acceptance of social implications, can irritate others, particularly the people who pay the bill. But it is inevitable in any enterprise that strives to be continually new and better. And sensible clients and investors use it to their advantage.

We cannot understand the creative economy through the lens of conventional finance. To see it clearly, we need to understand its culture and psychology. In the same way that managing the Covid pandemic requires more than epidemiology, so understanding the creative economy requires more than conventional economics.

This humanising of business is long overdue. John Newbigin suggests we replace the term 'creative economy' with 'human economy'. We are seeing a shift in emphasis from economic value to human values.

This is why talent companies can teach investment managers and business executives about environmental, social and corporate governance. They have been doing it for longer.

Of course, they need cash and profit like anyone else. The fact that the creative economy is the fastest-growing sector in many countries is not evidence of financial stupidity. In OECD countries, the creative economy grew two to three times faster than the rest of the economy in 2015-19, although most sectors suffered last year.

But money is not the chief reason why many young people have the itch and urge to strike out and have a serious go at doing something creative. In 2020, 'creativity' was the most common term in LinkedIn job searches. It's evidence of their wish to make the world a better place in other than transactional terms. It's evident in their instinct to co-create and collaborate more often than in other sectors and to share ideas for free.

I want to suggest two aspects that are relevant for impact investing: additionality and positivism.

Additionality is the constant search for something new, different and better. This can be merely new, or more beautiful, or faster, cheaper or more convenient. The added value can be measured by business indicators such as sales or returns. But this transactional sense is not enough.

This is where positivism kicks in. Creative people's ambitions go beyond the immediate deal. They have a sense of the wider implications of what they do. They believe the world that contains their idea, their work, will be a better place. I don't

mean better in transactional terms, but in terms of wider cultural and social benefits. This is Rogers' passerby. The passerby is everyone.

This may seem arrogant, but it is fundamental to the creative mindset. It is the motor of great, memorable impact. It is a useful check on doing harm.

It applies to the software designer who writes an elegant line of code as much as the great architect. It is a personal feeling and may be witnessed only by the creator or a few friends. If asked, many deny it. But it is there, and it is inbuilt in the creative mind. It's one reason why we admire and respect them.

This is why creative people are ahead in thinking about what economists call 'externalities', and ahead in thinking about environmental, social and governance issues.

I've met investors who acknowledge these strengths in social and environmental impacts but jib at the claims to good governance. It is true that companies based on talent and creativity tend to be structured and managed differently. But that is not the problem.

The problem is that traditional investors familiar with business models based on repetition and marginal pricing can be misled by businesses based on creativity and innovation. Experts on physical assets can be puzzled by intellectual property. Or they understand brands but don't know how to value copyright. Or they can't judge founders' or executives' competence. Or they are comfortable with discounted pricing but cannot understand followers who act like fans.

Yet these issues of assessment, inclusiveness and impact lie at the heart of ESG. Far from being left behind by corporate ESG, creative companies have an extraordinary vision of what might be possible.

The creative economy is the first economy to be based on what people want, think and do as individuals within a community of interest. Previous capitalist systems have been based on land, labour and capital. Creative businesses may need these at some stage, but they are seldom sufficient to drive growth. The irrelevance of interest rates is one of my favourite pieces of evidence (as is central banks' incomprehension that this is so).

The raw material of creativity is our capacity to imagine something and add value. This is the core asset of the creative economy. We should not be surprised if people who work this way are keenly aware of community, social and environmental impacts. It is the human economy in action.



John Howkins is a global strategist and author on future trends in creativity, innovation and work. His books include *The Creative Economy* (2001), *Creative Ecologies* (2006) and *Invisible Work* (2020). His ideas draw on his experience in the entertainment industry, digital start-ups and design in Europe, the US and China.

The Mighty Schmackammer and true impact investment

Sam Farrazaino
Founder, Equinox Studios

In Seattle, an artist workspace complex created a unique ownership structure to reflect the benefits that flow from its creative community.



‘Esmeralda... are... you... ready?!?’

The seven-year-old girl with the eight-pound sledgehammer nervously blurts out ‘Yes!’

Hammering Man, Letter Lady and Safety Guy are all ‘Ready!’

The lunatic emcee pulls the bright red glowing steel icon out of the forge and thrusts it up into the night sky yelling ‘Hot Metal!’ as everyone’s eyes widen, and the chorus of the crowd rises up excitedly in return: ‘Hot Metal!!’ He drops the icon onto the anvil as Letter Lady slams the stamps into position, Safety Guy gives the affirmative ‘Clear!’ and Hammering Man gives Esmeralda the signal...

The emboldened girl awkwardly sends the hammer careening into the target and The Mighty Schmackammer roars to life dropping 700 pounds to punch ‘EF’ deep into the steel in a blaze of smoke and fire. The crowd goes wild! The team frees the icon and plunges it into water with a loud hiss and a cloud of steam before handing it to the girl.

Esmeralda is alight with wonder as she feels the depth of her initials in the steel and intently decides where it will be welded into this huge community sculpture, called The Gardens of Gusto, that she has just helped create.

As with giant, air-cleansing, living sculpture creation, investing in arts and culture is not only inspiring and wonderous, but also has a lasting impact on the creators, the collaborators and the whole community.

Equinox Studios is a complex of four light industrial buildings, with over 100,000 square feet of workspace where on any given day 200 or so artists and artisans are painting, sculpting, photographing, metalworking and blacksmithing, woodworking, stone carving, making glass, ceramics, movies and music, dancing in two 99-seat performance spaces and studying in two painting schools. Imagine it, and someone is probably doing it here.

We founded Equinox to create, foster and sustain affordable facilities for artists and to engage the greater community in the inspiration and exploration of art. We do

As they become part
of the community,
volunteer to co-create
experiences, and
thrive in collaboration,
cross-pollination, co-
inspiration and co-
perspiration, tenants
spread the word and
get other people excited

that by collectively acquiring and developing workspace, and creating zany, madcap art-making adventures for kids of all ages to experience the work being done here. We take art out on the town to inspire people and lure them back to our creative lair, for both social and economic return.

This collaboration to engage the community and each other in the production and enjoyment of art led to the creation of our tenant ownership model, whereby each and every tenant becomes an owner of the complex.

Seven years ago, when we had the opportunity to expand from two buildings to four, and we were able to capture the equity we had created to make it happen, we

took a hard look at how we had gotten to that point. The original building had not only gained value through market appreciation and from renovations we had done over the years, but we were clearly benefiting from the spiritulogical investment of all the tenants. As they become part of the community, volunteer to co-create experiences, and thrive in collaboration, cross-pollination, co-inspiration and co-perspiration, tenants spread the word and get other people excited. Those people come with their friends, colleagues and clients to events, or to shop, or to

get on the waiting list to lease a studio – which translates to the economic benefit of no vacancies and no paid advertising to recruit tenants. All this raises the financial value of the property.

Once we really understood this, we had to find the way to recognise the tenant contribution. We needed to capture the financial return of each tenant’s spiritulogical investment. We looked around the world for a model, but came up short, so we built one from scratch. Now, each tenant, just by paying their rent and being an active part of the community, gets ownership in the social purpose corporation that owns 33% of the complex. Tenants do not bring any cash to the table, they simply do their work in the space.



Schmackammer
Photo credit: Equinox Studios



Public event
Photo credit: Equinox Studios



Public event
Photo credit: Equinox Studios



Outdoor sculpture
Photo credit: Equinox Studios

They get one share of stock relative to every dollar they pay in rent and are eligible for annual and long-term dividends. We project a 6-8% return for the company annually and the tenants as a whole decide what to do with the social purpose corporation's share. Every tenant can put an idea forward. Ideas are vetted for viability and then selected by majority vote. We can pay out to the shareholders, do streetscape improvements or start a programme for at-risk youth to see art as a possible future. Whatever tenants come up with and vote for, that's what we do.

Long-term dividends are possible when we have paid down enough debt and gained significant appreciation. We are modelling that about every 10 years, in line with our mortgage terms. As a community, we could decide to pull money out and pay dividends, projected to be

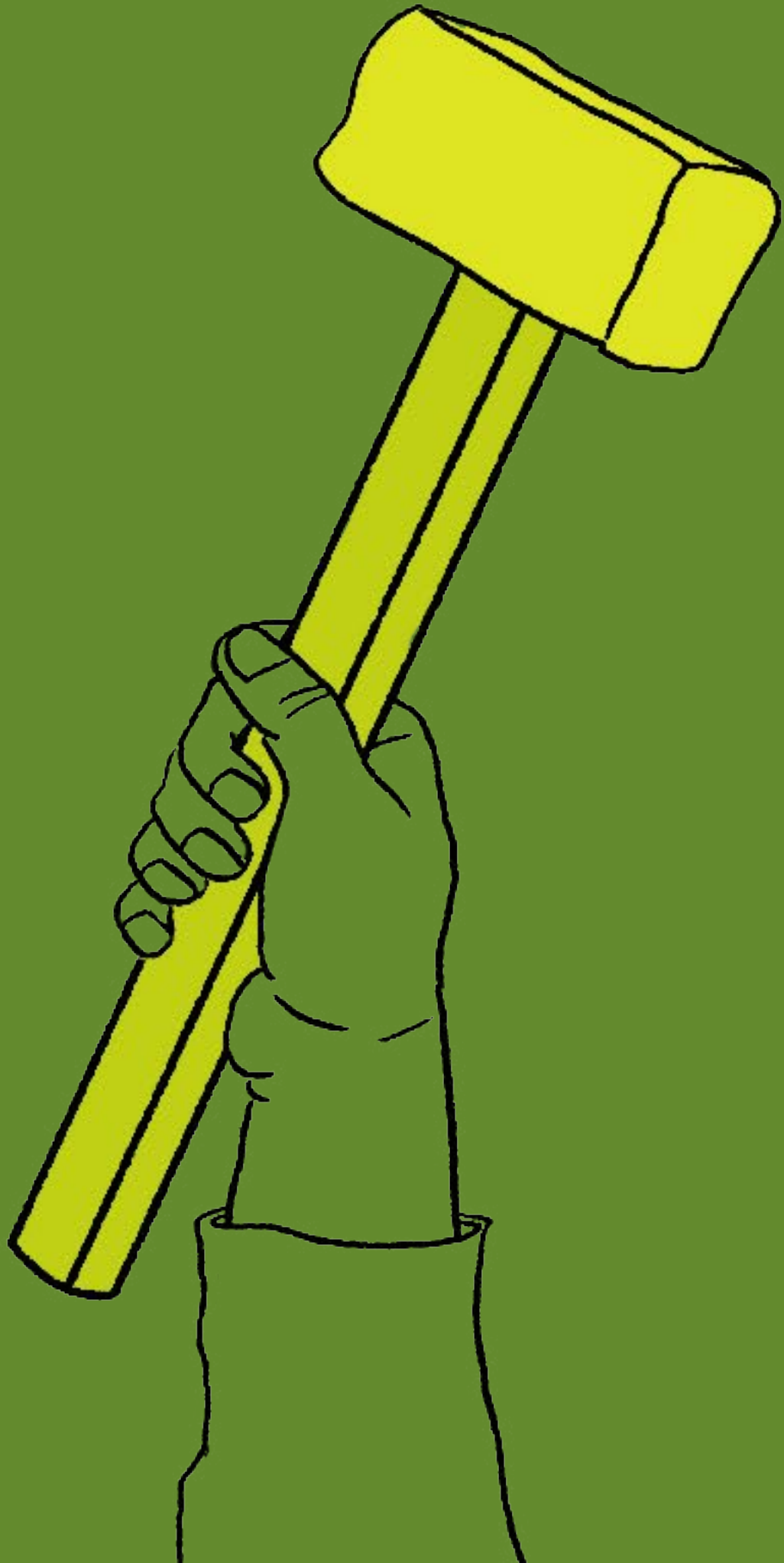
a 10% return relative to everything tenants have paid in rent over the years. We could also decide to pay that forward and buy another building to provide more affordable space for more artists and artisans to benefit, expanding our reach and influence into the greater community.

We have financed this adventure with incredible social impact lenders like [RSF Social Finance](#) and [Craft 3](#), who have been able to celebrate our mission and, at the same time, see that our financial performance is sufficient to service a loan and generate a substantial return for them and us.

Through our tenant ownership, and in partnership with those impact investors, we have been able to grow from a handful of tenants to over 130, and from a handshake and a prayer to over US\$16 million in value.

This is inspiring and wondrous fiscally. And it is also important to our community. Seven years later, Esmerelda is designing affordable artist housing over a co-op grocery store to serve the residents and neighbours, and the Equinox Tenant Owners just voted unanimously to pay our equity forward to create an entire village of affordable housing and community-serving retail and workspace in the neighbourhood.

Because we all do better when we all do better.
Hot Metal!



Samuel Farrazaino is the founder and lunatic emcee of Equinox Studios, a fierce advocate for the creation and preservation of arts and cultural spaces to bring people into relationship and support the communities that sustain those spaces, a sculptor of intimate and immense interactive multimedia people and place experiences, a disruptive urban interventionist, and a community development fanatic.

The stories we tell

Christine Looney
Deputy Director, Mission Investments

In the US, the Ford Foundation is mobilising impact capital to disrupt homogenous arts and cultural spaces.

The stories we tell and the art we create help us understand our world and make connections to others. Yet the stories we hear the most still disproportionately favour and represent a select few.

This disparity is no clearer than in Hollywood. In 2015, all acting nominations for the Academy Awards went to white actors, inspiring the hashtag #OscarsSoWhite. A year later, the University of Southern California published research highlighting that Hollywood's problem went beyond race and ethnicity, noting: 'There's not just a diversity problem in Hollywood; there's an inclusion crisis.'

Unfortunately, this crisis extends beyond Hollywood to the entire arts and culture industry. It controls the art and artists we have access to, the narratives we hear and the news we receive.

Those placed in positions to create, direct and present art, from movies to television to galleries and museums, often come from homogenous and elite backgrounds. They do not represent the perspectives of diverse consumers, and their works do not reflect the concerns and interests of audiences that include people of colour, women, people with disabilities, immigrants, LGBTQIA+ viewers and more.

But, at the Ford Foundation, we see hope for change. We believe there is an investment case to drive change, and we're using our Mission Investments capital to make it happen.

Our investees at MACRO, One Community, and ARTERNAL are disrupting homogenous arts and cultural spaces. These visionary organisations are executing commercial strategies to drive positive social change in the arts – and their work speaks for itself.

MACRO, a media company producing content from the voice and perspectives of people of colour, recently financed *Judas and the Black Messiah*. Directed by Shaka King, an African American film director, screenwriter and producer, the film portrays the life and assassination of Fred Hampton, Chairman of the Illinois Chapter of the Black Panther Party. The film received five Academy Award

nominations in 2021, including Best Picture. Daniel Kaluuya won the Academy Award for Best Supporting Actor for his portrayal of Fred Hampton.

One Community, a film and television co-financing company formed to use the power of storytelling as a tool for social change, recently co-financed the film *Respect*. Starring Jennifer Hudson, the film explores the remarkable life of music icon Aretha Franklin, whose legacy of social and civic contributions is immense.

One Community and MACRO both executive produced *Just Mercy*, a moving portrayal of the life of Equal Justice Initiative Founder Bryan Stephenson and his quest to combat racism in the criminal justice system.

Founded by serial entrepreneur Sean Green, ARTERNAL is a vertical business automation platform for art world professionals that uses technology solutions to diversify the art world. ARTERNAL hopes to improve opportunities for underrepresented artists while creating a one-stop digital platform for managing all aspects of an art business.

We are proud to partner with companies like MACRO, One Community and ARTERNAL,

who are working each day to champion diverse narratives and creators to the wider public. And we're just getting started. We will continue to invest in organisations working to diversify arts and cultural spaces and amplify the power of storytelling as a tool for social good. By elevating underrepresented and unheard voices, we can fuel the forces against narratives that undermine fairness, and turn audiences towards greater truths.

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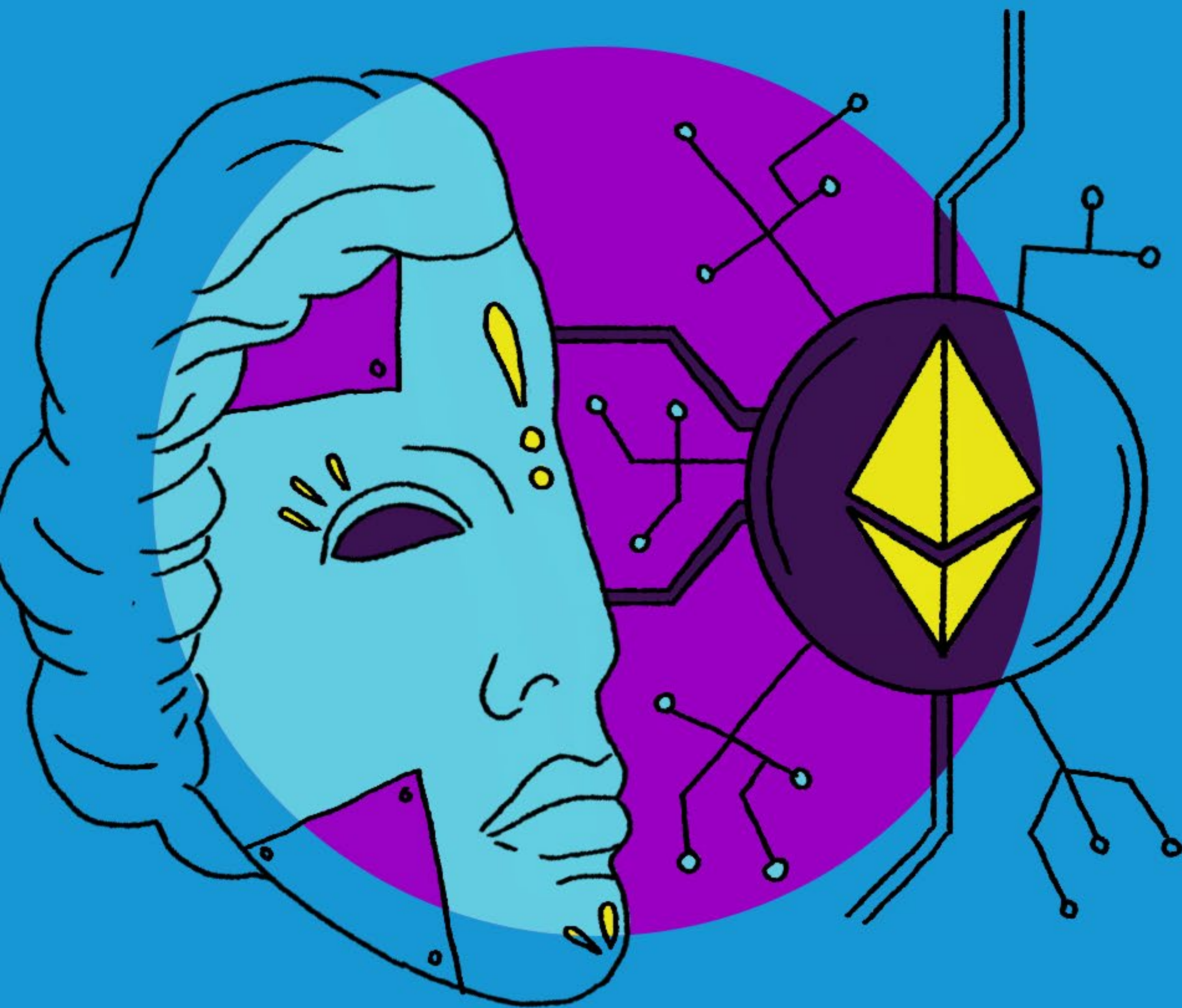
Still from *Just Mercy*
Image credit: Warner Bros. Pictures



Theatrical release poster
Image credit: Warner Bros. Pictures



Christine Looney serves as the Ford Foundation's deputy director of Mission Investments. In this role, she supports investments under the Foundation's two mission investment funds – a US\$350 million programme related investment fund and a US\$1 billion mission related investment fund. She supported Ford's strategic planning efforts to develop a new line of work on impact investing which integrates grant and investment capital as well as the approval of the mission related investment fund. Christine has a MBA in finance and management from New York University's Stern School of Business and a bachelor's degree in economics from College of the Holy Cross. She is on the board of Mission Investors Exchange and serves on several credit committees and advisory committees. She is a long-standing Big Sister in the Big Brothers Big Sisters programme.



Xave: The NFT marketplace for Latin American artists

Diego Balan

Co-Founder and COO, Xave Market NFT

New digital formats for artistic expression transform the production and distribution of culture, directly linking artists with their public, without intermediaries, with a global reach.

Xave Market is an NFT marketplace based on the Ethereum blockchain. Some time ago this would have had to be explained in advanced courses for computer developers. However, today these are terms that are being heard and understood by the general public, in particular younger audiences and the digital native community.

For those who are not yet familiar with the terminology, a non-fungible token (NFT) is technically a unit of data in a digital ledger in which each NFT represents a single item. NFTs implement blockchain technology to register ownership of an object and validate its authenticity. A blockchain is a single record, agreed on and distributed across several nodes of a network. When it is modified by adding a record, an exact copy of the chain is stored within all the network participants. This makes a blockchain practically inviolable and, above all, public, open and decentralised.

This same technology is used by cryptocurrencies to record monetary transactions, but, unlike a digital currency, in which each unit is identical to the others and holds equal value, each NFT is unique and with a different value, and, therefore, not fungible.

NFTs can validate all forms of digital creation, from art and literary pieces to video game artefacts and soundtracks. Similar to notarial deeds, NFTs are proof of ownership of a digital object. Their use does not prevent a third party from accessing a copy of the article – just as a property deed does not prevent an intruder from entering a building. However, an NFT gives the owner of the original piece the technical means of proving ownership.

Before the introduction of NFTs, any digital artistic creation represented in any format (image, video, audio, text or even a tweet) lacked a transactional value because it could be copied and it was not possible to identify the original piece from its reproductions.

Blockchain technology not only allows the original piece to be identified, but also provides traceability of all the owners that the artistic work has had over the time since its creation. This places significant financial value on digital expressions in the NFT format. The possibility of

identifying the true owner of a digital piece and assuring its traceability enables its authenticity to be certified and ensures that it is not possible to falsify the artwork, or resell it fraudulently. At the same time, the Smart Contract built into the NFT ensures that every time the artwork changes hands, 10% of the amount collected will go to the artist.

Xave Market was created with the purpose of giving digital artists from Latin America (and soon from Africa) the possibility of commercialising their digital work without intermediaries such as galleries, curators or art managers, enabling their artistic pieces to reach the entire world in real time without geographical limits. The transparency of the blockchain transactions allows funds to be credited directly to the artists' bank accounts.

The distribution of digital art in NFT format provides a means of generating income for a growing

range of artists and digital creators who would not otherwise be able to commercialise their work. This is key, especially in the least developed countries, because it generates new jobs, benefiting a whole network of small entrepreneurs that play a role in the creation of NFTs as photographers, 3D animators, sound engineers, musicians and artists, moving from an informal economy to a formalisation of their activity. In this way, Xave is

contributing to goal 8 of the UN's Sustainable Development Goals, which is based on promoting productive activities, creating new jobs, and favouring entrepreneurship, creativity and innovation.

Xave Market was born from the union of two initiatives, [Accesshoy](#) and [GoMusic](#), which had already been working in the creative economy, using technology to expand the opportunities and reimagine the channels of production, distribution and cultural consumption. From the beginning of the pandemic, Accesshoy had a strong impact on the performing arts (music, dance and theater), allowing artists to develop their work in new digital formats while complying with Covid-19 protocols and to transcend borders to reach the entire globe in the context of the total lockdown of the live performance scene.

Accesshoy is a ticketing software as a service (SaaS), created so that different platforms, cultural centres, museums, theatres, dance companies and concert producers from Argentina, Chile, Colombia, Uruguay, Mexico and Spain can market their tickets without intermediaries and receive the funds directly into their bank accounts, increasing the financing channels of performances by taking advantage of ticket presales.

Before the pandemic, Accesshoy had already been exploring how to cross the walls of venues, so that the audience was not limited only to the people physically present. As a result, when lockdowns were introduced, Accesshoy already had all the infrastructure to live stream artistic events and charge for tickets. Thanks to this technology, one of its platforms, [Ticket Hoy](#), streamed some 600 live artistic events to 1.8 million people in the first 12 months of Covid-19, raising US\$21 million for artists from Latin America. Alongside the shows, the platform generated new digital experiences, such as access to virtual sound checks and allowing the public to take part in the creative process of the artists by choosing part of the content of the shows they later accessed. Ticket Hoy was also used to broadcast free events that raised awareness about the context of Covid and culture, including the British Council's digital Selector Pro music conference, the Billboard Festival Online, dance gala *Danzar por la Paz* for the benefit of UNICEF, and some 150 events in the Ciudad Cultural Konex in Argentina.

Thanks to the urgent push out of the comfort zone that Covid-19 provided to Accesshoy, Go Music and much of the cultural industry, the creation of Xave Market turned out to be a natural step. Not only because we were able to generate the funds to invest in the development of this blockchain technology, but also because the network of platforms, the user base and the connections we had built with artists meant we had developed the necessary trust.

These initiatives – both the live streaming of events for the performing arts and the NFT marketplace for digital artists – converge in the same purpose: to bring local cultural expression to the entire world, without geographical barriers, generating an open, accessible and decentralised market committed to an artistic expression that is valued, enjoyed, commercialised and disseminated in real time, generating new sources of local income.



Diego Balan is a serial entrepreneur in the field of culture and technology. He has a degree in International Relations from San Andrés University and was previously the director of the educational department of the Teatro Colón in Buenos Aires. He founded Argentina Canta, Ticket Hoy and Accesshoy. Based in Barcelona, he leads teams of people in several countries on his various projects, always with a global perspective and with an impact on the form of cultural production and distribution. He is an advisor for GoMusic and Blockchain Qualifications and currently leads the Xave Project.



Impact investment or impactful investment? Not the same thing

Roberta Annan

Founder and Managing Partner,
Annan Capital Partners

The creativity of young African
fashion designers has forced
the industry to take notice.
But for truly inclusive growth,
investment is essential.

I think it's fair to say that we're in the midst of a global creative revolution.

Technology and its mass availability have allowed formerly marginalised communities to unleash their creative potential, shining a spotlight on a deeply rich and culturally dynamic new market. Today, it seems impossible not to view Africa and African fashion designers as probably the largest untapped creative resource in the world, but two decades ago it wasn't as obvious to a creative industry long premised on a non-African and non-inclusive standard of fashion. Even though it's clearly counterintuitive that an industry that thrives on innovation and creative expression could have missed this opportunity, the oversight has spurred a revolution the likes of which hasn't been seen for decades – or, quite possibly, ever.

For a variety of reasons, the prevailing narrative around African designers and the nascent African creative economy used to be less than stellar. It was my belief that this narrative was ill-informed, crafted from a lack of fact-based information and, sadly, an unusual tendency for African culture to become the inspiration for Western fashion brands without accreditation or recognition. My epiphany was that the solution wasn't to seek a change from the industry itself, but to empower

African creatives from within, by finding solutions to the myriad problems they faced. This was the genesis of my belief in 'short throw' impact investing. It is also the reason organisations like Upstart Co-Lab resonate so strongly – because the beginning of the solution for these emerging creatives is strategic, efficient and, most importantly, direct capital and resource investment designed to assist and elevate those who need it the most. Unleashing a creative economy for the African region required a multi-tiered strategy allowing for access to resources, amplification of ongoing sustainable practices and the creation of platforms for international visibility. It's this belief that continues to inspire me almost 10 years later.

The landscape facing creatives of colour has long been bleak and, frankly speaking, frustrating for so many whose talent was comparable to or better than many

emerging creatives from other regions, but who lacked any sort of consistent or significant assistance. With constraints ranging from a lack of international exposure, collaborative opportunities, formalised fashion/business development and educational options to a lack of marketing/branding and capital investment, these creatives and therefore any related ecosystem had no chance of stability, much less growth. After working closely with the late Franca Sozzani at *Vogue Italia* on its Rebranding Africa issue and seeing the disparities in the industry from the inside out, I was even more convinced of the need to implement an impact-driven solution. The first step was to create what became the African Fashion Foundation. AFF is a non-profit organisation created to provide information,

industry exposure and identification of resources to grow creatives' businesses, and a pathway towards collaborative opportunities with recognised international brands and media.

Headquartered in Ghana, AFF has become a leading resource and trusted strategic partner for both African brands and mainstream luxury brands through a variety of initiatives. These include a fellowship programme that took standout African designers and brands such as Kenneth Ize to an international

audience via partners such as LVMH; designer Pappa Oppong's work with US retailer Macy's; and a scholarship programme that deepens the engagement between leading African fashion brands and mainstream European luxury brands and retailers. To date, AFF has placed over US\$1.7 million dollars of direct and indirect investment in 24 African brands and creatives through partnerships including Vogue Talents (Scouting For Africa) and the recently concluded first annual Creative Industry Retreat. We continue to add to the opportunity footprint for African creatives by expanding our affiliate partnerships in Italy, the Middle East and, most recently, in London with my appointment to the Advisory Council of the Condé Nast College of Fashion & Design, impanelled to evolve the College's ability to be cutting edge and relevant for the needs of a more diverse student audience. The appointment

The greater risk has proven to be simple inaction on the part of those who command the most significant resources and who influence the industry at large

creates yet another pathway for African creatives to access cutting-edge information and educational tools that will allow them to be more competitive in a rapidly evolving market.

However, this impact effort presents its own unique socioeconomic, cultural and logistical challenges, with any one of them capable of inhibiting any forward movement. With such a culturally and politically diverse continent, it's impossible to have a homogenous African solution – a reality that continues to underscore the need for adequate committed levels of investment.

While every investment endeavour carries an inherent risk, the greater risk has proven to be simple inaction on the part of those who command the most significant resources and who influence the industry at large. Thankfully, inaction is no longer an option. Partly because of necessity and partly because of their own innovative spirits, young creatives are doing awesome things and finding ways to overcome obstacles. This bold, 'win against all odds' attitude has now shone a spotlight

on the prior unwillingness or inability of fashion and its related industries to meaningfully engage with the sector in Africa. Since the most credible measure of the desire to effect change isn't a short-term, reactive set of responses to a problem but a consistent track record of ameliorating the problem over time, AFF in turn birthed Frallain Group, a global equity investment and brand accelerator for emerging luxury brands owned by designers of colour, and IFFAC Investment Holdings, an investment vehicle for African brands developing ethically sourced and sustainably developed products.

Each of these impactful investments continues to highlight and build the vibrancy of the African creative economy, but more must be done. Overall, the work we do has demonstrated effectiveness, but it's high time that supportive groups exponentially improve upon it. Before one can reap a harvest, one must first sow into the soil. Let's not just verbally commit, but make a unified effort to make that happen.



Kenneth Ize, Loom Project
Photo credit: Roberta Annan



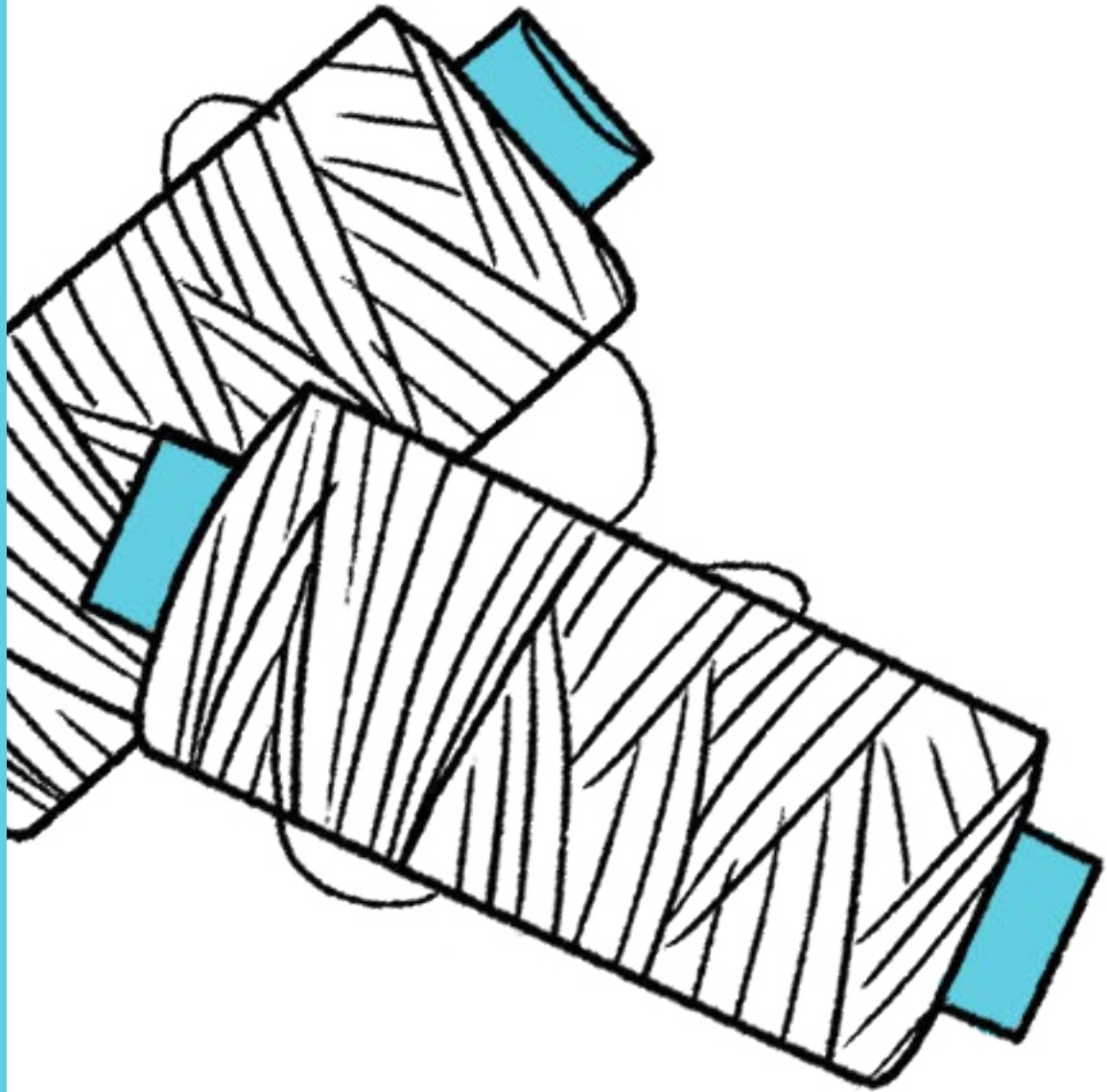
Roberta Annan, Lagos Fashion Week
Photo credit: Roberta Annan

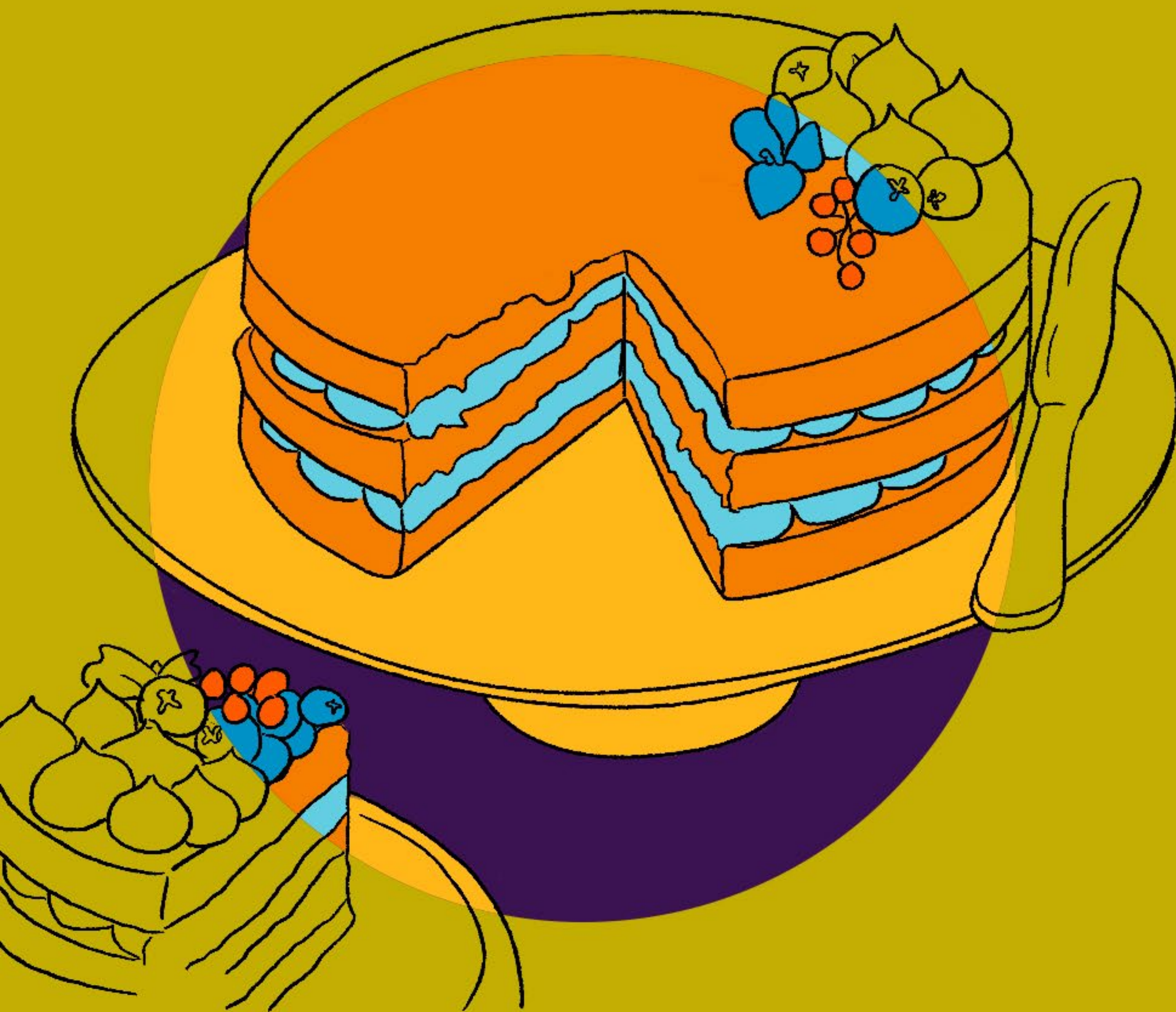


Roberta Annan, Lagos Fashion Week
Photo credit: Roberta Annan



Roberta Annan is the founder and managing partner at Annan Capital Partners, a fast-rising private investment and advisory firm in West Africa aimed at bridging the gap between investors and impact investment opportunities across Africa. She draws from her wealth of experience across various markets globally, while leveraging her extensive network to help entrepreneurs bring their ideas to the market and scale globally. Roberta is the founder of Africa Fashion Foundation (AFF) and IFFAC Investment Holdings, both aimed at supporting Africa's creative and lifestyle industries. She is involved in conversations and discourse on various topics and socioeconomic issues that are prevalent in Africa, including women's empowerment, entrepreneurship, youth unemployment and gender parity.





Unlocking creative economy opportunities by investing in women

Evelyne Dioh Simpa, Managing Director

Awa Dia, Board Member

Maimouna Mbacké, Board Member

Liliane Coulibaly, Manager

WIC Capital

A women-focused investment fund in West Africa has found a natural path to the creative economy.

WIC Capital didn't set out to be a creative economy investor. Now we have three artists in our portfolio. When you're an investment fund focused on women entrepreneurs in West Africa, becoming an enthusiastic investor in the creative sector naturally follows.

Africa has a thriving and vibrant cultural and creative industry whose influence touches cultures and communities across the world. Beyond the obvious social and cultural value of this industry, there is increasing recognition of its economic significance. The boom in Africa's exports of music, movies and fashion illustrates the growing demand for African cultural products. Nigeria's film industry, Nollywood, is now one of the largest employers in the country, directly and indirectly employing over one million people.

The recognised contribution of creatives to Africa's economy is still small, however: only 1.1%. Africa is also underrepresented in the global creative economy, accounting for only 1%, according to the latest available data. To unlock the full economic potential of Africa's creative sector, there needs to be an injection of capital from investors who are willing to bet on the capacity of creatives for building viable businesses, creating jobs and developing local value chains.

WIC Capital is working to strengthen small and growing businesses within the creative industries by providing them with the appropriate business support and capital to enable them to grow and thrive in their local economies. We are a US\$20 million women-focused fund that invests in early-stage, women-led small and medium enterprises (SMEs) in Senegal and Côte d'Ivoire. While our focus is sector agnostic, 75% of our nascent portfolio is invested in creative food and fashion businesses. We learned very early into our journey that such businesses present a solid opportunity at the intersection of profitability, impact and gender equity.

Investing in food and fashion for local impact

In 2020, we invested in our first creative industry business, Sarayaa, an export-oriented designer brand specialising in high-end fashion. Sarayaa mixes traditional and modern fabric, sourcing its materials from traditional African weavers.

Our investment was motivated by growth in the fashion industry, and in particular in the apparel segment – an US\$83 billion industry that is expected to grow 7% annually¹ in spite of the pandemic's economic impact. High-end and luxury apparel items are in high demand on the African continent and abroad, where African designers are gaining global recognition.

The digitalisation of the fashion sector will further this recognition and demand by reducing geographical barriers and increasing the visibility of brands. Now and in the coming years, there is a real opportunity for local designers to capture a growing global market. We believe the development of local fashion brands such as Sarayaa will catalyse a thriving and sustainable local textile value chain.

In February 2021, WIC Capital invested in Les Ateliers de Corinne, a Senegalese

start-up specialising in cake design, with a strong focus on digital food influence through its production of digital culinary content and cooking workshops. The young founder exemplifies a new generation of entrepreneurs who combine creative use of local ingredients with modern media to bring together a community of enthusiastic customers and social followers. Our investment will enable Les Ateliers de Corinne to make strides in growing its brand and chain of bakeries throughout the African continent, creating 26 new jobs in the next two years.

Most recently, we invested in Mburu, a local bakery chain promoting gender inclusivity and sustainability in the food supply chain. Mburu sources locally grown organic cereals for its bread and pastries through a network of women micro-entrepreneurs. Its bakery products are

In such a nascent investment sector, we recognise that more than money is needed to catalyse material and sustainable impact: the creative economy needs partners offering technical assistance and innovative financial structuring

then sold by a network of self-employed women through branded kiosks and franchised bakeries. By investing in Mburu's growth, WIC Capital is accelerating the livelihoods of hundreds of women in rural Senegal, strengthening local agricultural value chains, providing access to high-nutrient food products for the middle class and low-income population, and offering a sustainable source of income for women in its sales network.

Becoming partners in the creative economy

As these three examples show, by looking to generate impact, create jobs and develop local value chains, WIC Capital became a creative economy investor. However, in such a nascent investment sector, we recognise that more than money is needed to catalyse material and sustainable impact: the creative economy needs partners offering technical assistance and innovative financial structuring.

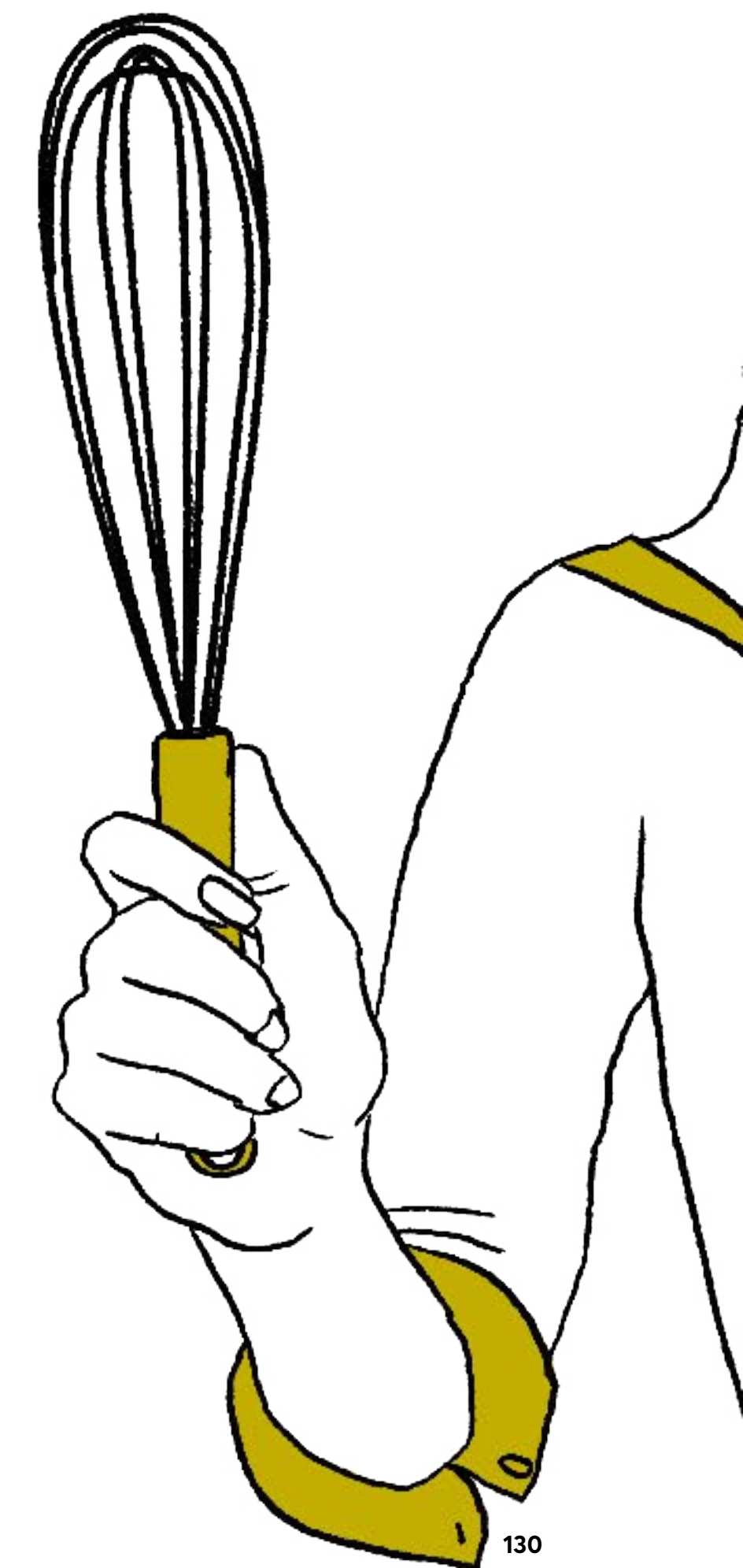
WIC Capital offers its business partners structured self-liquidating financing instruments that reduce the risk of a company not finding a traditional exit such as an acquisition or a flotation in the public markets. This revenue-sharing approach allows us to participate in the upside potential of the businesses we support, while guaranteeing the entrepreneurs complete control of their businesses on our exit.

We also operate a dedicated technical assistance programme, WIC Académie, that provides pre- and post-investment support to women-led businesses to help them work towards investment readiness and bolster their business models.

As digitalisation of creative enterprises grows, so too will visibility and understanding of the contributions and influence of creatives in the global economy. It will also strengthen the less tangible sides of creativity and culture: their impact and dynamism, and ultimately, their survival.

For now, creative entrepreneurs and SMEs still have only limited access to the capital they need. The structuring and formalisation of cultural enterprises could encourage more funding to flow, but this requires proactive policies that foster cultural and creative clusters while allowing entrepreneurs to both scale up and improve their skills and know-how. Cohesive investment in infrastructure to produce quality offerings that can compete at an international level is also necessary.

In the meantime, WIC Capital sees an opportunity for investors to strengthen the creative economy by investing with a gender lens. Early financial support offers a form of guarantee that can unlock access to other financing mechanisms for SMEs and enhance their financial capacity. We continue to fundraise and deploy capital to this end because we are confident that investing in women-led businesses, including those in the creative industry, will contribute to an inclusive economy and social growth across Africa.



¹ Luxury Apparel Outlook – Statista



An export-oriented designer brand specialising in high-end fashion
Photo credit: Sarayaa



Local bakery chain promoting gender inclusivity and sustainability in the food supply chain
Photo credit: Mburu



A Senegalese start-up specialising in cake design
Photo credit: Les Ateliers de Corinne



Evelyne Dioh Simpa is the managing director of WIC Capital and a member of the Women's Investment Club. She is a seasoned investment professional with a profound commitment to contributing to the development of the private sector in Africa by assisting underserved entrepreneurs.



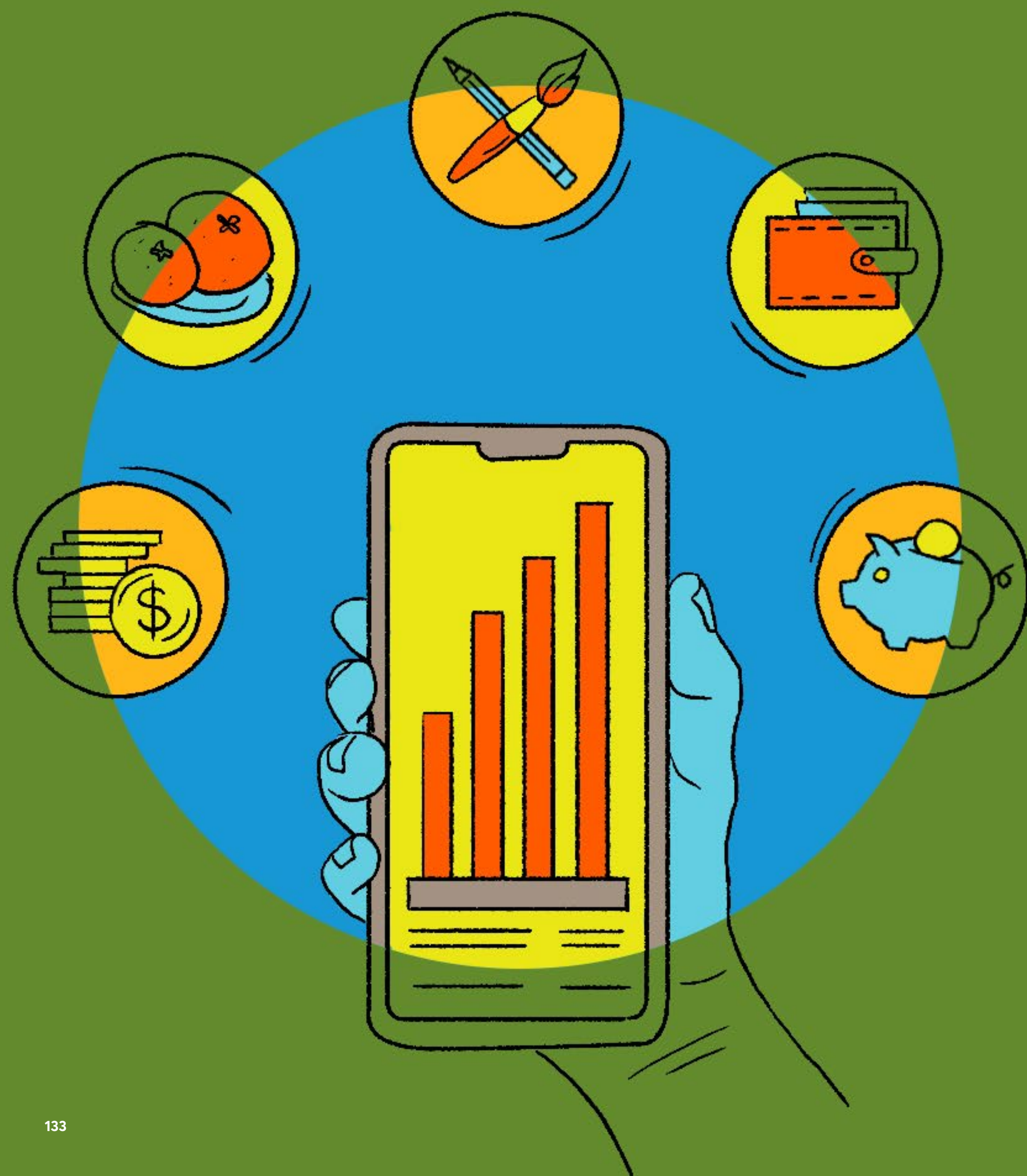
Awa Dia is a communication expert and board member of WIC Senegal. After 20 years working in the private sector, she founded ADN Strategy and Collect for Change, a fundraising platform for social causes.



Maimouna Mbacké is a strategy consultant specialising in international development, a social entrepreneur and a board member of WIC Senegal. She is a fierce advocate for women and youth empowerment through education and entrepreneurship.



Liliane Coulibaly is the manager of WIC Senegal, with experience in international development and the humanitarian sector. She has a passion for entrepreneurship.



Virtual Medici: Digital financial services and the creative economy

Michael Hokenson

Co-Founder, Community Investment Management

Artists saved the life of an impact investor and set him on a path to leveraging technology to support the creative economy.

When I fell gravely ill on a trek 25 years ago, Tibetan artists who had resettled in the Kathmandu Valley brought me oranges and medicine until I was strong enough to return home. Inspired by the success of entrepreneur and designer Stephanie Odegard, who revolutionised the world of hand-knotted carpets, I began working with these same artists to bring their handicrafts to the United States. They had started their businesses with microfinance loans and I was witness to the transformative power of innovative financial solutions for the underserved.

As their artistic expression blossomed, microfinance grew as a field, and I returned to graduate school to study how it might scale. Under the leadership of Professor CK Prahalad, we published our findings in *The Fortune at the Bottom of the Pyramid*. Then the United Nations declared 2005 the Year of Microcredit. Dr Muhammad Yunus and the Grameen Bank won the Nobel Peace Prize the following year and microfinance entered the financial mainstream.

Since that time, my partners and I have designed and managed institutional impact investment strategies that connect capital with creditworthy but underserved borrowers. Our firm, Community Investment Management (CIM), provides strategic private credit financing to scale and demonstrate responsible innovation in lending.

Since 2014, we have partnered with 20 innovative lenders to provide over US\$1.5 billion in debt financing to 70,000 small businesses and individual borrowers. Scale matters here, in part because the potential to do good is so great (annual capital shortages for micro, small and medium enterprises measure in the trillions). The digitisation of society and commerce has meant that innovation in lending has been virtualised. Financial technology (fintech) startups across global markets are serving small- and medium-sized enterprises (SMEs), low and middle-income households and underserved students.

During the Covid-19 pandemic, we have seen the acceleration of many of the digital finance themes in which CIM has been investing since our founding. The last year has validated our thesis that fintech lenders can act faster

The last year has validated our thesis that fintech lenders can act faster than banks and traditional lenders to reach underserved borrowers at scale

than banks and traditional lenders to reach underserved borrowers at scale, due to their ability to move quickly and continue activities despite disruptions to physical business operations. Social distancing and shelter-in-place orders have moved more transactions online, enriching data sources for digital underwriting and offering a larger volume of new types of collateral, such as digital payment settlements. In response, fintech lenders are shifting to new and more sophisticated business models, moving away from competing on interest rates for a one-time customer to higher engagement, multi-product platforms. More lenders are focused on long-term borrower relationships and embedded products with multiple revenue streams. A wave of increased connectivity (application programming interfaces (APIs) to payroll and accounting,

for example) and contextualised data sources have helped accelerate these advancements.

For creative economy entrepreneurs, digital financial services hold the key to unlocking their ability to build their businesses, create jobs, infuse communities with economic vitality and build wealth. Our partner CircleUp, for example, has developed a responsible invoice finance product that aligns with a business's trajectory and provides the crucial working capital that creative businesses need to grow. Imagine

what that means for a growing artisanal producer with orders to fill.

In measuring our impact, we find that the creative industries play a major role in our portfolios, a particular point of pride for me, considering how I got my start. From art galleries and salons to food artisans and software developers, 24% of our US small business lending portfolio is dedicated to the creative economy. Since 2014, we have deployed a quarter of a billion dollars to more than 1,100 creative economy businesses, according to the classification from Upstart Co-Lab. These loan proceeds have enabled 14,000 jobs and US\$1.3 billion in small business revenue and have affected 36,000 lives in nearly 700 communities. As investors, it's good business providing credit to these underserved enterprises.

The creative economy is one of the fastest-growing sectors of the world economy – 9% annual growth, 12% in the developing world – and it is transformative for participants in terms of income generation, job creation and export earnings. It will represent around 10% of global GDP in the years to come, according to UNESCO.

As we contemplate a post-Covid world, we share UNCTAD's optimism that the diverse voices in the creative economy will place us on a new trajectory – a convergence of social equity and environmental justice. As impact investors, we hope to accelerate this convergence with fintech business models that drive financial inclusion. And, as funders of the creative economy, we strive to place these economic guardrails at the service of human ingenuity.



Michael Hokenson is co-founder and partner of Community Investment Management and leads business development for the firm. Before CIM, he co-founded Minlam Asset Management, a microfinance investment advisory firm. Following Minlam's acquisition, he joined TriLinc Global LLC as Director of Sales, launching the first SEC-registered impact investment fund focused on small and medium enterprise credits in emerging markets. He has published case studies on the profitability of microfinance institutions in *The Fortune at the Bottom of the Pyramid* by Professor C.K. Prahalad. He graduated from the Erb Institute of Global Sustainable Enterprise at the University of Michigan, earning an MBA at the Stephen M. Ross School of Business and a MS at the School of Natural Resources and Environment.



Urban renewal with creative DNA: Impact, culture and urban development capital

Juan Diego Ortiz

Managing Partner, Coolture Investments

In Colombia, an orange economy programme to establish creative and cultural districts has the potential to deliver broad impact and transform the nation's cities.

Taking a chance on the joint forces of the creative economy, urban development and impact investing as vehicles for social change is rooted in the hope of generating environments in which culture and creativity inspire society to become better and lead the way to a new economy. Achieving this will foster economic and social wellbeing, as well as the intangible capital that results as culture permeates the fabric of society.

The huge challenges confronting Latin American societies represent a sea of opportunities for transformative projects. Densely populated and often chaotic, although always vibrant, cities continue to grow daily and require solutions, alternatives and infrastructure to meet the growing pressures that development always brings. Meanwhile, a creative class of artists, creators, entrepreneurs and innovators are daily gaining ground in international and local markets. Not only do they prove their value and influence, but they highlight the need for strengthened efforts to resolve the bottlenecks that stop development from reaching its full potential. At Coolture, we believe artists and cultural entrepreneurs benefit enormously from supportive local environments and from cluster strategies in which proximity to other creative industries boosts cross-fertilisation.

Keeping this vision in mind, we created Coolture Investments in 2014, with a focus on developing the creative industries. We realised early on the constraints facing the art world and its most pressing needs. In 2017, we became part of the orange economy strategy to coordinate actions in the region and generate a stronger economy. This involved concentrating not only on creators and their industries, but the creative economy in general. In Colombia, local work in public policy was galvanised by the 2018 national commitment to prioritise the orange economy, creating a field in tune with our vision, track

record and experience. We focused our efforts on achieving the greatest impact possible by establishing the country's first creative and cultural district – or Orange Development Area (ADN), as designated by the national government. The national development plan committed to the creation of five ADNs in the government's four years in office, and the proposal has been so successful that 35 different cities and municipalities around the country have already pledged to join. Our initial focus was on the San Felipe neighborhood in Bogotá, renowned for more than a decade as one of Colombia's visual arts epicenters, and now a melting pot of all creative industries.

The project is not without its challenges. A cultural and creative district represents a commitment to change the landscape, build new infrastructure to meet housing deficits, create work, provide leisure and cultural venues, offer transportation, and deliver anything else required by urban development, while still focusing primarily on boosting the growth of industry and the creative class. The impact, of course, is on the entire community – possibly transforming a city forever.

We approached our strategic planning process, on the one hand, by investigating these types of phenomena in other parts of the world, to identify best practices for authentic, local and collaborative development, protecting local commodities, and avoiding the usual pitfalls, such as gentrification and real-estate speculation, that would ultimately wreck the projects.

On the other hand, we work with some of the world's best-known groups devoted to sustainable urban development. We aim to create an international case study concerning the design of long-term value propositions, aligning these new districts with the best global practices in new urban settings. Our goal is to achieve an adaptive transformation that provides a better balance between the culture of the place, financial resources, city planning strategies and constructability.

Another challenge is integrating social partners: on the one hand, all private stakeholders with a major role promoting these districts; on the other, regional and national levels of the public sector. All of them are striving to achieve the best synergy to broaden and expand cultural and urban development goals, generate employment, address deficits and tackle all relevant drivers for these districts to achieve the greatest possible impact, always prioritising the 17 Sustainable Development Goals (SDGs). In 2019, we managed to be declared a Project of National and Strategic Interest (PINE) by the presidency of the republic and the Ministry of Industry and Commerce. Our aim was to speed up development and to create solutions for the challenges posed by such large-scale projects.

Finally, there is the financial challenge – a capital-intensive challenge that has required all our financial creativity. Working together with the best investment banks and financial consultants, we generated our own equity fund, with a tenet and design that are unique in the region, because of the need to create sound conditions in a highly volatile country and region. We have worked to design strategies ranging from low-risk investments backed by assets with repurchase agreements to cross-currency swaps used to hedge foreign capital investments. We have established long-term relationships with diverse investor profiles, beyond traditional investment funds.

This approach to setting up a territorial creative development model has started to bear fruit in the cities of Colombia. In the first quarter of 2021, we have branched out to other cities in Latin America and Europe to create cooperation and growth networks and to generate value in the world. This will accomplish change at the intersection of the creative economy, urban development and impact investing.



Juan Diego Ortiz is a serial entrepreneur and impact investor. At present, he is managing partner at Coolture Investments and is focused on developing capital-intensive vehicles for the creative economy and urban renovation strategies that are driven by culture and impact investing.



Souls Grown Deep: In pursuit of impact

Maxwell L. Anderson
President, Souls Grown Deep Foundation

A foundation dedicated to promoting the work of Black artists from the US South became a pioneer of art world impact investing.

The art world is at times hermetic and self-referential. Museums, artist-endowed foundations, commercial galleries and art fairs can resemble a never-ending carousel of party-going collectors, curators and dealers.

Behind the glamorous facade of the art world are newly urgent challenges. Decades-long resentments about the privileged classes dominating the creative sector have boiled over. And today there is no hiding the fact that the art market - the largest unregulated legal market in the global economy - is a preserve of wealth, speculative investment and vanity.

In 2002, the much-heralded exhibition *The Quilts of Gee's Bend* opened at the Whitney Museum of American Art in New York City, and the ground began to shift beneath the largely market-driven art world.

Dozens of textile masterworks by rural women not yet invited into blue-chip galleries took their place on the walls of one of the leading contemporary art museums globally. *New York Times* chief art critic Michael Kimmelman departed from his traditionally measured tone, describing the quilts as 'some of the most miraculous works of modern art America has produced'.

The quilters responsible for these works were direct descendants of slaves on the plantation maintained by Joseph Gee. They still bear the names of slaveholders from before the American Civil War. But unlike those who migrated elsewhere in the United States in the course of the last century and a half, these women remained near their birthplace, subsisting in relative obscurity while turning out works of genius in fabric, generation after generation. Life in Gee's Bend is still a daily challenge, with rudimentary utilities, minimal infrastructure and employment opportunities, and next to no commerce or tourism.

Eight years after the Whitney's exhibition, the collector William S. Arnett donated 1,300 objects from his extensive collection of works by Black artists from the American South to create the Souls Grown Deep

Foundation, a non-profit dedicated to writing the long-neglected history of creativity across the Black Belt. Works by the 160 artists represented in the foundation's collection had already been circulating in exhibitions, including the display at the Whitney, but were now placed in the hands of a charitable organisation dedicated to permanently altering the canon of art history to include this unheralded tradition.

In 2019 Souls Grown Deep's board chair Mary Margaret Pettway, a fourth-generation Gee's Bend quilter, approved our rededication to a social purpose as well as an art historical one, by creating the Souls Grown Deep Community Partnership. This new parent organisation, with the foundation serving as a supporting organisation,

began seeking ways to have an impact on the communities that gave rise to the artistic accomplishments of so many across the southeastern United States. We started making grants that were paid for by selling artworks on a discounted basis to top-tier art museums.

But it was not until the Community Partnership met with Upstart Co-Lab's founder Laura Callanan that we saw the transformative potential of impact investing. Our board of directors was immediately intrigued by her elucidation of both the moral coherence of

directing our resources thoughtfully and the competitive performance of funds and enterprises firmly lodged in the impact investing sector.

With her help, we directed 100% of our small endowment towards values-aligned decisions. We focused on supporting projects that are stimulating the creative economy in rural Alabama. Creating a resale royalty award programme providing direct financial benefit to artists. Setting up a small resource centre in Gee's Bend to support voter registration, even as narrow-minded politicians seek to claw back voting rights. Helping to fund, along with the non-profit Nest, the provision of a sophisticated online sales programme to allow artists direct access to consumers.

Works by the 160 artists represented in the Foundation's collection were now in the hands of a charitable organisation dedicated to permanently altering the canon of art history, and to addressing racial injustice and income inequality

Supporting the Freedom Quilting Bee Legacy, a revived programme and centre for quilters to work, teach, display and sell their textiles. And we decided to take things further, helping to connect Upstart Co-Lab to 22 members of the Association of Art Museum Directors, to lead a targeted conversation about redirecting some of the billions of dollars in their endowments to impact investing.

Our turn to impact investing led us most recently to a US\$600,000 investment in the progressive apparel company Paskho, founded and helmed by visionary designer and entrepreneur Patrick Robinson. Paskho's Community-Made™ line rethinks traditional manufacturing, personalising the makers of clothing and locating production pods in American communities that will benefit from job creation and the associated economic development.

Robinson made the decision to create a pod in Gee's Bend, acknowledging not just the technical sophistication of the makers in that hamlet, but also the creative design ideas they could bring to his company. After purchasing the required manufacturing equipment, he began hiring local residents, who are now making dependable, year-round incomes for the first time. Which, in turn, led us to fund a shared prosperity study to help protect these new earners from unexpected income tax impact.

There is, for the very first time, a glimmer of hope that the much-vaunted artistic tradition of Gee's Bend may have spawned ongoing, tangible benefits beyond the satisfaction of quilters seeing their work and the works of their relatives and ancestors hanging in leading art museums. Gee's Bend's long-awaited entry into the US economy, a century and a half after the Confederacy fell to Union troops, may be underway.

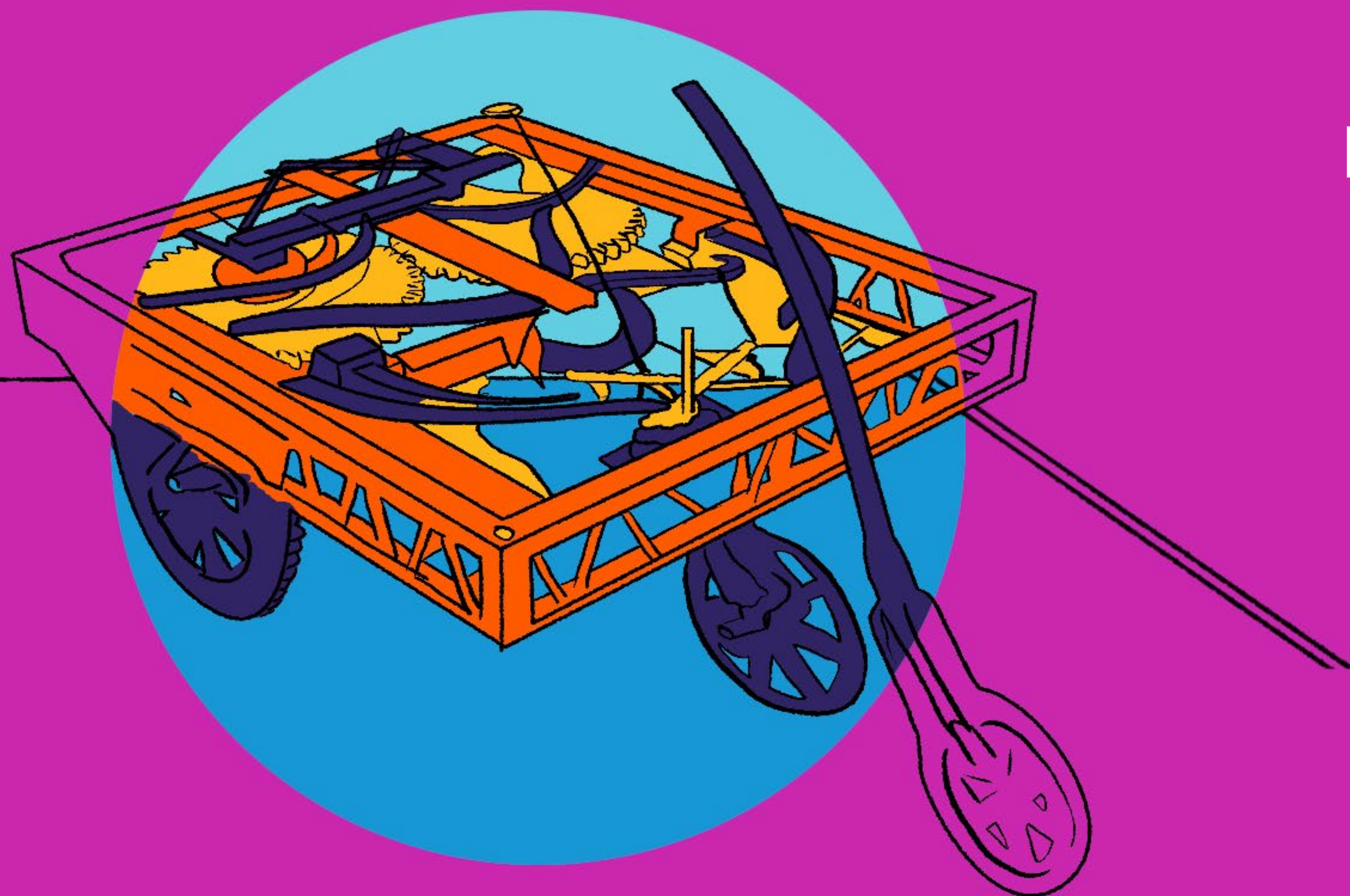
Souls Grown Deep is preparing to build on Paskho's job creation with the provision of a cultural trail along the paved and unpaved roads of the unincorporated townships of Boykin and Alberta, Alabama, and through the whole Gee's Bend community. The resultant cultural tourism should propel yet more investment in infrastructure and accompanying professional opportunities in the fields of hospitality and retail.

Upstart Co-Lab's advice retooled Souls Grown Deep from a well-intentioned foundation into a change agent. The connections Upstart forged - with the inspiring charitable organisation Nest, with investment vehicles like

NACP ETF and, most recently, with Paskho - put us on the road to a 360-degree approach to fulfilling our mission. And the powerful incentive to bring along with us others from the art world to free up billions for investment in ways consonant with the progressive values now championed by arts institutions across the United States and abroad. There will be bumps in the paved and dirt roads ahead, either in adherence to our values or in investment performance, but we are not turning back.



Max Anderson has devoted his career to advancing the mission of non-profit cultural institutions, while creating best practices to ensure their development and sustainability. He has long sought to address challenges facing the cultural sector, from community engagement to programmatic relevance, transparent business practices, cultural property ownership disputes, operational efficiency and the impact of digital platforms on communications. Max served as a museum director for almost 30 years in Atlanta, Toronto, New York City, Indianapolis and Dallas.



Intellectual property: The assets of the creative economy

Esteban Santamaría Hernández, Founder and Director
With **Daniel Wong Ortiz** & **María Fernanda Parra Baleón**,
Research Assistants, CAIINNO

Intellectual property, as an intangible asset, is part of the DNA of the creative economy. Investors who don't recognise its value are missing exciting opportunities in a rapidly evolving sector.

For many people, the work of years is materialised in tangible goods such as cars or houses. For creative people, though, it is materialised in intangibles such as paintings or songs, which are protected through intellectual property rights. For this reason, the creative economy cannot be conceived without the concept of intellectual property as a representation of intangible assets.

Intellectual property rights are the linchpin of commercial transactions in the creations generated by the world's creatives. JK Rowling, writer of the Harry Potter series, was able to obtain royalties for the use of her creations in many ways, including movie and video game adaptations, as well as toys. Underlying all these payments are copyrights, trademarks and other intellectual property rights.

Intangible assets have played an increasingly important role in the valuation of companies in recent years. In the S&P 500, a US benchmark index, intangible assets represented just 17% of the total market value in 1975, while by 2020 they accounted for 90%.

As intangible assets become a more relevant part of the global market, investors should become more comfortable with the idea of investing in the creative economy, reducing reliance on state support.

Consider, for example, Cirque du Soleil, which had the Quebec government as a partner. When the founders of the Cirque decided to grow and pursue their path as a private company, they needed to raise capital to make it happen, but at that time, who was going to lend them money or invest in a creative industry? In private banking, they found a small savings company that took the risky decision to support them. This was the Caisse Solidaire Desjardins, which granted them a US\$20,000 loan – possibly the best investment in the history of that bank.

It has not been easy to convince private banks of the opportunities offered by the cultural and creative industries. It usually happens in countries with more experience in the field, typically more developed; however, there are exceptions. A notable one is Nollywood, which

has become the second largest film industry in the world. The creative economy contributes significantly to Nigeria's GDP and the film industry is one of the most important employers in the country, prompting some African private banks to offer loans for entrepreneurs in the creative sector.

Given the continued challenges of attracting investment to a field in which the product is intangible, the European Union has funded research to identify alternative and innovative mechanisms of financing cultural industries, specifically for the African, Caribbean and Pacific regions. The report identified five methods of financing: start-up and crowdfunding; cluster financing; debt financing; capital financing; and export financing. Those are some of the best options available for investors looking to bet on the creative economy.

Although the pandemic has created widespread challenges for the creative sector as a whole, some industries in the sector have managed to grow – for example, those related to the generation of content that is streamed online. Many startups and companies that looked unattractive to investors before the pandemic have now generated returns that have paid off massively for those who put their trust in them. That is why it is key to identify how to monetise intellectual property – otherwise, these companies would not be profitable.

A study conducted by the European Parliament concerning the

effects of the Covid-19 crisis on the creative economy shows that private investment in these sectors has been reduced. However, as at any critical juncture, the current situation represents an opportunity for fundamental restructuring. Governments, investors and private banks are facing a unique moment to participate in the design of a new creative economy.

Another study looking at the effects of the crisis on this part of the economy highlights an element of growing importance in the new normality: digitalisation. Creatives have had to take their creativity to unimagined places in the digital world, from artificial intelligence to virtual reality. As the OECD highlights, there are opportunities for innovators

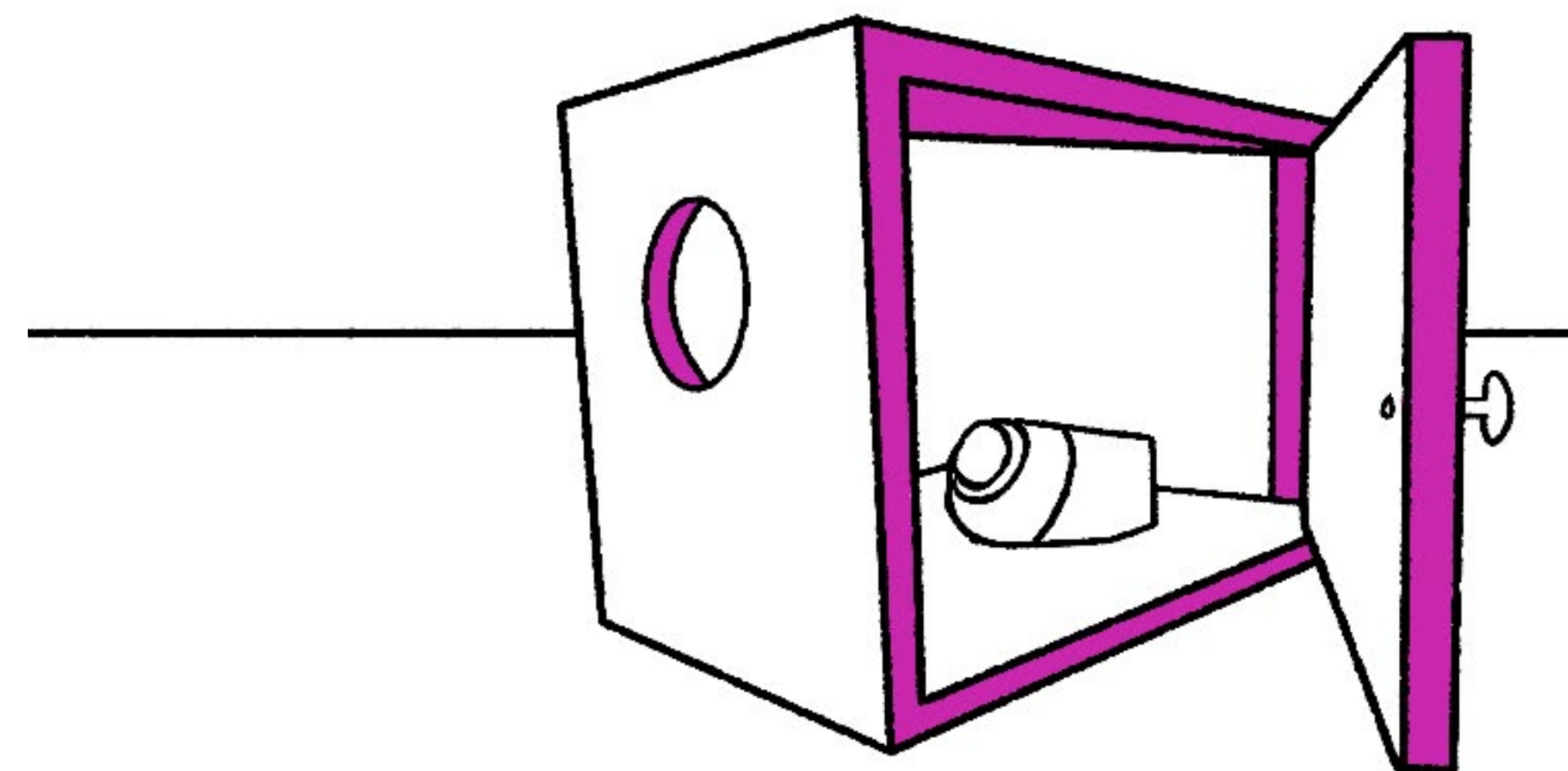
Many startups and companies that looked unattractive to investors before the pandemic have now generated returns that have paid off massively for those who put their trust in them

and investors to seize the opportunities presented by new technology to move the industry forward.

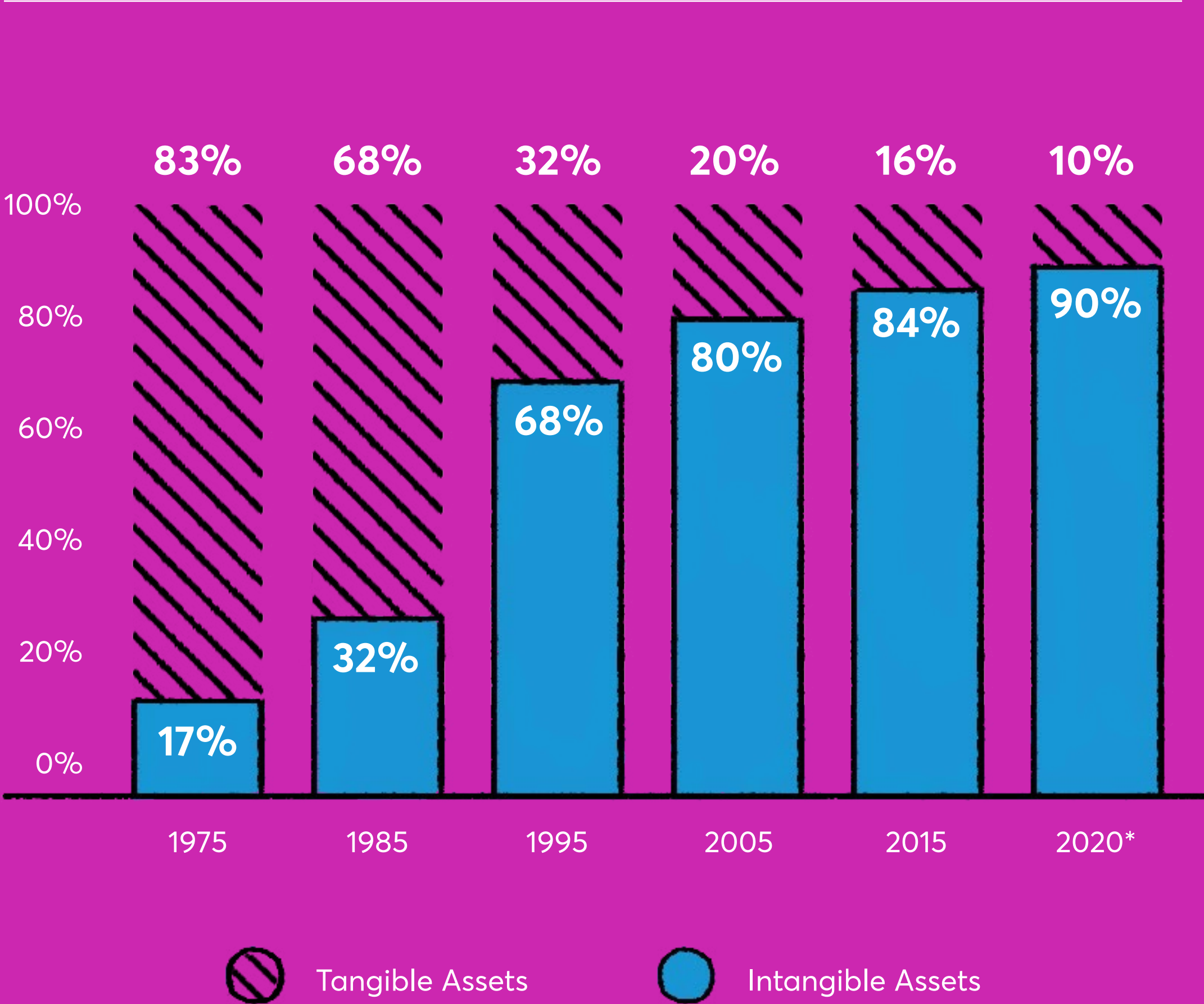
In the debate around intellectual property, digitalisation is breaking paradigms: for example, in a work in which a creative collaborates with artificial intelligence, is the artist the only owner? This becomes even more complicated when almost all the work was made by technology, as in a 2018 case in France. On this point there is no certainty, although in China in 2019 a court recognised the copyright of a piece of artificial intelligence software.

At CAIINNO, we seek to generate useful knowledge and proposals to enable governments and creatives to make more enlightened decisions within the creative economy. Our projects include a big data visualiser, designed using information about the creative industries in Mexico and other countries, as well as proposals for the sector in the pandemic, including one selected by the Inter-American Development Bank from among more than 200 worldwide.

In conclusion, intellectual property as an intangible asset is a key element for both the creative economy and its investors. Understanding, protection and respect for the concept become relevant at any stage of the creation and commercialisation process. Intangible assets open up the possibility for investors to capitalise on the investments made in this economy. In consequence, without intellectual property there is no creative economy.



Components of S&P 500 Market Value



Source: Ocean Tomo. LLC Intangible Asset Market Value Study, 2020
*Interim study update as of 07/01/2020



Daniel Wong Ortiz is an investment strategy advisor, certified by AMIB. He is a research assistant at CAIINNO, a think tank that develops research and proposals on innovation. His current research relates to the investment and monetisation of intangible assets. He holds a degree in Banking and Investments from the Universidad de las Américas Puebla.



Esteban Santamaría Hernández is founder & director of CAIINNO, a Mexican think tank focused on the knowledge and creative economy. He has been a consultant for the Inter-American Development Bank in activities related to intellectual property, creative economy and innovation. He holds a master's degree from the George Washington University, for which he was awarded a Fulbright scholarship. He has been a presenter at institutions such as the World Bank. He has represented Mexico and Latin America in activities organised by institutions such as the World Intellectual Property Organization (UNCTAD). His master's thesis was recognised as the best in copyright and property rights in Mexico by the National Institute of Copyright.

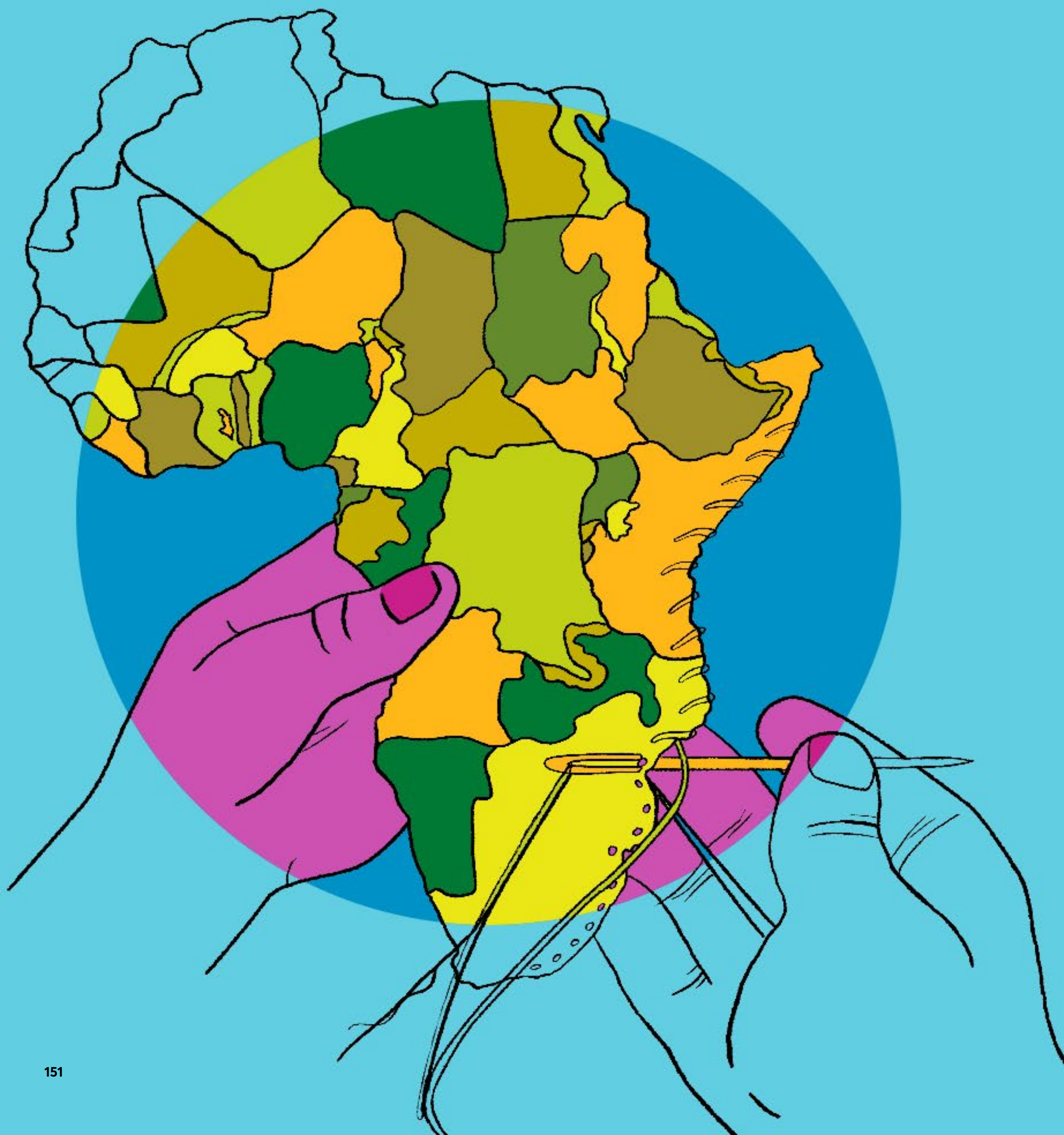


María Fernanda Parra Baleón has a degree in Banking and Investments from the Universidad de las Américas Puebla. She is a permanent collaborator in El Supuesto, the newspaper of the Instituto Tecnológico Autónomo de México. She has worked as a research assistant at CAIINNO and at Accurate Media. She was also in charge of the dissemination of financial education for the Secretaría of Public Education.

Financing for cultural and creative industries in Africa: Sustainable solutions

Yemisi Mokuolu, Founder and CEO
Victoria Kay, Global Partnerships
Hatch Africa

Access to finance and dedicated business advice is still limited for start-ups and growth businesses in the creative and cultural industries across Africa. Through a dedicated platform, a business consultancy is aiming to fill the gaps.



Specialising in Africa and the creative industry, Hatch Africa supports entrepreneurs, innovators and pioneers to hatch their businesses, projects and initiatives by providing them with bespoke, high-quality, state-of-the-art consultancy and training.

Since its inception in 2012, Hatch Africa has been focused on addressing the lack of dedicated business development and financing options for creative industries across Africa. These businesses have a proven potential to grow into global brands, providing multiple jobs, greater wealth for communities and better social environments.

However, this potential is hampered by limited access to finance and business advice, particularly for projects and companies requiring less than £5 million, and by a stilted investment flow in creative and cultural industries (CCIs) in Africa, attributable not to the availability of capital but to a lack of understanding among creatives and investors of investment processes and how these work within creative industries.

Through the course of 2019, we carried out research on the financing for CCIs in Africa, published as a book chapter by King's College London in October 2020.¹ We took a deep look at access and disbursement of financing for CCIs and at the associated concept of business support. The research showed that successful investments happen when creatives have a full understanding of the mode of investment suited to their business model. Although the financing of CCIs in Africa has acquired new centrality over the past decade, we found that the financing mechanisms and frameworks, as well as the support provided to and required by these businesses, still need to evolve if the full potential of the sector is to be unlocked.

Hatch Africa's vision is one of incubation, investment and impact. Guided by our daily experience and our research findings, our aim is to address current gaps and needs by setting up a dedicated platform comprising a business accelerator providing business development and technical support both pre- and post-investment



Ayada Lab
Photo credit: Hatch Africa

(online and in physical spaces), as well as a fund to meet the specific development and growth needs of creative businesses making an impact for Africa economically, socially and ideologically. We are in the process of seeking investors who share this vision to achieve these plans.

Hatch's journey to setting up its dedicated Hatch Africa platform has spanned more than four years and faced a number of challenges. Chief among these was a lack of understanding – on the one hand, by development agencies of investment finance, and on the other by people in finance of Africa and the creative industries. Funders and investors often queried whether there were buyers for African creative content and if there was even such a thing as creative industry in Africa, let alone the banks, financial guarantors and systems in place locally to be able to manage investments in the sector. At the same time, most of the creatives we interviewed reported a limited understanding of the investment mechanisms and opportunities available to them.

Since 2012, Hatch Africa has been striving to raise the profile of African creative content by providing entrepreneurs with skills and knowledge through business development and incubation programmes; educating audiences by creating greater proximity and access to content; and advocating and lobbying with governments to invest in capacity building programmes. We are also continuing to explore and build on several key aspects of our research.

One such aspect is the importance of adequate, purpose-built training and business support across the entire lifecycle of businesses and projects. An example is the Adire Lounge in Nigeria, which empowers women and young girls in rural communities with textile design skills. Hatch Africa helped the project pivot, grow and accelerate by working with the founders to develop a business model enabling them to build their capacity and that of their beneficiaries. In the two years following, they have provided 250 women with skills training and today employ about 25% of them, while the others have the skills to set up their

own practices. The project sells to 15 countries globally and is now in a position to seek US\$300,000 to increase production capacity.

We are also seeking to close the proximity gap between funders, development partners and creative businesses in their ecosystem. Hatch Africa served as experts in developing the Adaya Lab programme, initiated by the Goethe Institute and Institut Français to support the development of creative and cultural entrepreneurs in West Africa. While guiding the institutes through a pilot project, we were able to increase the understanding among all stakeholders of businesses in the creative industry

ecosystem, facilitating a more mutually informed exchange between investors and recipients and showing partners the roles they can play in enabling the ecosystem to achieve its potential. The programme is now in its third year and both institutes have provided added value to expand the programme. Participants benefit from training, grants and relationships with the local partner office, which has the funds and resources to showcase their projects to their networks.

Both these aspects are central to the creation of financial models and interventions that reflect

the realities and nuances of the creative ecosystem. This is the third aspect we aim to continue exploring: the importance of financing models, opportunities and options that are specific to the needs of the creatives and businesses in this ecosystem.

Funders and investors often queried whether there were buyers for African creative content and if there was even such a thing as a creative industry in Africa

1. Y. Mokuolu, V. Kay, C.M. Velilla-Zuloaga (2020), 'Finance for creative and cultural industries in Africa' in Comunian, R., Hraacs, B. J., England, L. (eds.) *Higher Education and Policy for Creative Economies in Africa: Developing Creative Economies*, Routledge: Contemporary Africa.

Looking ahead, we not only seek to set up a dedicated platform but to share our key findings and experience through events and publications, leveraging our network and expertise, and engaging all stakeholders to jointly address the identified gaps and implement viable and sustainable solutions. Such solutions and initiatives include, but are not limited to:

- Leveraging and fostering access and networks by establishing partnerships with incubators across Africa and around the world who can implement Hatch Africa's accelerator programme training.
- Developing and curating relationships with investors.
- Lobbying and working with governments to endorse and develop policy to adopt Hatch Africa's financing model and methodology.



Asa Baako
Photo credit: Hatch Africa

There is much more to be done. The momentum is there, the opportunity is evident, and there is a role to be played by each stakeholder, as this narrative is one of movement, not inertia. The approach of CCLs is 'high-speed, wait-for-no-green-light and ask for forgiveness later'. Let us work together to generate a healthy and enabling medium between this approach, the slower pace of institutions and policymakers and the risk/return vision and priorities of funders.



Tutor feedback
Photo credit: Hatch Africa



Hatch Africa, TEDx Accra
Photo credit: Hatch Africa



Yemisi Mokuolu is an accomplished and highly regarded creative industries consultant and independent producer. She founded Hatch in 2002, producing festivals and live events to raise the profile of African arts and artists. In 2006, she built business and professional development into the remit of Hatch to help build the capacity and increase the sustainability of creative and cultural pioneers. Today, Hatch operates as Hatch Ideas and Hatch Africa, helping people hatch their amazing ideas for cultural change and social impact. Yemisi's main focus now is to develop funding and financing options to better serve Africa's rapidly growing creative economy.



Victoria Kay is an inspirational and talented connector with 15 years of successful business development, partnership-building and relationship management experience, especially between Western Europe and East Africa. Victoria has an innate drive to support new projects and entrepreneurs, and to connect people and opportunities. Her experience includes project design and management, strategy and action plan development (with NGOs and start-ups), stakeholder mapping and pipeline development, marketing and communication, fundraising and advocacy.

Cromática: From concept to impact

Daniel Buchbinder, Founder and CEO
Ana Gabriela Chinchilla, Director of Strategic Alliances
Alternativa

Drawing on a network of knowledge, financing and connections, a programme to cultivate creative entrepreneurs and small businesses in Latin America is aiming to deliver systemic change.

Connecting profitable business models to the creative economy is often beyond the bounds of possibility and therefore drifts into the realm of imagination, especially in Latin America. This perception has been an obstacle to associating the creative economy with the idea of a sector that channels growth and development, substantially contributing to cultural diversity and to stimulating innovation and creativity.

Cromática seeks to contribute to the systematic reduction of inequality by identifying entrepreneurs and small and growing businesses (ESGBs) in the creative economy, cultivating their potential for positive impact and connecting them with market opportunities.

Nine-to-five by day, rockstar by night

According to UNESCO, the creative economy – a sector that produces products and services we use on a daily basis, such as radio, cinema, fashion, music, publicity, culture, video games and books – contributes around 3% of global GDP. However, in Latin America, enterprises and businesses in the sector are not a reliable source of income to cover the living expenses of those dreamers wishing to become entrepreneurs in these fields.

According to a study conducted by the Inter-American Development Bank, the health of creative businesses in the region scores 3 out of 10. This score reflects the many factors that reduce business growth opportunities in Latin America, the most basic being poor management, lack of market clarity, limited access to finance, lack of a clear promotion policy framework and absence of information about the sector that would enable the businesses to make informed decisions.

From the problem to the dynamisation of creative economy businesses: Cromática

Although the challenges that the creative economy faces cannot be addressed with the efforts of just one stakeholder, we have to start somewhere. And this is how Cromática was conceived: as a programme to cultivate,

strengthen and connect entrepreneurs and businesses in the creative economy in Latin America.

Cromática’s long-term multi-stakeholder strategy seeks to transform businesses in the sector into powerful nuclei of quantifiable creativity which, at the end of the programme, are expected to have a ripple effect of development and growth on the art and culture of the region. The purpose of Cromática is to close structural gaps by guiding ESGBs to build more robust business models and encouraging them to integrate social impact in their products, services and/or processes.

Cromática, second edition

In 2017, through the coordinated efforts of mentors, curators, and allies in the creative industries, Cromática strengthened a first cohort of 20 companies engaged in business activities that included sustainable fashion,

food festival organisation, book publishing and the development of educational digital applications. Three years after the end of the programme, the Golden Globe nomination for the film *La Llorona*, produced by Guatemalan film production company La Casa de la Producción, fills us with pride. The company, through its determination and courage, consolidated its business model with the production of this globally acclaimed film, which tells the story of the genocide of native

Mayas, a subject that divides Guatemalan society.

Production sets, filming and financing certainly seem fairly standard business models in most developed countries; however, in a country with a practically non-existent film industry, this becomes an impact story.

In 2021, the UN’s International Year of Creative Economy for Sustainable Development, Cromática is launching a new edition, which aims to increase the programme exponentially, hoping to regionalise the initiative and reach and impact 100 companies from across Latin America.

To date, more than 20 world-class mentors, curators and allies have joined the programme, including

Cromática seeks to transform businesses in the sector into powerful nuclei of quantifiable creativity with a ripple effect of development and growth on the art and culture of the region



Workshop
Photo credit: Cromática



Workshop
Photo credit: Cromática

KC Porter, renowned music producer, composer and multi-Grammy award winner, who has collaborated with stars like Ricky Martin, Santana and Maná; and Tomás Mayer-Wolf, music producer, director and performer in the popular group Les Luthiers.

Cromática seeks to be a programme that brings people, businesses and know-how together. Connections with field experts help companies and entrepreneurs achieve their full potential without neglecting important aspects of their businesses, since market plans, operations and impact are at the core of the programme. The aim is to provide a solid base on which participants can build growth and impact opportunities.

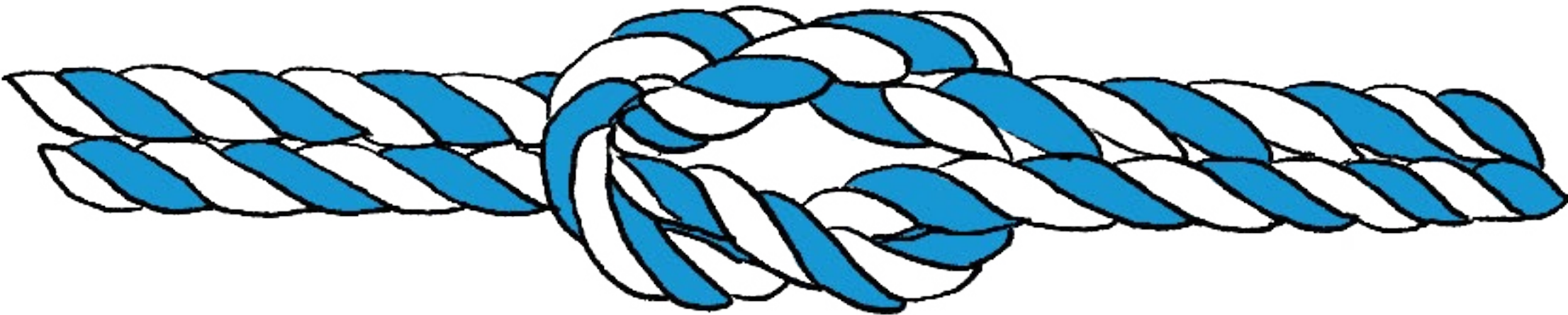
The secret behind Cromática

Cromática was designed, promoted and implemented by Alterna, a social innovation platform founded in the western highlands of Guatemala. For 10 years now, this organisation has been an impact catalyst in the region because it firmly believes in a world in which the capacity to change reality may arise from within any context.

Alterna, through its Business Cultivation methodology, has promoted the development and growth of more than 2,000 social and environmental ESGBs, which account, at present, for over US\$90 million in cumulative sales, report mean business growth rates equivalent to 77% and have positively impacted the lives of more than 5 million people. This data has been obtained through the monitoring and assessment of Alterna's own indicators, developed to measure growth in terms of sales and employment, as well as impact.

Alterna has also committed to provide financing in line with the requirements of ESGBs. With the support of IDB LAB, it implemented the Catalyzer Fund, an innovative solution with flexible repayment conditions that grants loans ranging between US\$10,000 and US\$50,000. The fund, which began in Guatemala, has already issued loans in excess of US\$400,000 to 16 companies and has expanded its reach to Honduras, El Salvador and Mexico. This new regional reach is supported with additional funds contributed by Luxembourg NGO ADA (Appui au Développement Autonome), enabling Alterna to offer even smaller loans to companies in earlier stages.

In 2015, Alterna launched the first Latin America Impact Investing Forum for Central America and the Caribbean (FLII CA&C). Since its first year, this forum has helped to drive the establishment of both international and local funds for impact investment in Central America. Supported by this ecosystem of financing, business support and experience, Cromática fosters the development of a creative impact economy in Latin America and the Caribbean, accompanying companies on their journeys so that they may prosper and unleash the possibilities of creativity to generate an impact on millions of people. The expected ripple effect is to generate systemic and sustained change in our region. How? Aside from transforming both creators and beholders from within, art and culture also touch all aspects of inequality and enable people to explore new horizons, demand justice and build identities, increasing their ability to secure economic means, capabilities, opportunities and individual and social recognition.



Daniel Buchbinder

Daniel is the founder and CEO of Alterna. He dedicated the first years of his career to developing brands and consumer products in both Latin America and Europe. He was Marketing Manager at L'Oreal and, in 2010, founded Alterna. Daniel has been an Ashoka fellow since 2016, a Skoll Senior Fellow and winner of several international awards. He is currently a founding member and co-chair of the Central American Impact Investment Platform PIIC (GSG), and co-chair of the Mexico and Central America Chapter of the Aspen Network of Development Entrepreneurs. He studied business administration (ITAM) and holds master's degrees in Environmental Geography (UNAM) and Environmental Technology (Imperial College London).



Ana Gabriela Chinchilla

Ana Gabriela is the Director of Strategic Alliances at Alterna. She has led the design of Cromática, a flagship programme that seeks to identify, strengthen and connect entrepreneurs and small growing companies (ESGBs) with the impact of the creative economy. Before joining Alterna, she worked in the financial sector and the Ministry of Economy on projects aimed at strengthening ESGBs in Guatemala. She also worked as a researcher and data analyst for organisations in Guatemala and France. She is an economist with a master's degree in Quantitative Economics from Lyon Lumière University.



**This has no title.
That's exactly why you
need to read it.**

Ru-El Burford

President and Chief Executive Officer, Frallain Group

Impact investing needs to be people-first and race and gender equal. A brand development and early investment accelerator for the luxury sector provides a model.

Saying this isn't easy, but it's necessary. I'm not uneasy because I'm unsure about what to say, but because it shouldn't have to be said. Truth be told, we're at such a critical inflection point in time, with such a magnitude of risk, that we must be clear eyed, determined and steadfast not just to create change but to do so with a democratic approach that benefits all, not just a privileged few. It's this vision that drives us collectively and which sits at the core of who we are and what we do at Frallain. It's a vision that manifests as a central and unifying belief that impact investing and the commitment to sustainable creativity cannot just be imperatives designed to unlock economic growth, but must be inextricably tied to the need for parity and equality of opportunity in the global marketplace. The significant and critical risk is that our well-intentioned efforts end up creating environments where impact resources target creative industries but forget the people in those industries who've traditionally been marginalised, strategically sidelined and, in many cases, ignored.

The socioeconomic constructs of most first world nations have slowly shifted in recognition of the idea that the most advantageous way forward in the human journey is to expand the field of opportunity for industries that can more efficiently contribute to the global economy. As digital platforms and tools continue to empower and connect people and ideas, the boundless optimism and innovation of creatives the world over has allowed them to write amazing success stories even when faced with impossible, dream-killing obstacles. Who better to support and enable in this new evolution than those who have, to date, done so much with so little?

It remains a fallacy that dedicated investment in growth sectors enables equitable growth. Now, we have a chance (and, I'd argue, a mandate) to craft and fund better pathways toward inclusive discovery and support mechanisms for creatives and brands that accurately reflect the palette of the global population.

These realities are challenging enough – but in an industry with a seemingly inured inability to reconcile the concept of 'luxury' with designers of colour, they create an environment of almost hermetically sealed marginalisation

This sensitivity for the nurturing of human creative capital is the reason why our specific niche at Frallain is to find, support, grow and empower emerging luxury fashion brands helmed by creatives of colour from Africa, India, Asia, the Middle East and their diasporas. For many of these designers, sustainability – working efficiently, ethically and responsibly – has long been at the core of their brands. Not only because these are their intrinsic values, but also because a clean, fair and renewable relationship between themselves as producers and the resources they use is a necessary component of growing a small business in challenging environments.

Linn Lunn Hla Myaing (aka Khit Bhone Thit), a former freedom fighter from Myanmar turned luxury streetwear designer, is a perfect example. Crafted using a rich fusion of Burmese culture and religious iconography, each piece in his collections is both a celebration of culture and a statement of anti-racism and hope for unity among a global population. In turn, his brand has created a self-sustaining ecosystem of ethically conscious suppliers and creatives in Myanmar, who collaboratively develop each collection and spread the message behind it to the youth of a nation who, otherwise, feel hopeless. The major challenge for Khit and other designers is to find scalable

pathways to revenue and to be able to offer competitively priced products without being reliant on unsustainable mass production mechanisms.

It's in this space that impact investing becomes not just important but critical. In a hyper-competitive business landscape, being able to achieve greater efficiencies while competing against more recognised brands with slower conversion cycles but larger market shares adds another barrier to success. Couple this with even slower shifts towards racial and gender parity and any David-like brand faces daunting Goliath-sized obstacles. It's a troubling and virulent industry undercurrent: as exceptionally talented designers craft luxury quality goods in ethically

conscious ways, the higher development costs that result from observing sustainability practices mean they cannot price goods at viable price points for retailers and their customers.

By themselves, these realities are challenging enough – but in an industry with a seemingly inured inability to reconcile the concept of 'luxury' with designers of colour, they create an environment of almost hermetically sealed marginalisation. Our challenge, then, is to develop and perpetuate democratic access to impact resources that foster better competition internationally, while delivering 'proof of concept' examples in the market that shift consumer perception and accelerate adoption of sustainably produced goods.

This is why we've created strategic partnerships with like-minded but non-traditional entities such as the music industry. Solidly embracing the need for more responsible development and environmental engagement, our relationships with major labels in the US and Africa leverage and coalesce the assets of both industries to achieve competitive scales of sourcing, development, marketing, sales and market share that, otherwise, would be extremely difficult for designers to achieve. Pairing the creatively rich and environmentally responsible development practices of designer talents with artists who identify with that ethos creates a powerful pathway to change, while providing amplified platforms that enable brands to grow.

None of this matters, however, if the desire for evolved industry supersedes the ethical responsibility to address the needs of the individuals. How and why we seek to usher in and ingrain better business practices should be guided by an understanding that the goals we seek to achieve are but beneficial by-products of a commitment to empower and sustain the creatives at the core of the industry itself. A people-first, race- and gender-equal approach providing access to investment and resources will deliver parity as we implement the sustainable practices we envision as our future. Let's not miss this opportunity. If we do, we may not have another.



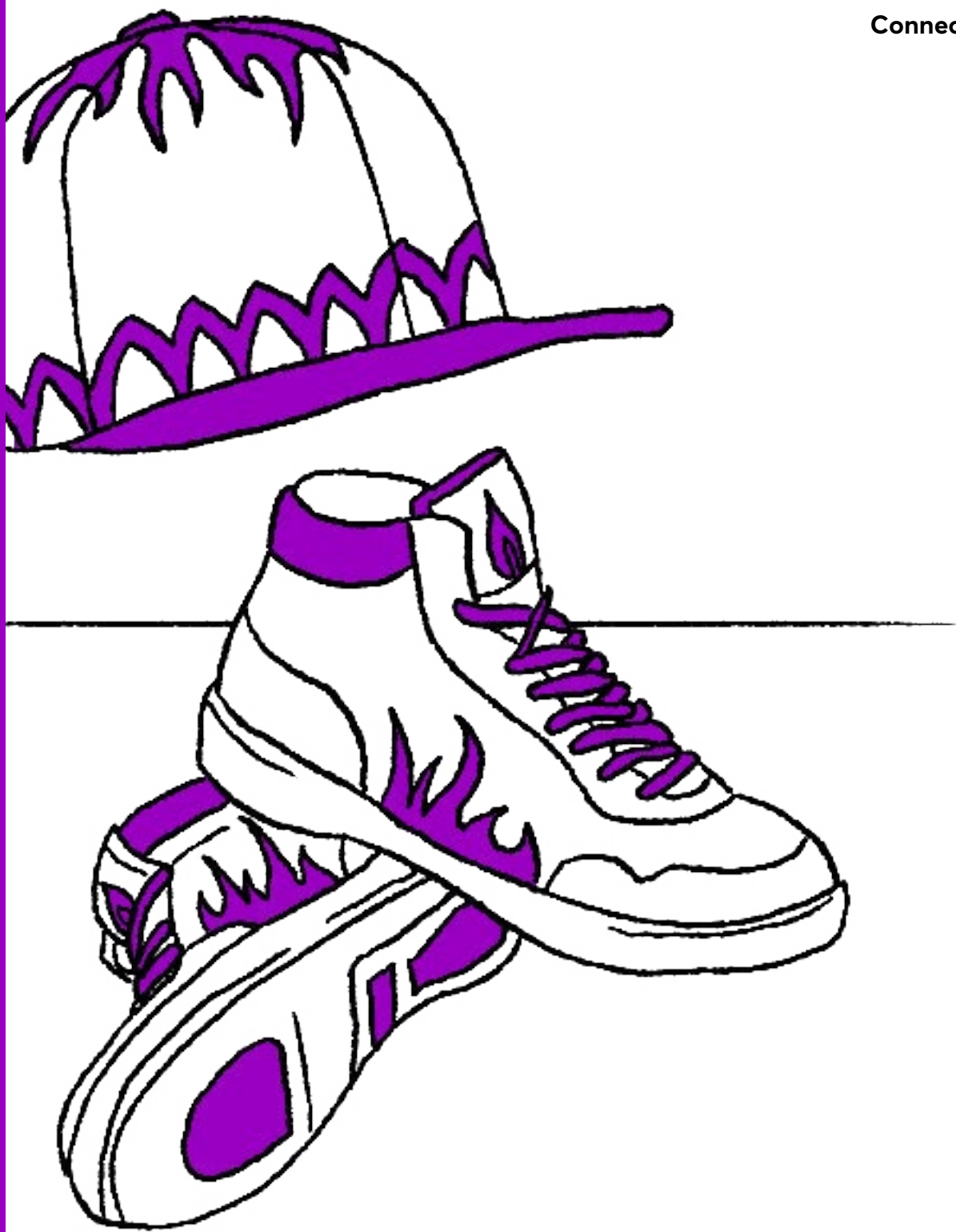
Khit Bhone Thit
Photo credit: Hygh Hope



Khit Bhone Thit
Photo credit: Hygh Hope



Khit Bhone Thit
Photo credit: Hygh Hope



Ru-El Burford is president and chief executive officer of Frallain Group, an innovative brand development and equity investment accelerator for emerging luxury brands owned by designers of colour from Africa, India, the Middle East and their diasporas. An award winning soft power brand strategist, Ru-El was founder and CEO of The Quantum Group, an ad agency specialising in general market and multicultural focused youth, fashion and luxury brands. An adviser to a variety of government entities on new business development and innovation, Ru-El also sits on the executive board of the non-profit 1 World Fest and was a founding member of the Georgie Badiel Foundation.



Sharing the orange bond with the world

Claudia Restrepo Múnera

Partner - Sustainability, Head of Sustainable Finance,
Deloitte Spanish Latin America

The world's first orange bond benefited creative businesses across Colombia. But the pandemic shows that there is an urgent need to keep innovating to provide financial solutions equal to the task of supporting this vital sector.

One of the major challenges since the United Nations launched the Sustainable Development Goals (SDGs) is how to fund them – a task that has not been easy. Global stock exchanges have generated different mechanisms for sustainable financing over the last decade, one of them being thematic or labelled bonds, also known as SDG bonds. Thematic bonds include, among others, green, social, sustainability-linked, blue, transition, Covid and orange bonds.

Thematic bonds are very similar to standard bonds: they are a traditional debt instrument of similar credit profile, but their proceeds are used to contribute directly and exclusively to the labelled bond's purposes.

These bonds have sparked a revolution in the approach to understanding and grounding the sustainability, purpose and potential of sustainable investments to achieve a positive impact.

Recognising the challenges posed by sustainable finance, at Deloitte we began a process of financial learning and development of several of these mechanisms. In 2018, as we were engaged in this task, we came across a Bancóldex (Banco de Comercio Exterior de Colombia) and IDB (Inter-American Development Bank) initiative aimed at expanding the experience of the then better-known labelled bonds (green and social) to the creative and cultural industry, or orange economy. The government of Colombia had commissioned Bancóldex to create financial mechanisms for creative sector projects by means of instruments and vehicles that, together with the Integral Policy of the Creative Economy, known as the Orange Economy Policy, promoted the growth of businesses in the orange economy.

It is precisely the challenges faced during the pandemic that have led the creative and cultural industries to look for new formats and models to continue pursuing their activities and businesses

According to the IDB's book *The Orange Economy: An Infinite Opportunity*, the orange universe has two parts:

1. The cultural economy and the creative industries, and, at their point of intersection, the conventional cultural industries.
2. The areas that support creativity.

From a different perspective, the cultural industries are divided into three categories:

- Traditional cultural industries.
- Functional creations, new media and software.
- Arts and heritage.

Together with Bancóldex, we identified several key issues to consider to promote growth in this part of the

economy. I will refer to them from an opportunity perspective, but no doubt they represent the biggest challenges for this sector:

- Improving management skills, including the understanding of business models, financial management and governance.
- Ensuring that guarantee schemes developed by commercial banks reduce entry barriers to these kinds of creative activities, given that guarantees are typically designed on tangible material assets and not on future creations difficult to monetise or quantify in economic terms.
- Overcoming the reluctance of commercial banks, unused to quantifying risks for this type of economy, to provide financing.
- Finding credit instruments or risk capital financing for these initiatives, understanding that most orange economy businesses are startups, early-stage companies or simply a project or idea. And even if many are expected to be profitable, at times they represent a higher risk.

Bancóldex was the first bank in the world to issue an orange bond. The bond was 2.9 times oversubscribed, and attracted 322 investors, 62% (201) of which were allocated bonds. Two years after the issuance, the results show that:

- Disbursements have been made in 100% of Colombia's 32 departments.
- 47% have financed big company projects, 26% medium-sized, 21% small and 6% microbusinesses.
- 52% funded arts and heritage projects, 42% went to cultural industries and 6% to functional creations.
- 69% of resources were allocated to working capital and 31% to business modernisation.

In addition to the challenge of delivering on the SDG agenda, there is an urgent need to keep providing solutions to support the economic recovery from the Covid-19 pandemic.

The orange economy is not immune to this context. It is precisely the challenges faced during the pandemic that have led the creative and cultural industries to look for new formats and models to continue pursuing their activities and businesses. This search has opened the door for alternative business models and innovative financing schemes, which are vital to support the sector's recovery.

Although some countries in the world, such as the UK, France, Italy, the US and Germany, have allocated rescue funds for the creative and cultural industries and introduced tax payment delays or social security contributions for the sector's workers, this has not been the norm elsewhere. Mobilising capital for the sector responds to the urgent need for action to:

- Overcome the sector's exclusion due to its fluctuating income.
- Design and implement new financing mechanisms.
- Build on previous successful experiences with orange bonds.

Nobel laureate economist Amartya Sen says, 'Because creative freedom lies at the centre of human development policies... in one form or another, culture engulfs our lives, our desires, our frustrations, our ambitions and the freedoms that we seek. The freedom and opportunity for cultural activities are among the basic freedoms, the enhancement of which can be seen to be constitutive of development.'

Given the centrality of its role, the creative sector urgently needs to find the will, interest and ability to evolve.

I would like to end with one question: How can we contribute to creating an orange economy fund that is powered by different finance mechanisms and represents an integrated, consistent and coherent vehicle to encourage partnerships, provide funding, no doubt, and result in development and impact?



Claudia Restrepo is a partner at Deloitte Spanish Latin America with more than 23 years of consulting experience. She is part of the sustainability team, based in Mexico. Claudia has experience in strategies, management models, measurement/impact assessment, communication and financing of sustainability. She is head of sustainable finance and impact assessment services for the region. Together with different Deloitte service lines, she has supported organisations to identify diversification options among their conventional sustainable investment strategies and to identify resource mobilisation models to finance development projects in the region through innovative and impact financing vehicles, including the world's first orange bond, as well as socio-environmental impact bonds, sovereign bonds, blended financing mechanisms and payment for results mechanisms.



Democratising farm to table dining with partnerships, capital and patience

Matthew Moore & Aric Mei
Founders, Greenbelt Hospitality

A new food and agriculture amenity in a public park in Arizona aims to create a virtuous community circle while promoting healthy and sustainable eating.

Greenbelt Hospitality is a partnership between Matthew Moore, a fourth generation farmer and artist, and Aric Mei, a third generation restaurateur. Together, we are partnering with the City of Phoenix Parks and Recreation Department to create a new type of food, agriculture and education-focused amenity in the heart of Phoenix, Arizona. The Farm at Los Olivos consists of a two-acre organic farm, education and events centre, and a mix of inspired and affordable restaurant concepts, all nestled on a 28-acre City of Phoenix-owned park.

The goal of this project is to democratise true farm-to-table dining while creating a long-term benefit for this Central Phoenix community through food, culture, education and community connection. People need to be nourished by healthy foods and we need meaningful connections in our communities. Sadly, in America today, the trend is towards consuming nutrient-empty foods, and doing so in isolation. The Farm at Los Olivos takes direct aim at fixing this debilitating combination.

Bringing an organic farm into the centre of a modern city is groundbreaking in itself. Add delicious and affordable dining, and pay both farmers and food workers above-industry standard wages, and Greenbelt Hospitality aims to do something truly transformational.

Greenbelt Hospitality believes deeply in the fact that – to put it plainly – humans need to eat more vegetables. This is, perhaps, the single greatest change we can make to minimise human impact on the planet, as well as improving our health outcomes. To eat more vegetables, we need to get excited about vegetables. The Farm at Los Olivos will be an incredible place to come and see the entire lifecycle of a vegetable. There is real magic in observing and understanding how a microscopic seed turns into an enormous and delicious piece of food. Matt's creative practice has always connected the wonderment of the plant world with the highest levels of art and culture.

Seed to raw vegetable is magical, but that's only half of the story. Once the crop is harvested, Aric's culinary team will take over and create memorable and delicious food experiences. Altogether, this environment stands to generate enormous engagement with the community, focused on the celebration of the vegetable and the connection we feel at the dinner table.

The innovative and long-term ground lease structure is key to making this model succeed. Through a competitive and public process, Greenbelt has obtained the rights to develop and operate within a small piece of a large public park. With this model, the park land continues to be owned by the City in perpetuity. This public/private partnership will be the first of its kind in the United States

and it works to solve a growing problem for many cities.

Most parks departments in the US have massive landholdings. This real estate is incredibly valuable, but it is also costly to maintain. Many municipalities are having an increasingly difficult time finding the funds to properly care for their parks. The public/private partnership model creates a new and much-needed source of revenue for the city, which greatly benefits the Parks Department's balance sheet, as well as providing an opportunity for private impact investment to enhance a park in

desperate need of revitalisation.

Under this agreement, Greenbelt will pay a ground lease for the property directly below the buildings, patio, parking and food service components. This is a fair market land lease for roughly half the total footprint of the development. The two acres of land used for farming will be an included amenity under the restaurant ground lease. The farm component will remain open and walkable during park hours and continue to serve the community through the enjoyment of the agricultural outdoor space. This structure provides the restaurants with an invaluable asset of a directly adjacent farm, without saddling the restaurants or farm with an enormous real estate expense.

The public/private partnership model creates a much-needed source of revenue for the city, as well as providing an opportunity for private impact investment to enhance a park in desperate need of revitalisation

The park also benefits from a diversification of experience with the addition of a two-acre working farm that can be enjoyed by all.

What makes this idea so universally appealing is that it is socially progressive AND fiscally conservative. It is hailed by progressive politicians and community stakeholders for bringing new assets focused on health, education and sustainability into the park. At the same time, it is heavily supported by conservatives for being fiscally responsible and putting valuable park assets to work to generate needed cash flow. This is an idea that has truly crossed the political aisle. Success at Los Olivos park will create a model that the rest of the country can follow.

We will be raising a mix of debt and equity with partners who are committed to driving impact in issues of agricultural sustainability and community development, and who are believers in the creative economy essential to building a lasting cultural fabric in diverse communities. Our terms will be driven by the alignment of our goals and a generational approach to our business. Valuing our

restaurant and farm workers is important to the success of this project. These are historically low-wage positions, and this workforce has never been more scarce. Offering above-market wages and benefits to Greenbelt's team will help complete the virtuous community circle that this project aims to create.

The driving mission of Greenbelt Hospitality is based on a simple philosophy. As a community, we need a place to gather and feel connected. As a city, we need to balance our budgets and maintain fiscal responsibility. As a country, we need to preserve the agricultural knowledge base to maintain our independence and food security. As a world, we need to celebrate and eat more vegetables. The Farm at Los Olivos can help achieve all of these intertwined goals.

Transforming a few dry acres of city-owned grass into a vibrant and food-focused hub of community activity stands to be a beacon of what is possible when new ideas, private capital and public interests can all align to do good and make a profit.



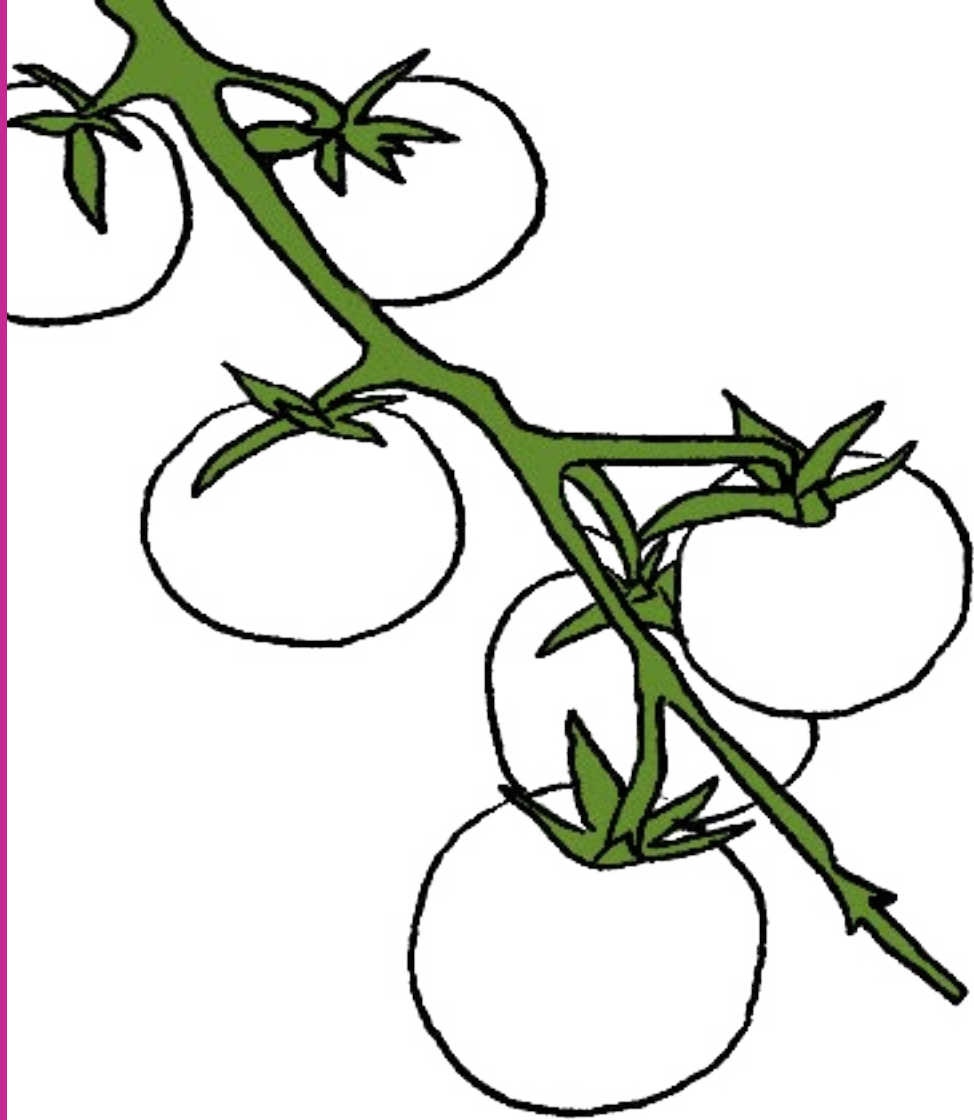
Birdseye rendering of Los Olivos Farm
Image credit: Greenbelt Hospitality



Community outreach
Image credit: Greenbelt Hospitality



Community support at city meeting
Image credit: Greenbelt Hospitality



Aric Mei has been working in restaurants since he was old enough to see over the kitchen counter. His rich experience in the family business and his extensive education in art and design all came together in 2009 when Aric opened his restaurant, The Parlor Pizzeria, proclaimed by Food Network as the best pizza in Arizona.

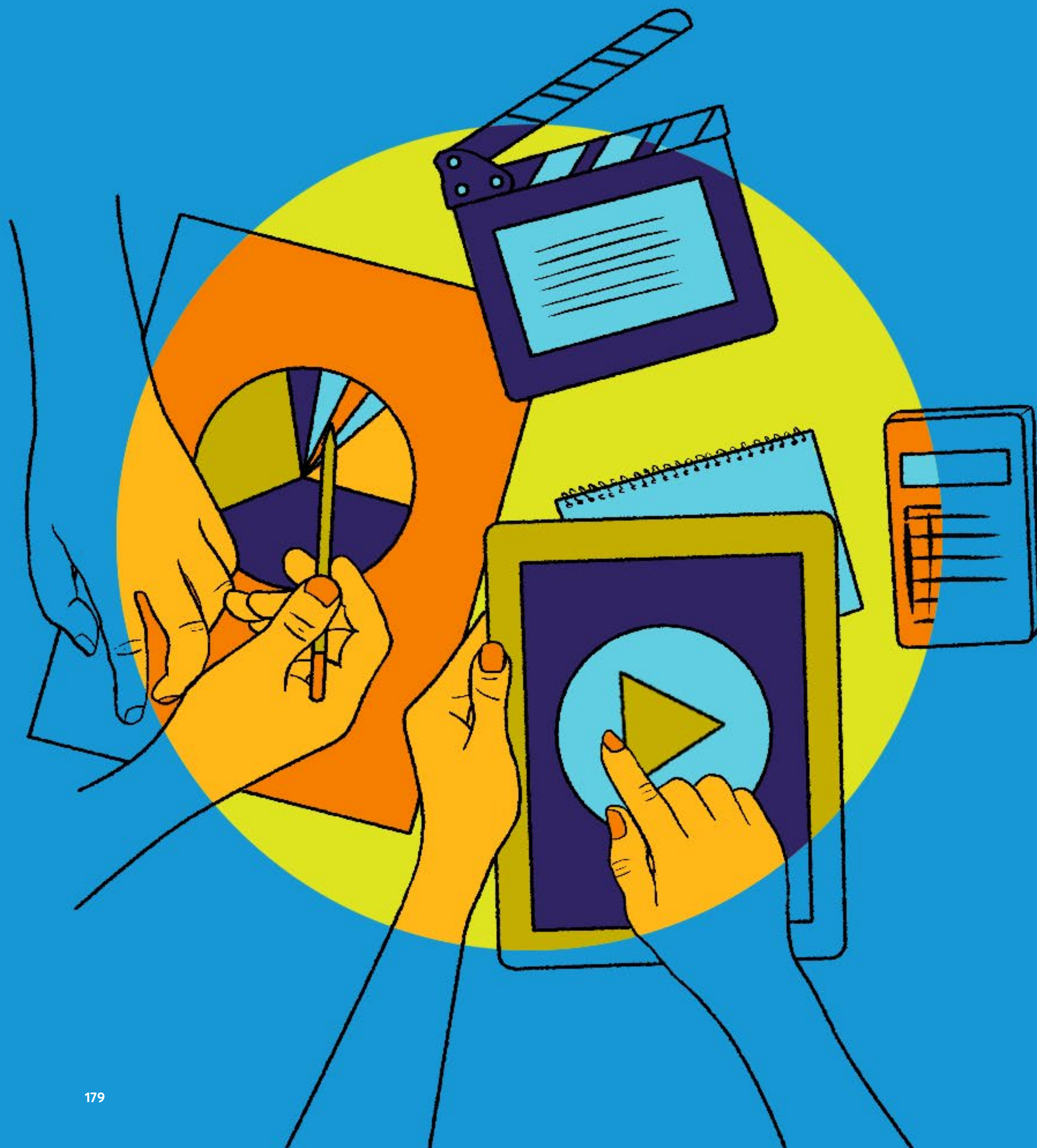


Matthew Moore is a fourth generation farmer and artist. Since the 1920s, the Moore family has been farming the land in the west valley of Phoenix. Matthew began running the family business in 2003, turning his attention to the local organic market. He and his wife created community support agriculture programmes that have fed hundreds of families, and engaged in direct market farming with local restaurants. He lectures on art and agriculture across the country.

Triodos Bank: Impact funding for European Cultural and Creative Industries

Maria Coronado
Culture Sector Manager, Triodos Bank

Financing cultural industries requires specialist knowledge and genuine commitment, recognising the sector's potential for positive social impact that transforms and develops people's liberties and creativity.



This article is signed not only on behalf of myself, but of all the people who work for the cultural sector team at Triodos Bank. It may seem surprising for a bank to boast a team of experts in the cultural sector, as well as risk analysts who are solely focused on operations to fund it. Understanding how we arrived at this point requires learning about our business model as a leading European ethical bank founded 40 years ago.

We were born as a financial institution that seeks social transformation by entrusting people and businesses with money in a conscientious and responsible manner. We only finance initiatives that focus on the real economy. Triodos believes the cultural sector is in line with this approach. It is one of the three areas in which we work, because culture drives creativity and enhances individual and social liberties. As an ethical bank, we believe cultural projects set social transformation in motion.

When an ethical bank's funding works together with culture, high-value impact is achieved, not only for the purpose of economic indicators, but also because the joint forces promote inclusive and sustainable economic growth. Strengthening cultural industries contributes to an undeniable positive social impact and fosters real change in society. Cultural industries are a source of wealth for our countries not only because of their contribution to GDP, but also because they generate cultural capital, promoting social cohesion, connecting and inspiring us.

The Triodos Group has financed culture since its inception, supporting artists from different artistic backgrounds. Our work in the sector gained further momentum in 2002, when several branches began to support larger artistic projects, understand their financial needs and create custom solutions. Since then, we have been building strong and lasting partnerships with initiatives focused on the film industry, the performing arts, music productions, museums and cultural centres, with the purpose of meeting their needs and helping them accomplish their goals.

Cultural industries are a source of wealth not only because of their contribution to GDP, but also because they generate cultural capital, promoting social cohesion, connecting and inspiring us

Analysing a project in the organic farming sector or for a retirement home – initiatives that fall within the scope of our mission – is not the same as doing so for a movie or a theatre production, which require experience and specific expertise. The cultural sector is constantly evolving and developing new formats and ideas, prompting us to innovate continuously to adapt our financial resources to its pace and needs. There is a difference between the financial plan of a movie dependent on grants or local television contracts and an international co-production project with tax benefits and digital engagement platforms, with an increasingly decisive role in the audiovisual sector.

As a European group, we have increased our funding to cultural industries from just €34 million in 2003 to €496 million in 2020. I am proud of that leap – an increase that has come chiefly thanks to our specialisation in each of the countries in which we operate, and to our adaptations to the requirements of one of society's key sectors, an integral part of our daily lives. Never has this been more evident than throughout the current pandemic, especially during the long weeks of confinement, when we consumed more books, movies and documentaries than ever, toured museums online or found

refuge in music to cope with uncertainty, confusion and fear. Sadly, a huge number of cultural industry businesses sustained severe financial losses amounting to millions due to business closures – in particular, those parts of the sector reliant on face-to-face performances, such as the performing arts, exhibitions, concerts and movie theatres.

That is exactly why we have made a greater effort to fund a sector that has been particularly and severely affected, even to the point of business closures. Since the beginning of lockdown in Spain in March 2020, we have not ceased to work for companies and professionals in the sector. We adhered to the Covid-19 Liquidity Lines provided by the Official Credit Institute (OCI), to help improve cash flow in businesses affected by the crisis. We worked with Audiovisual SGR, a mutual guarantee

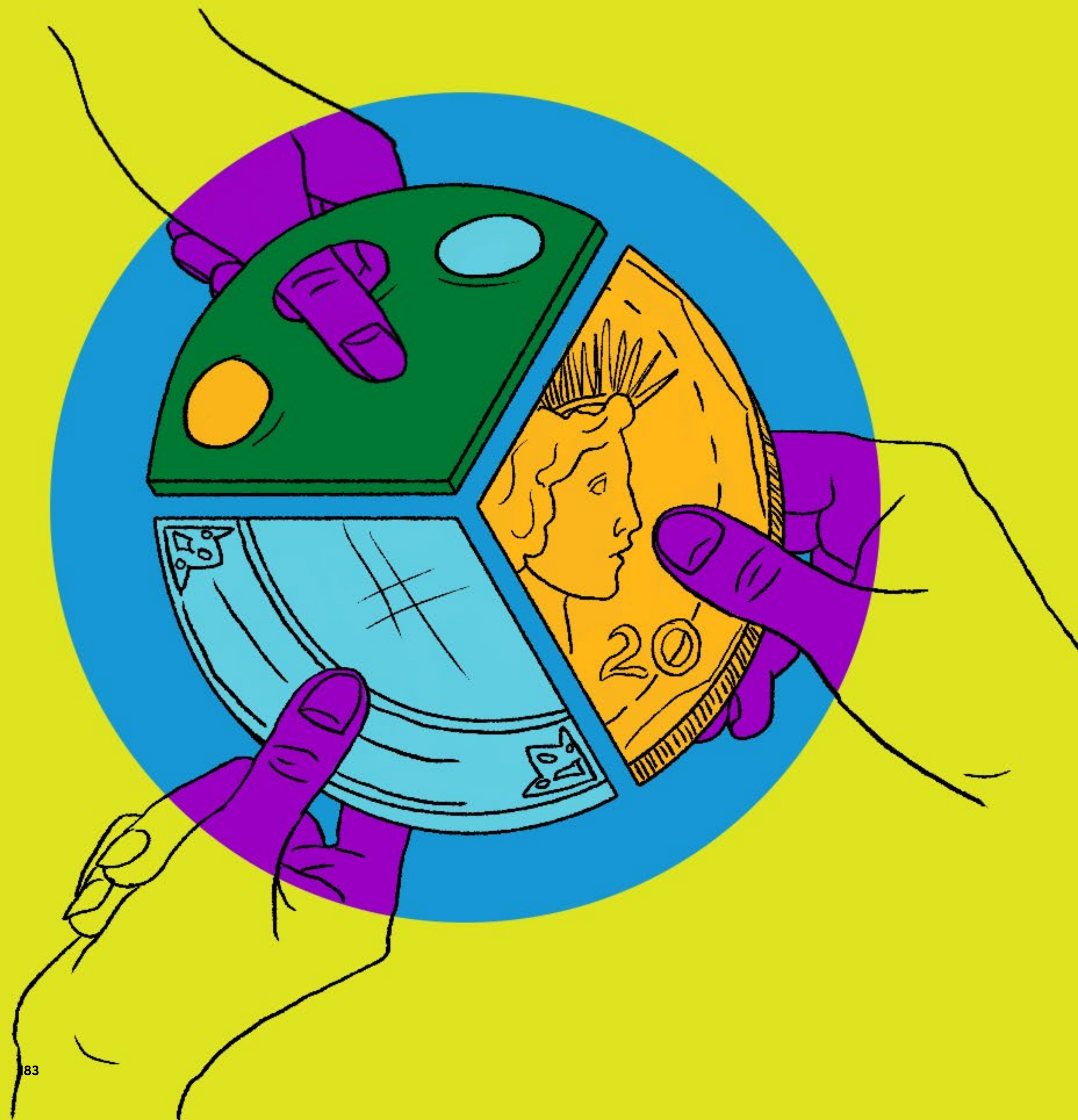
society that specialises in Spain's cultural sector, and with the government of Spain, to create an additional plan to increase cash flow for small and medium-sized businesses and self-employed workers in the sector.

Triodos funding to initiatives and projects in the cultural sector, as well as other sectors, brings positive social change, which we measure and publish in our annual report. In 2020, thanks to the €500 million provided to finance European cultural industry activities, we helped 8.4 million people enjoy cultural events, including film, theatre and museums, in the months leading to the pandemic. Our funding has also helped around 4,100 artists and creative businesses to remain active in the cultural sector – an increase of almost 14% compared to the previous year. This was mainly achieved with new loans in the Spanish market during the pandemic, through the funding of creative businesses whose theatre, dance and music productions were watched live or via streaming by 3.5 million people (2019: 1.7 million). New productions in film and other media sectors financed by Triodos Bank (mainly in Spain) were seen by more than 11 million people (2019: 9 million).

When deciding whether we will finance a project, our strategy and our mission as an ethical bank lead us to focus first and foremost on impact. We also consider an adequate balance between profitability and funding, and a moderate amount of risk. The final goal is to drive social and environmental change through the transformative power of money in projects that bring change to everyone. Such is the case in artistic and cultural initiatives, which are, and will always be, at the very heart of our endeavours.



María Coronado has managed the cultural sector at Triodos Bank since 2012, during which time she has developed an innovative and scalable financing model for the different disciplines of the cultural sector. She is a leading professional in the sector, who works in collaboration with the main reference entities in the field of culture. As a result of these relationships, Triodos Bank has different agreements with key sector organisations for the financing of cultural industries. María is also a promoter of women's and audiovisual initiatives. She is a contributor of WAWA (Worldwide Audiovisual Women's Association) and a member of CIMA (Association of Women Filmmakers and Audiovisual Media). María is an accredited voice in numerous professional forums in the field of culture, as well as in the media.



Paying for creativity

Patrick McCrae
Founder, ARTIQ

An art rental business that built a new market from scratch provides a model for the financial viability of creative work.

Over a decade ago, I established a company, ARTIQ, with the then unorthodox idea of paying artists a regular income for exhibiting their work. I have always found it curious that artists are rarely paid to show their work, the same way one would pay to rent a film or music, or for a taxi journey or legal advice. For visual artists, exposure is often offered in lieu of payment; it is the equivalent of offering to rate your Uber driver five stars for a free ride. ARTIQ was established not to protest or shout, but to show the genuine mutual benefit of paying for an art collection. Indeed, back in 2009 when I established the business, I hoped that maybe, with enough support and interest from the corporate and arts sector, we could, with fair pay, as well as exposure, start making the arts a more economically viable career for artists.

I was lucky enough to grow up around arts and culture. I have experienced both the difficulty of making a regular income as an artist and the fulfilment and wellbeing of making, consuming and engaging with the arts. Therefore, I am on a mission to prove people will pay for art and for creativity, not because they should, but because they understand it benefits them and society. To do this, my business has not taken money from arts councils or from philanthropists. It has stood on its own two feet, without funding or venture capital, showing a creative business can do good and be profitable.

The ARTIQ concept is one of mutual benefit, where creativity is paid for with actual money. We operate as an artist agency, working with creatives across the world, and with a client base that includes multinational banks, cutting-edge tech firms, hospitality groups and universities. This model ensures all stakeholders win: the artist, the client and the ARTIQ team. Our pitch to artists is simple: we will pay you to exhibit your work and take on the risk of installation and insurance. In the last three years alone, we have paid almost US\$6 million to artists, creatives and makers. The client wins because they can exhibit an art collection that reflects and represents their values, messaging and ESG stripes; support the local economy; and engage their key stakeholders, clients, team and shareholders. The ARTIQ

team generates profit through a model that has purpose at its heart.

Our team is passionate about making the arts a more equitable and inclusive industry. If more arts businesses do not start to focus on representation and, critically, paying properly, the arts could fade into obsolescence. At ARTIQ, 40% of the artists we represent identify as LGBTQ+ or are artists of colour, and our paid internship programmes and school-age work experience schemes have encouraged candidates from low income and diverse backgrounds. Our desire to nurture and train the team from within means those who approach the business with an entrepreneurial attitude will succeed;

historically, most of our interns have gone on to full-time positions and my former PA is now a board director and COO.

Being self-sufficient from the beginning meant there were two key hurdles. First was breaking into a new market: 98% of our clients had never rented art before. Second was building and maintaining project momentum: renting art collections at a fraction of the sale price requires volume to be financially sustainable. Once we achieved both these goals,

our next big challenge was scaling the team, and at the same time building an inclusive culture with ambitious, passionate members, motivated and dedicated to ARTIQ's purpose. Our team today is incredible, and we encourage each other to be more innovative and creative. Therefore, this year, we are implementing a technology system to streamline processes and have more time for creativity and human interaction.

The coronavirus pandemic ravaged many businesses in the art world: artists, freelancers and creatives found themselves slipping through the cracks of government support. However, our support did not stop. I believe we were able to navigate the pandemic for three reasons. First, we kept an extremely close eye on cashflow; took advantage of government support; and, vitally, focused the team's efforts on projects that had paid. SMEs the world over struggle with clients who are slow to settle invoices, so we focused all our energy on

clients who valued our service. Second, we continued to embody our value of upfront, honest communication to all stakeholders. No sugar coating and no unnecessary drama. I believe this built ownership, trust and kindness. Third was the fact that we provided relief to our clients. Arts and culture broke through the monotony of the pandemic. We provided moments of creativity and human interaction by establishing an online programme of classes, artist talks, conversations – we became almost art counsellors. Culture is vital, especially in a time of crisis.

Today, from a £10,000 start up loan, we are now a multi-million-dollar business with projects in 16 countries, working with hundreds of artists. In the last two years, ARTIQ has undertaken almost 700 projects, showing art to new and diverse audiences. Even though the business has been established for a decade, this is really just the beginning. We weathered the pandemic and emerged stronger and more connected, reconfirming the viability of our mission. We will have succeeded in this mission if paying for art and culture becomes as normal as paying any other service.

ARTIQ has always confused people. It's not a gallery, it's not a service business, it's not a social enterprise or a charity. It's a business that exists to bring economic viability to the arts, from the makers creating to the team delivering the projects, and to show consumers and businesses that creativity is important and vital.

Being a tech-enabled business means we can scale further and wider across the globe, and we would welcome conversations with interested businesses who want culture to be part of their offering to their key stakeholders. Most of all, though, I hope fellow entrepreneurs and investors will get in touch to compare notes, to share best practice and to build the growing voice of those advocating the purpose of paying for creativity.



Patrick McCrae is an entrepreneur focusing on arts sector businesses with economic longevity and positive social impact. He is interested in how arts businesses can do good, give people purpose and be profitable. Patrick built and runs ARTIQ, a multi-million dollar art business. He set up ARTIQ in 2009, aged 21, and has since opened new markets in 16 countries. ARTIQ built and grew artist and product representation from nothing to a roster of thousands of artists across multiple cultures and multiple disciplines, resulting in millions paid to artists and makers. Patrick is a mentor and investor to businesses and founders.



Creative funding for visionary storytellers

Abby Pucker, Founder, The Niki Collective
Gigi Pritzker, CEO, Madison Wells

A nimble development and financing approach has allowed an independent production company to build fruitful creative partnerships.

Madison Wells is an independent, medium-agnostic production company with a specific focus on telling stories for, by and about badass women and people who love pushing boundaries. In an ever-evolving media and entertainment landscape, we realise that change is the only constant. As such, a hallmark of the company has been to creatively adapt to the market and utilise a nimble approach to development and financing that takes advantage of both nonprofit and for-profit structures.

As producers, it is our job to turn obstacles into opportunities for creatives so that their vision and stories can live on. We find that the most successful creative partnerships are those that involve a high level of trust. There are several examples of this over time, but two of the more recent examples that we want to focus on are a project called *Awavena* and an investment partnership we have with a company called Breakwater.

Having worked with Lynette Walworth on her first virtual reality (VR) documentary, *Collisions*, we knew that she had a unique ability to tell impactful stories in this medium. Her work was being seen at the World Economic Forum in Davos and was helping world leaders rethink land use rights. However, a financing model for VR has not yet evolved, with foundations and not-for-profit funds largely the only options. When Lynette, with her producing partner Nicole Newnham, set out to direct her second VR piece, *Awavena*, the fundraising was difficult, and they had a shortfall of US\$30,000.

With *Collisions*, we had helped the team find foundation money, but this project was different. It was clear to us all that the story, about the first female Shaman in a village in the Brazilian rainforest, could be a full-length film. I had always admired the films that Pixar made and thought this one could be developed in that vein. We took a risk and put for-profit dollars into the project so that Lynette and Nicole could finish it. With our right to produce an animated feature agreed, we set out to find a partner in that space.

The strength of Lynette and Nicole's VR piece (which went on to win an Emmy) enabled us to attract an award-winning animation producer, Darla Anderson

(*Coco*, *Cars 2*). She was the perfect partner for this story as she understood, at her core, how to work with stories from other cultures and how to nurture the authenticity in that story. She had the animation expertise that none of us had and was able to help bring the project to a premier distributor. And now, with some more time, hard work and good luck, what started as a VR documentary will become a full-length animated film. The community in the rainforest, as well as Lynette and the other members of the team, will all recognise more monetary benefit, and this important story will achieve a bigger world stage. The mechanics were far more complex and time consuming than most direct-to-film projects, but *Awavena* serves as an example of how creative problem solving can result in greater financial gains and audience building. This kind of nimbleness requires trust from all parties, and that does not always happen.

The second example is an investment in a short-form branded content company called Breakwater Studios, with a very talented director, Ben Proudfoot, at the helm. Ben had created a stable business through branded content, but his goal was to grow and be able to create original content. Madison Wells saw the growth in the branded content space and felt that, with support and structure, the business could eventually generate

enough income to start investing in original content. We created a structured, tranchied investment and supported Ben with a board. We helped Ben to expand the branded business and knew that some originals would serve as a marketing tool for the company in the short term and position Ben as a creative force in the long term.

Over the last four years, this strategy has been borne out in a multitude of ways, with the investment allowing the company to expand and diversify its branded client base. Ben has an ongoing partnership with New York Times Op-Docs, resulting in multiple award-winning, short-form original films, including one Oscar-nominated project and one that was recently acquired for development into a full-length feature. Breakwater maintains derivatives in these projects, which have value in conversion to long-form film/TV projects with mainstream distributors. Breakwater

fulfills more of our mission-aligned goals by partnering with Ghetto Film School and others, making this an investment in best-in-class teams and in pro social change at the same time.

As these examples show, being a long-term-aligned partner with patient capital and nimble thinking allows us to take risks upfront, with an eye towards sustainability for ourselves and our partners in the long term. It also allows us to support creative people as they find new ways to tell important stories.



Awavena
Image credit: Lynette Wallworth



Awavena
Image credit: Lynette Wallworth



Concerto poster
Image credit: Breakwater Studios



Still from Concerto
Image credit: Breakwater Studios



Abby Pucker is involved in initiatives sitting at the nexus of the creative economy, civic engagement and technology. She most recently worked on Madison Wells’ Chicago-based immersive art experience *Nevermore Park*, based on Hebru Brantley’s *Flyboy*. Film credits include Emily Cohn’s *CRSHD*, which premiered at the 2019 Tribeca Film Festival and was released in virtual theaters in May 2020; *When Jeff Tried to Save the World*, starring Maya Erskine; and Erica Rose’s *Girl Talk*, which premiered at Outfest in 2018. Abby has invested in Los Angeles and New York-based companies across the impact and media industries, such as Seed & Spark and Breakwater Studios. She sits on the boards of The Marshall Project, Pioneer Works, Ghetto Film School and Run for Something.



Gigi Pritzker has been a champion of the voices of both established and up-and-coming storytellers while growing strong entertainment brands. The founder of Madison Wells, Pritzker is using her reputation to collaborate and incubate content with partners who are aligned in a belief that good storytelling sparks important conversations. In 2001, Pritzker formed the independent production and finance company Oddlot Entertainment, which she merged into Madison Wells in 2015. Widely considered one of the most powerful women in Hollywood, she has turned Madison Wells into one of its most respected indie producers. Pritzker currently holds a position on the Sundance Institute Board of Trustees and is deeply involved in a diverse portfolio of philanthropic endeavors. She received her Bachelor of Arts degree in Anthropology from Stanford University.



Art funds can play a critical role in the development of the African and diaspora art ecosystem

Freda Isingoma
Founder, KIISA Art

A new fund seeks to boost the visibility and recognition of contemporary African and diaspora art, while achieving social impact.

Over the last few years, contemporary African and diaspora art has experienced an accelerated surge in interest. The expanding collector base, growing artistic appreciation and increasing inclusion in mainstream platforms have positioned the market as a new frontier with hidden value. The emergence of African and diaspora art fairs, museums, residencies and galleries highlights the creative renaissance that is taking place within Black communities globally, and the collective focus on building a solid foundation for growth. With the current global sociopolitical climate opening up new conversations about the issues stemming from the lack of diversity in the art world, this heralds a new dawn for African and diaspora art.

To date, these successes appear to have had little impact on the global art canon. A 2018 study of the 18 major US museums estimated that 85% of artists represented in permanent collections were white. This compares to a mere 1.2% for African American artists and 0.4% for African artists. A similar study by In Other Words identified that only 2.4% of acquisitions by the 30 major US museums between 2008 and 2018 were works by African American artists. Despite the vast contribution of artists of African descent to global art movements and narratives, their glaring exclusion from the art canon persists, suggesting that a more radical and strategic approach is required if real change is to occur. Our decision to pioneer a contemporary African and diaspora art fund is based on our belief that investment models can play a catalytic role in the advancement of the art ecosystem.

Art and investment have been intertwined for many years. The first art investment fund on record was established by André Level in Paris in 1904, and since then the more well known British Rail Pension Fund (1970s) and the Fine Art Fund (2004-09) have paved the way for the wider recognition of art as an investable asset. However, there is little understanding among art professionals and investors of the positioning of art funds within the market and their relevance to the art ecosystem. In broad terms, art funds are privately offered investment vehicles, primarily dedicated to the generation of profitable returns

by acquiring and disposing of artworks. Art funds are typically long term in nature, closed-ended, and managed by art investment specialists with a deep knowledge of the intricacies of the art market.

The spike in art funds over the last 12 years can largely be attributed to the steady 20-year performance of the art market, which has attracted attention from investors in search of portfolio diversification, as well as to the rise of Chinese art funds. Emerging in 2008, Chinese art funds played a critical role in the growth path of the Chinese art market. The focused investment in Chinese artists was pivotal to the global recognition of Chinese contemporary art and the subsequent rising valuations. Art funds birthed a younger, dynamic collector culture and expanding art infrastructure, which gradually positioned China as one of the largest global art markets.

Given this compelling example of the role such funds can play as a catalyst for valuation validation and deeper investment in the art ecosystem, launching an art fund as part of the larger effort to bolster the visibility of African and diaspora art was an easy decision. Against a backdrop of favourable macro and micro dynamics in Africa and diasporic communities,

including the growing middle class and Africa's youthful population, the timing also felt right. Embedding a strong social agenda into the fabric of the fund's strategy was critical to aligning the approach with our long-term vision of a more equitable art world and honouring our organisation's main core value: impact.

In order to address the specific market issues and determine responsible investment strategies, we identified four main principles on which to build:

Visibility: With museums being central to establishing and redefining narratives that shape the art canon, implementing an active lending programme allows for the works to be seen and engaged with on a wider scale. Our decision to build relationships with museums in Africa and the diasporic communities challenges the notion that significant artworks by established artists can only be exhibited in major global art regions.

Democratising access to art empowers local communities and nurtures the development of homegrown narratives.

Collaboration: Low artist visibility and representation directly impact the ability to attract funding for ambitious projects. Commissioning artworks can potentially create milestone achievements in artists' careers that would not otherwise be possible – particularly when the impact is amplified through collaboration with our wide network of museums, galleries and curators.

Community: In the absence of developed infrastructure, local art organisations (mainly residencies and cultural centres) have been the main resources for nurturing artistic talent. We aim to continue to support the emergence of local infrastructure through mentoring, as well as partnering on programming and initiatives that promote the next generation of talent on the ground.

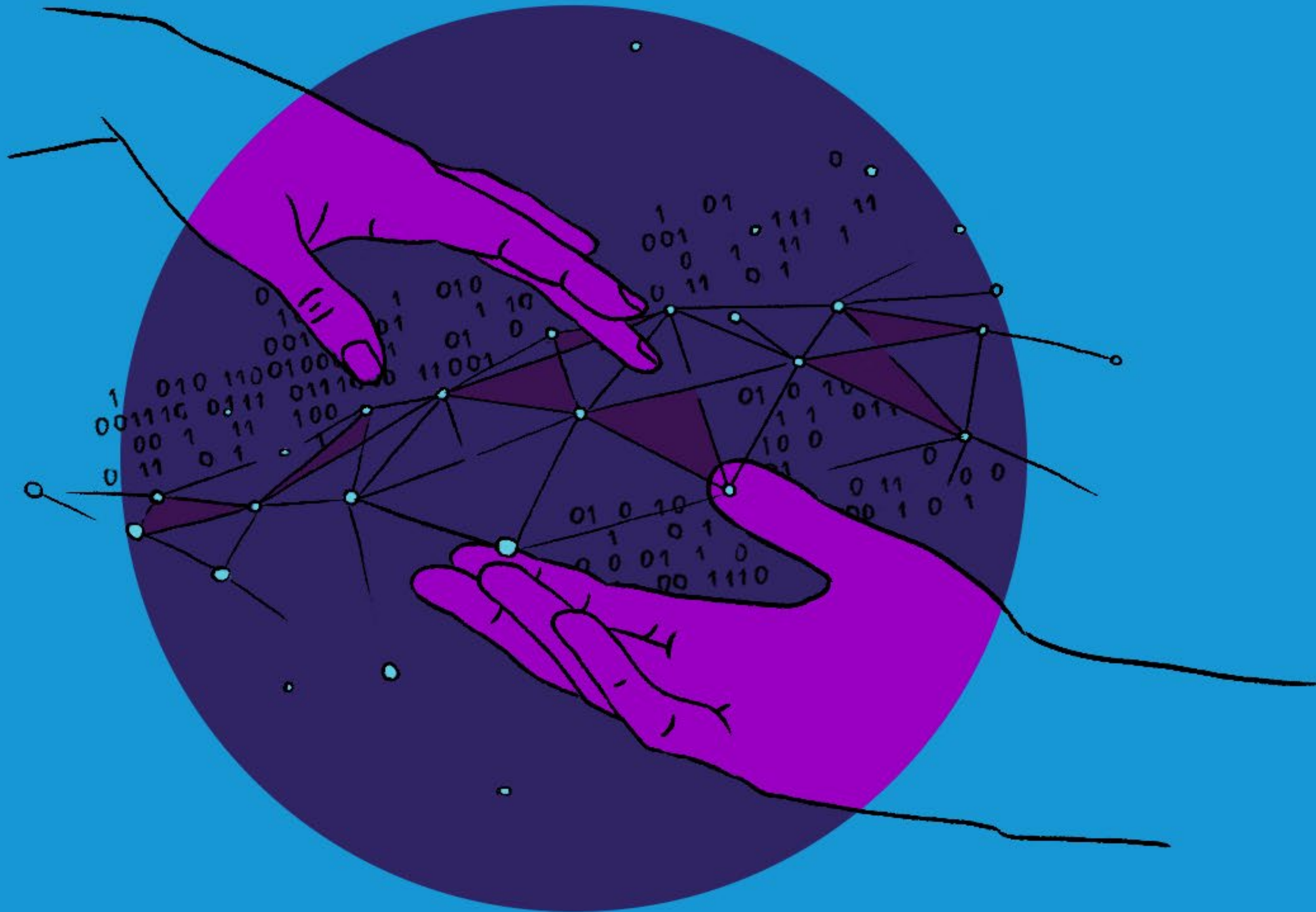
Diversity: Women artists only account for 12.6% of artworks in major US museum collections, and on average trade at a 48.8% discount to comparable male artists at auction.¹ This bias is even more marked for women artists of African descent, who account for less than 1% of artworks in major US museum collections, yet make up some of the most compelling contemporary voices in art today – consider, for example, Julie Mehretu, Simone Yvette Leigh and Wangechi Mutu. Our commitment to invest 50% of assets under management in women artists is designed to address this imbalance.

If investment is seen as the key to unlocking the true potential of the creative economy, then art funds have an opportunity to build critical endorsement and support for ecosystem development, while honoring financial target obligations. As new funds start to emerge in the African and diaspora art market at this pivotal time in its growth path, our hope is that they join us by seeking impact as one of their primary goals. The time is now.



Freda Isingoma is the founder of KIISA, an art investment and advisory company focused on developing transformative investment solutions for the modern and contemporary African and diaspora art market. KIISA provides strategic advice, research and due diligence on art patronage, investment and market positioning for businesses within the art ecosystem. Freda is the principal of KIISA's inaugural Art 4 Africa Fund. She speaks on international platforms, discussing art as an alternative asset, collecting, and the impact of art investment on the global art world. Freda is a member of the Zimbabwe Pavilion Advisory Committee for the upcoming Venice Biennale in 2022.

1. University of Luxembourg Study 2018



Systematic creativity: Everything you can imagine is real

Erika Karp

Executive Managing Director and Chief Impact Officer,
Pathstone

The arts provide a model for us to
reimagine capitalism as a system that
will enable us to address the biggest
challenges we face as a society.

Pablo Picasso said that 'everything you can imagine is real'. So, imagine if capitalism could harness the powers of creativity, vision, transparency, communication, collaboration and culture. Imagine if capitalism could serve its best and highest purpose of driving global economic prosperity. Imagine if capitalism could be in the hands of leaders who strove both to achieve long-term corporate profitability and to meet the massive imperatives of our complex society. Imagine if finance could be the vehicle for this form of capitalism. Imagine if finance could be inspired by the creativity inherent in the arts.

Well, it can.

From jazz we learn about experimentation, collaboration, respect, heritage and our very survival. From photography we learn about both static snapshots and patterns of change, and from sculpture we learn about dimensionality, precision and dexterity. And every one of these skills is incredibly important in finance, investing and capitalism. In fact, they are critical. They are also representations of something that Albert Einstein deeply understood: 'Creativity is intelligence having fun.'

What is not fun, what is instead horrifying, is to live in a world where millions upon millions of people exist without easy access to clean water and power, where '200-year' weather and fire events happen every year, where water scarcity and malnutrition are the source of social unrest and mass migration, where the oceans will contain more plastic than fish in the coming century, and where thousands of species are becoming extinct every year.

On the other hand, while engaging the financial markets in finding solutions will be a tremendous amount of work, it can potentially be an incredibly gratifying and creative process – and even fun.

To address these massive imperatives, we need a system of capitalism that is rebuilt around the relentless pursuit of a more regenerative and inclusive global economy. To shape this system, we need knowledge of the interrelationships and interdependencies among all its components. This knowledge, essential to optimising

the power of capitalism, is dependent on communication, collaboration, respect, empathy and creativity... just as with the arts.

And further, in the words of W. Edwards Deming, an early innovator of systems thinking in business, 'If you can't describe what you're doing as a process, you don't know what you're doing.' Any system has boundaries, but is most certainly more than the sum of its parts. It is defined by interconnectedness, and this is how its power can be unlocked.

This process of re-imagining capitalism requires systematic creativity. Lateral thinking and curiosity drive great investors to wonder what will happen in the future and to seek explanations and opportunities in the present. As for the outcomes of their efforts, great investors

hope to turn what seems to be the impossible into the inevitable. Today, it would seem to be impossible to achieve the aspirations reflected in the UN's Sustainable Development Goals (SDGs). To achieve these goals, ranging from no poverty, zero hunger, quality education and reduced inequality to climate action and even world peace, we will need hundreds of trillions of investment dollars to flow towards environmental and social impact.

We will need to transform today's capitalist system into one that holds more promise for the future.

We will not only need a taxonomy of the global capital market ecosystem, but also the creativity to understand how to accelerate this more conscious form of capitalism. In other words, in the context of investing, systematic creativity is the way to use logic and reason, along with imagination and inspiration, to generate ideas that are surprising, pragmatic, scalable and intuitive all at the same time. Systematic creativity will allow a new economic vision of regeneration and inclusiveness to become a reality. It will allow investors to finance problem solving in our very complex global system. It will allow us to channel creativity into different and unique strategies, and to give shape to our hopes and aspirations, our feelings and our identities... just as we do with music, photography, poetry, dance, painting, sculpture and digital arts.

And so, the way forward is through impact investing, which is the process by which we intentionally and systematically deploy environmental, social and governance (ESG) analysis to address the societal imperatives articulated by the SDGs. ESG analysis is a discipline that requires an understanding of the ecosystem of the capital markets. And at this moment in time, the dynamics of the financial ecosystem are shifting. For the first time, we have the confluence of attention paid to issues of our environmental and social circumstances. Asset owners, asset managers, investment banks, academics, regulators, accountants, attorneys, financial exchanges, insurance companies and, importantly, corporations are waking up to the real implications of the climate crisis, wealth inequality and the crises that ripple out from these core challenges. Further affecting the dynamics of the financial system are relatively new technological forces: the powerful wave of social media driving extreme transparency and compressing the time frame for social movements; the advancements in big data that are allowing the noise in the markets to be converted into predictive insight; and the emergence of a new generation of investors who demand greater authenticity and accountability. The system is now ripe for transformation. And we have the opportunity to collectively, systematically and creatively drive progress.

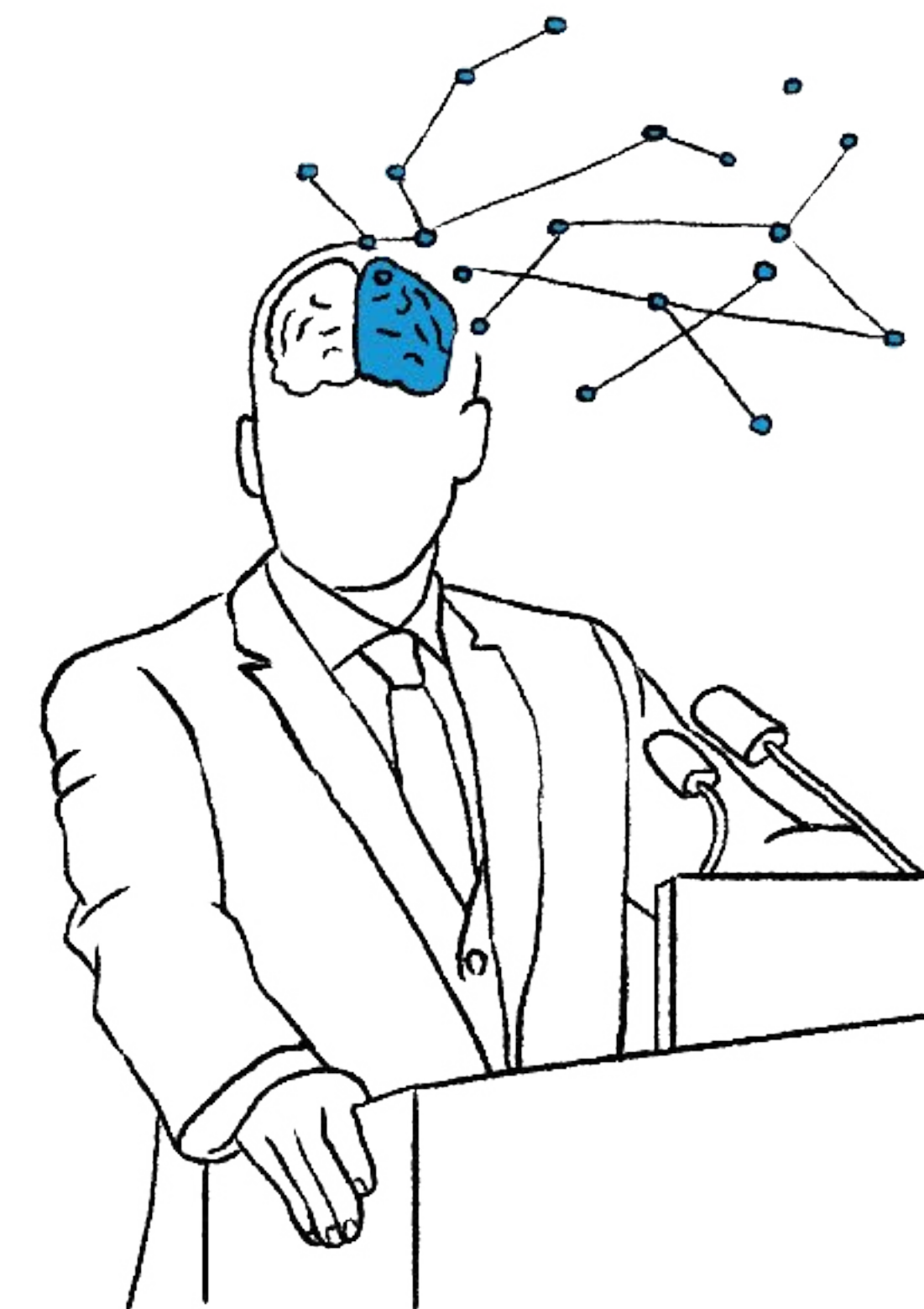
Broadly speaking, we know that systems have proven to be essential for creativity. This is not just because, in using systems, we channel creativity into ideas and structures in a way that enables them to be understood by ourselves and others. It is also because systems allow for a multidisciplinary approach to solving specific environmental and social problems. As an example, with regard to the need to engage the corporate world in sustainability, we need standards for the disclosure of material ESG factors that will give investors the necessary transparency to assess the potential for real economic and profit outcomes, and determine the implications for society more broadly. In other words, we can have a system that bridges economic and societal explorations, making it possible to harness financial analysis and curiosity simultaneously in pursuit of investment returns and impact.

All that said, we have to ensure that our civil society leaders have the mindsets necessary for the creative process: curiosity, mental readiness, confidence, empathy, commitment...

Does that mindset define our leaders? Will they strive to build and experiment with systems that spark imagination, attend to human purpose and values, and sustain engagement? Will we be able to generate global prosperity by creatively adapting the capitalist system to move away from what has been extractive and exclusive?

Only time will tell, but with an understanding of the irrefutable urgency of this moment in history, a commitment to transformation, and a system that allows us to leverage curiosity and creativity, we most certainly can.

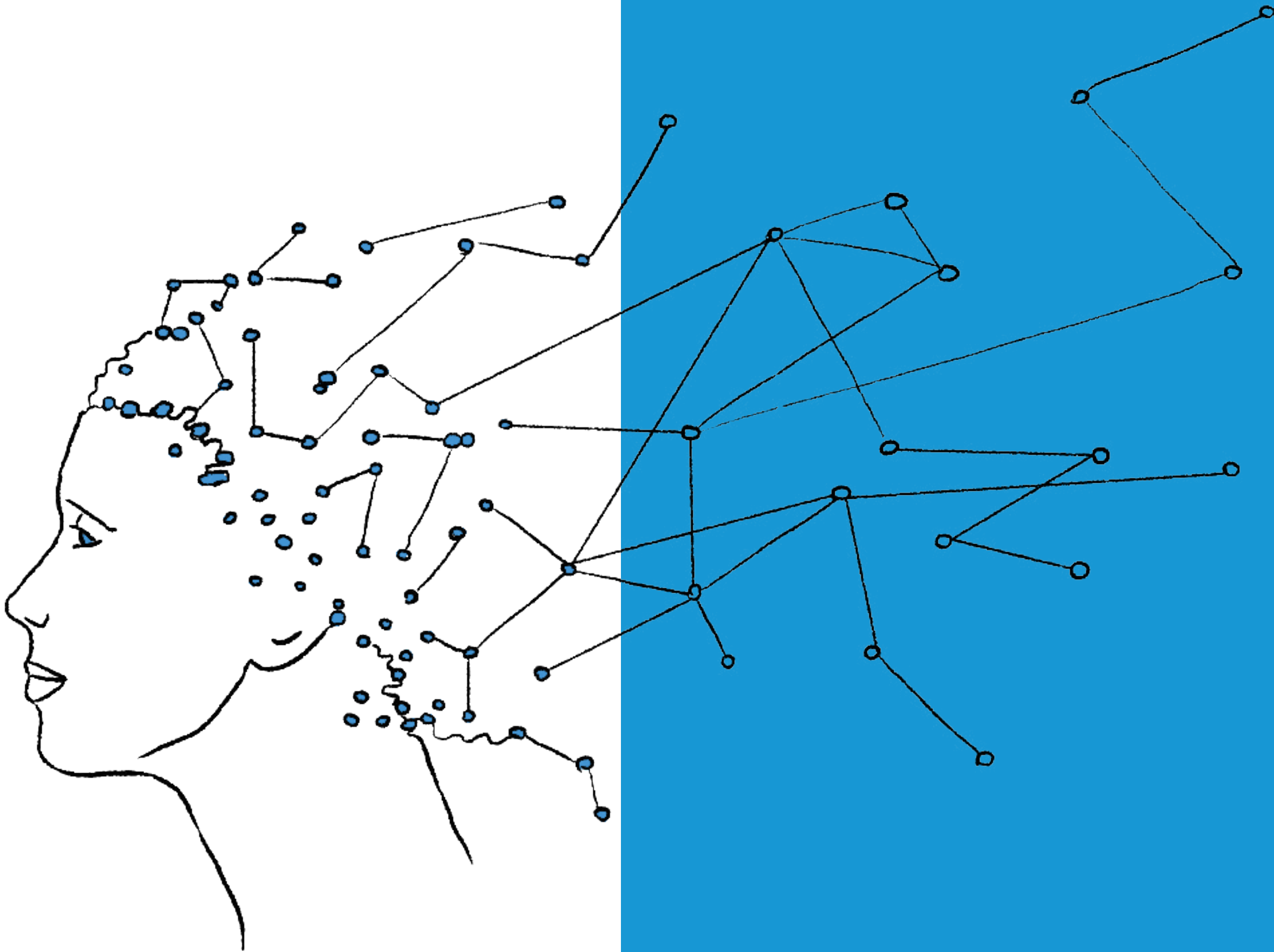
And as we continue to experiment and learn, we must persevere in building a system through this period of multiple crises, knowing that, as DaVinci said, 'Art is never finished, only abandoned.'



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Erika Karp is executive managing director and chief impact officer at Pathstone. She joined the Pathstone team from Cornerstone Capital Group (acquired by Pathstone in 2021), the sustainable and impact investment advisory firm she founded in 2013. Prior to launching Cornerstone, Erika was managing director and head of global sector research at UBS Investment Bank. Erika’s work has been featured by media including Bloomberg, the Guardian, the Financial Times, Investor Relations Magazine and Forbes, and she speaks on sustainable investing and finance at venues around the world. Erika holds an MBA in Finance from Columbia University and a BS in Economics from the Wharton School. She recently joined the board of directors of Conscious Capitalism.



Afterword

Marta Minujín
Artist

The Parthenon of Forbidden Books

The Parthenon of Forbidden Books is a work of art that was presented for the first time in the City of Buenos Aires in 1983, a few weeks after the return of democracy in Argentina, and was reissued at the 14th *documenta* in Kassel, Germany, in 2017 in support of freedom and human rights. More than 30 years after its first presentation, the message is as current and necessary as it was then – and artistic expression is the continuum that proclaims and provides a warrant for a better existence.

At first, *The Parthenon of Forbidden Books* seemed an impossible work of art, but when I built it I made it possible. *The Parthenon of Forbidden Books* is a conceptual work that is expressed through the scripts of authors, intellectual people, experts in the world of censored ideas and those deprived of expression. I trust that monumentality brings to life the dormant wisdom of every silenced phrase; this artwork is an invitation to recover poetry and joy. I work with books because they are the vehicle for intelligence: people learn to think with them.

The Parthenon in Athens is the first occidental tribute to democracy. Back in 1983, I saw the significance of sharing this symbol with the Argentine people as a promise of a new way of living, a better existence. Words always intrigued me: I believe in their power; cultures live in their sayings. That is why I brought together the occidental symbol of democracy – as in the universal myth – with the suppressed words, to honour expression. Today, *The Parthenon of Forbidden Books* embodies a global movement that emphasises the right to choose and belong to a culture.

The history of *documenta* in Kassel is in itself a history of overcoming, of innovation that finds in the arts – in their most contemporary expression – the power to bring the community together, restoring the feeling of unity and belonging. Recreating *The Parthenon of Forbidden Books* in Kassel multiplied its meaning and integrated thousands of individual and collective stories in a common democratic coexistence. It is in this collaborative exaltation that the work finds its meaning. It is an artwork of thought and reflection; it is a memorable piece open to the planet. I wanted to create something impressive, large, overwhelming in size. The book donation was an enterprise in itself, creating a participatory work of art. We put together a list of censored books and launched a campaign to encourage people to donate their manuscripts. We needed about 100,000

books that progressively completed the architectural structure during the 100 days of the *documenta* exhibition. The books were vacuum packed and then hung with metal seals, coated with plastic. I assembled it and the public disassembled it and took a book home. It's a work of art in process, ephemeral and involving mass participation.

I often repeat: Art, art, art to live in art! This is the type of art that invites us to be more tolerant, more human, more inclusive, more empathetic, and it is the art I choose to share with you today. May artistic expression continue to be the manifestation that moves desire, the poetry that brings us together and the emotion that allows us to dream of a better future. Because art can save the world!



The Parthenon of Forbidden Books
Photo credit: Marta Minujin Archive



The Parthenon of Forbidden Books
Photo credit: Marta Minujin Archive



One of Argentina's most prominent contemporary artists, Marta Minujin is best known for producing conceptual and participatory events, or 'happenings'. Beginning her career in Paris, in 1963 she exhibited recent work alongside that of Lourdes Castro and Alejandro Otero, and afterwards organised her first happening, *La destrucción*, in an empty lot on the Impasse Ronsin, where she invited artists to construct new works on top of hers and then burnt everything as 500 birds and a multitude of rabbits were set free.

In 1965, Minujin installed the environment *La Menesunda* at the ITDT in Buenos Aires. The work consisted of 16 situations inspired by everyday life in Buenos Aires, each designed to surprise and affect the audience's senses. Minujin later moved to New York, where she befriended Andy Warhol, whose influence can be seen in her works that satirise consumer culture. In 1966, she made *El batacazo* in the Bianchini Gallery; it consisted of a glass box offering the spectator four 'situations': a slide, plastic figures, neon tubes and caged rabbits.

Organised alongside Allan Kaprow and Wolf Vostell, the artist created *Simultaneidad en simultaneidad* for the Three Countries Happening. One of her best-known works from those years, *Minuphone* (1967), invited viewers to enter a telephone booth, dial a number, and watch as sounds and colors projected

from the glass panels, while a television screen on the floor displayed the caller's face. In 1983, following the return of democracy to Argentina, Minujin created a monument to freedom of expression, *The Parthenon of Books* (1983), in which a structure built of newly unbanned books was erected in the middle of a Buenos Aires thoroughfare; after it was dismantled, the books were distributed to the public. In 2017, Marta was invited to restage this *Parthenon* in *documenta 14*. The same size as the one in Greece and covered with books from all over the world, it gave representation to all the voices in all languages possible. In 2019, she recreated *Menesunda Reloaded*, at the New Museum, New York City. In 2021, Marta created *Big Ben Lying Down with Political Books* for the Manchester International Festival. Her works continue to be featured globally in notable institutions such as the Solomon R. Guggenheim Museum (New York), MoMA (New York), Tate Modern (London), Centre Georges Pompidou (Paris), Art Museum of the Americas (Washington D.C.), Olympic Park (Seoul), MNBA, MALBA, MAMBA and MACBA (Buenos Aires). Minujin's work is also part of private collections in Argentina, France, Italy, Brazil, the US and Canada.



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