

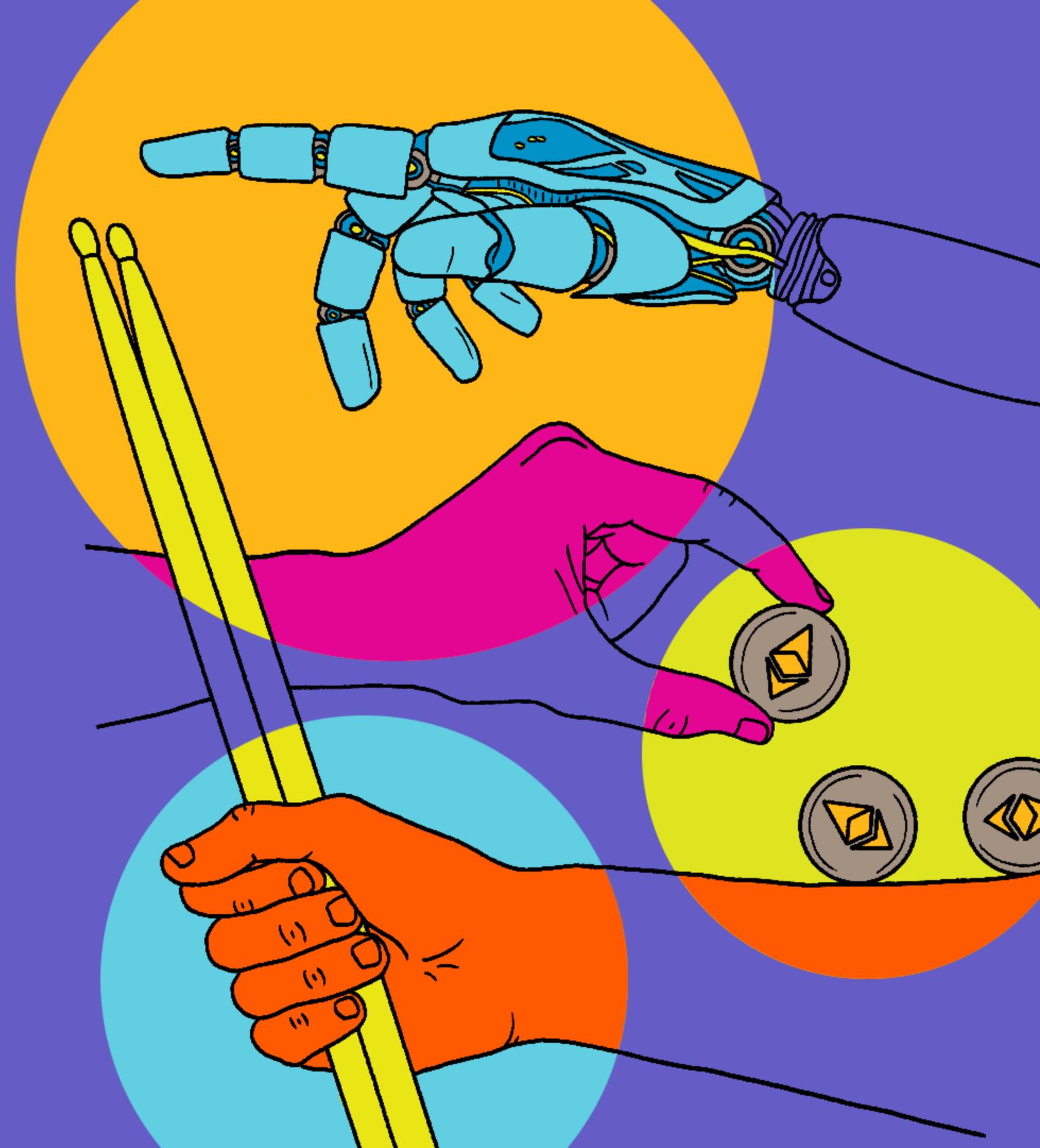


creativity  
culture  
& capital

# Impact investing in the global creative economy

December 2022

Launched in the International  
Year of Creative Economy for  
Sustainable Development



# Contents

- 05. Foreword**  
Rosemary Addis  
*Mondiale Impact - Australia*
- 09. Project reflections**
- 11. Upstart Co-Lab: Impact capital for an inclusive creative economy**  
Laura Callanan  
*Upstart Co-Lab - US*
- 13. Fundación Compromiso: Social innovation to boost the creative economy**  
Bárbara Russi and Carolina Biquard  
*Fundación Compromiso - Argentina*
- 15. Nesta: Impact investment and the creative economy - taking each other to the next stage**  
Fran Sanderson  
*Nesta - UK*
- 17. Creativity at work**
- 19. Investing in the arts can improve population health**  
Daisy Fancourt and Alexandra Bradbury  
*UCL - UK*
- 25. Building social capital through collaborative design**  
Judah Armani  
*InHouse Records - UK*
- 29. FILMANDES: An experience in the creative industry**  
Marcelo Ortega  
*FilmAndes - Argentina*
- 33. Digitising humanity vs. humanising the digital**  
Sarah Coward  
*In The Room - UK*
- 39. Art as a catalyst for change**  
Love Ssega  
*Musician and Artist - UK*
- 45. Unlocking culture's potential through creative R&D**  
Katie Popperwell  
*UNBOXED: Creativity in the UK - UK*
- 51. Creativity without purpose means nothing**  
Lucia Coll and Esteban Torbar  
*Eposak - Venezuela*
- 55. What does it mean to play in the city?**  
Dr. Furaha Asani  
*Watershed - UK*
- 59. Do you see what I see?**  
Anil Seth  
*Dreamachine - UK*
- 65. From Mexico to the world**  
Iliana Rodríguez Cavazos and Carlos Serrano Cerrillo  
*Xcaret - Mexico*
- 69. The power of music to change lives**  
Sigrún Sævarsdóttir-Griffiths  
*MetamorPhonics - UK*
- 73. Whose land is it anyway?**  
Liz Pugh  
*Walk the Plank - UK*
- 79. No venue is an island**  
Shain Shapiro PhD  
*Sound Diplomacy - UK*
- 83. Connecting impact capital**
- 85. Cultural and creative industries, sustainable finance and smart cities: A look into the future**  
Adriano Picinati di Torcello  
*Deloitte - Luxembourg*
- 89. Bancóldex believes and creates**  
Juliana Martínez Hernández  
*Bancóldex - Colombia*
- 93. How impact investment can develop impact management capabilities in the cultural sector**  
Seva Phillips  
*CDIF - UK*
- 99. A glimmer of hope**  
Cathy Hunt  
*WoW - Australia*
- 103. The value of stories**  
Joyce Zylberberg and Tatiana Emden  
*Screen Capital - Chile*
- 107. How can business innovation theory support arts organisations to be more creative, sustainable and impactful?**  
Cimeon Ellerton  
*Social Convention - UK*
- 115. CAMINNOS: Pathways that unite culture and innovation**  
Alejandro Trujillo  
*CAMINNOS - Argentina, Paraguay, Bolivia*
- 119. Afterword**  
Elizabeth Galbut and Pocket Sun  
*SoGal Ventures - US*



# Foreword

**Rosemary Addis AM**

Founding Managing Partner, Mondiale Impact;  
Executive Director, Impact Strategist

## Creative disruption: Putting value at the heart of a new paradigm

The pandemic could herald a paradigm shift in our conception of value, freeing us to imagine new models that can scale and sustain cultural and creative activity.

The past few years have changed us: through grief and isolation and fear and uncertainty – and through finding hope and possibility and resilience and clarity about what we love. Creative industries have provided humour and insight, captured the unimaginable and been a source of both distraction and focus, reminding us of who we are and how we are connected.

And, for all their collective talent, creativity, entrepreneurial spirit and resourcefulness, creative industries have been profoundly affected by the pandemic. Industries that play a vital role in giving expression to our experience, in which we find purpose and meaning, have reached a point of true crisis in the context of a point of true crisis. Many are simply unable to continue to work within prevailing models. However, this very crisis could place creative industries at the vanguard of a paradigm shift that revolutionises our conception of value, out of which could emerge more sustainable models for the future.

This idea is powerfully expressed by Arundhati Roy: the pandemic as a portal.

'Historically, pandemics have forced humans to break with the past and imagine their world anew. This one is no different. It is a portal, a gateway between one world and the next. We can choose to walk through it, dragging the carcasses of our prejudice and hatred, our avarice, our data banks and dead ideas, our dead rivers and smoky skies behind us. Or we can walk through lightly, with little luggage, ready to imagine another world. And ready to fight for it.'

What kind of world can we imagine; what future for ourselves, our children and those who come after them? What will we fight for? Society is in search of the new paradigm to deliver on a more sustainable future. How could creative industries participate in reshaping how we see, understand and engage with this change, for their future and ours? How will they?

True paradigm shifts, as illuminated by philosopher Thomas Kuhn, occur when there is sufficient new information and insight to challenge and disrupt prevailing assumptions that no longer hold true and enable models already under

stress to give way to new models. The shifts gain momentum when the prevailing models no longer fit the realities. It is precisely when the problems are large and complex and urgent that we can look beyond even the problems themselves to the new models (the paradigm) needed to solve them.

Even before the pandemic, new information was challenging our assumptions about value. Specifically, the notion that we can conceive of value, even economic value, in purely financial terms has been facing existential questions. Research by economists from Michael Porter to Joseph Stiglitz to Thomas Piketty and Kate Raworth has underscored the major insight in modern economics that we have misaligned social, cultural, environmental and economic factors.

Marianna Mazzucato has advocated for value as 'a goal which can be used to shape markets'. Jed Emerson has provided insights over decades on blended value, reflecting how purely financial and economic dimensions fall short of recognising what creates value and interrogating the purpose of capital. Emerson wrote recently that the transformative potential is to 'make a direct connection between the investment of our capital and the creation of a material change in our communities and ecosystems'.

This more dynamic and integrated conception of value has informed developments such as purpose-driven business and stakeholder capitalism, and other approaches recognising the value of social, cultural and environmental impacts as well as financial performance. The development of impact investing as a field – and its broader influence evident in wider markets – is driving integration of positive social, cultural and environmental benefits with financial measures at the centre of performance.

The effects of these macro shifts are profound. Applied to the creative industries they hold levers to break through the paradox that 'the problem of value in arts and culture is usually perceived to lie with arts and culture, not with the concept of value'. The impact of this could be Copernican in its repercussions for how we think about value and its relationship to the economy.

The creative industries can be emblematic of a broader, more dynamic and multi-faceted conception of value. They stand as beacons of the ways in which (non-financial) value is often left on the table. The creative economy encompasses a kaleidoscope of enterprises, from

fashion to social media, hospitality, live entertainment and creative spaces. Collectively, the creative industries have the capacity to shape the way we see positive and negative impacts in our lives. Some, such as fashion and hospitality, have provided a focal point where sustainability and human rights meet supply chains and consumer demand. Some remind us of who we are and where we came from, influential in connecting hearts and minds to issues: songs and memes and games give expression to community sentiment and bring people together more effectively than politics and laws and even science.

These industries already have a storied history of creativity and innovation, including in the way they work. Arts-based and creative enterprises were early adopters of mission-driven business and demonstrated where commercial revenue models, governments and donor funds could be brought together in complementary ways. Dance, orchestral music, museums, galleries and opera all provide examples of business models that utilised intentional design for cultural benefit as well as to enable the ongoing cultural endeavour at their centre.

As impact investing developed, arts organisations and impact investors came together in experiments in how finance can be better utilised in the toolkit of innovative solutions. [Triodos Bank](#) has a long track record of financing arts organisations, based on the belief that 'they contribute to society by connecting ideas and people, and reflecting, stimulating and encouraging positive change'. For example, the bank financed a leading choreographer in Brussels to develop a world class studio, which reached increasing numbers of students with dance and developed a valuable cultural institution in the community. The Australian Chamber Orchestra Instrument Fund enabled the orchestra to develop what's billed as [the greatest golden age collection of instruments in the world](#), attracting talent and providing a competitive edge for musicians and a unique experience for audiences.

**Creative industries can enliven understanding of what is needed and how to move forward and connect people to an inspiring vision grounded in a more dynamic conception of value**

There is much to learn from what has already been tried and tested, but it is not yet a complete answer. Funding and financing models for public goods and areas of creative endeavour have been under stress for a long time. This is the result of a confluence of market dynamics, policy settings and changing context. The pandemic did not originate the resource stress; it removed any doubt that the old models are in crisis.

Paradigms gain their status because they are more successful than the alternatives in solving a few problems that the group of practitioners have come to recognise as acute. In their 2021 research article '[From public good to public value: Arts and culture in a time of crisis](#)', Julian Meyrick and Tulla Barnett observed:

'Instability creates a disorientation hard to bear, even as it offers unlooked-for opportunities to revise what existing knowledge comprises. The old understanding and the new, which Kuhn sees as distributed between two distinct groups, may be internalised as a dilemma within one community and set of practices[...] Inevitably culture, as the pre-eminent symbolic domain, will be a vehicle for this, and crisis will make use of culture as different understandings struggle for paradigmatic ascendancy.'

Shaping new models that can scale, replicate and sustain cultural and creative activity will require strategic leadership and commitment, innovative thinking and experimentation, building practice, and imagining, and re-imagining, to create viable models. This will require us to look beyond contests between public and private and take a more holistic approach. New bargains will need to be struck that place different sectors and actors as key collaborators in expanding and enhancing value and increasing economic activity. The available assets and levers within the creative industries will also need to be considered afresh to identify and optimise the opportunities for cultural and creative organisations to think about their resources differently. One foundation

stone for this will be for cultural institutions to [invest more in, and aligned with, their mission and values](#) – even using their balance sheets to support and enhance the collective. It is high time to move past unhelpful and polarising assumptions and shape a new paradigm.

As well as providing fertile ground for paradigm shifts, creative industries hold up a mirror to our assumptions and what is at stake. What if energy and passion are not harnessed with clear and common purpose to sustain our culture and the means of its expression? What if there is not sufficient focus and leadership to reimagine the models to support vibrant and unique creative industries and preserve and celebrate local cultural heritage and give expression to our experience?

Leaders including [Upstart Co-lab](#) and its partners are already signalling disruption to some long-held assumptions about value. Their focus on 'how creativity is funded by connecting impact investing to the creative economy' is putting culture and value in frame and explicitly questioning current models. Bold experiments such as [NFTs](#) are entering the picture: at worst, these could be a dilution of what is considered valuable; at best, they could revolutionise the way value is ascribed, maintain the links between artists and the value they create, and enable new dynamic ways of engaging with and financing creative endeavour.

A concerted, energetic response that makes arts and culture a priority could deliver significant benefit for communities and society and for the economy; a failure to answer the call will be a unique opportunity missed. The leadership and initiative demonstrated in this collection are vital to placing creative economies squarely in the context of value for sustainable development and sparking dialogue, insight and ideation to mobilise more people and organisations and move with the speed and efficacy the times require and the issues deserve.

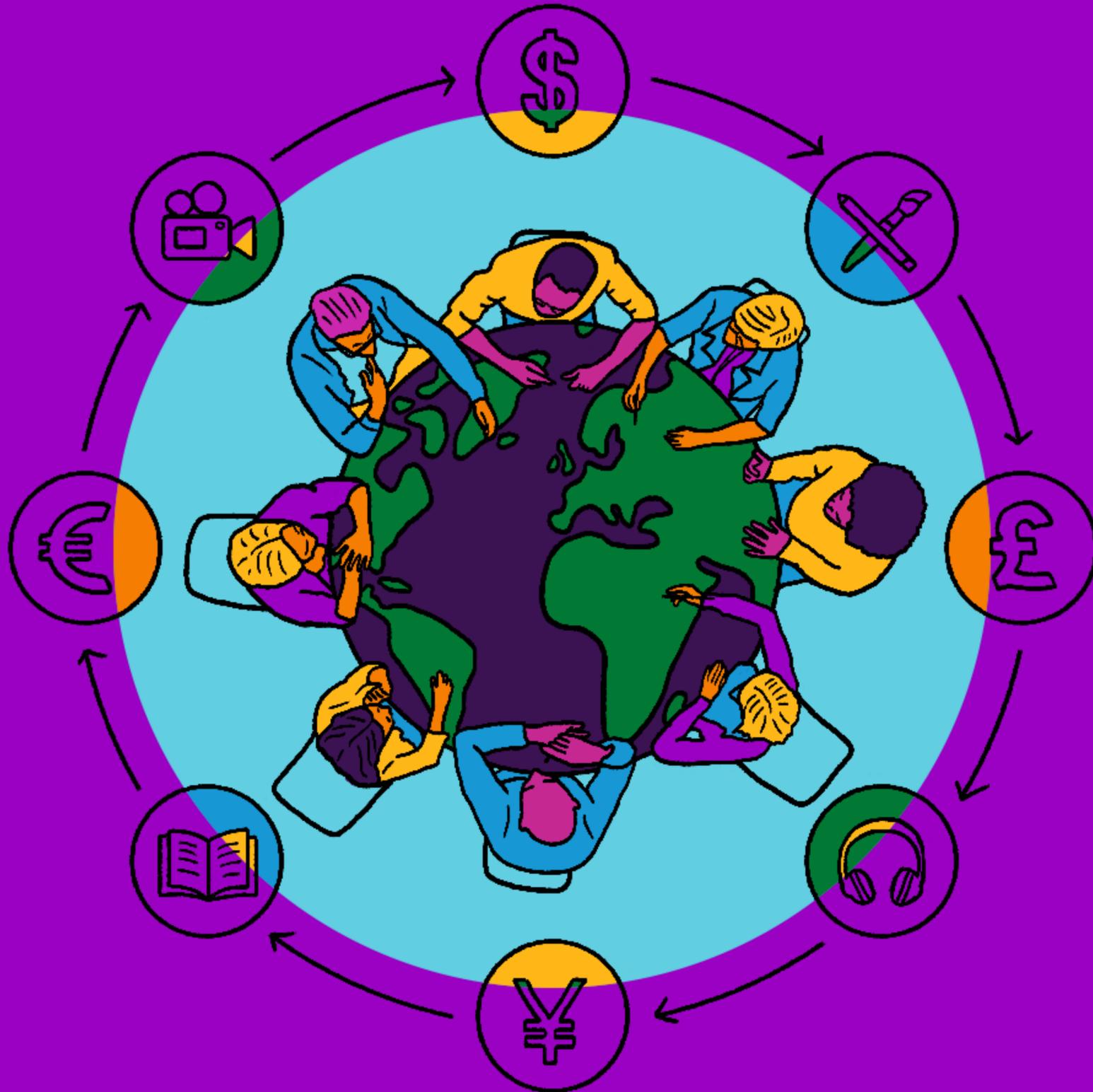
I am immensely grateful to have been invited by the collaborating partners, [Upstart Co-Lab](#), [Nesta Arts & Culture Finance](#) and [Fundación Compromiso](#), to contribute to this collection on Creativity, Culture & Capital.

New models can transform outcomes for communities and enrich and make sustainable the potential of creativity and innovation. Creative industries can enliven understanding of what is needed and how to move forward and connect people to an inspiring vision

grounded in a more dynamic conception of value. Funders and financiers, policymakers and innovators who join with them will play a vital role in giving that vision form and function – and showing many in the creative industries and beyond how a culturally rich and economically prosperous future can take shape.



**Rosemary Addis AM** is an internationally recognised director and strategist. Her roles include founding managing partner of [Mondiale Impact](#), a unique practitioner led partnership; Enterprise Professor of impact, sustainability and innovation in the Faculty of Business & Economics at the University of Melbourne; and Ambassador to the Global Steering Group for Impact Investment. Rosemary has advised leaders globally from the United Nations Development Programme [SDG Impact](#) to the [OECD Social Impact Investing Initiative](#), the [World Economic Forum Ideas to Practice](#), international governments and private market clients. She has collaborated with Oxford University and Harvard Kennedy School and her thought leadership is [published widely](#). In 2022, Rosemary was named among the inaugural Sorenson Impact Center [Global Impact Leaders](#).



## Project reflections

**Laura Callanan**, Founding Partner,  
Upstart Co-Lab

**Bárbara Russi**, Director  
**Carolina Biquard**, Executive Director  
Fundación Compromiso

**Fran Sanderson**, Director, Arts & Culture  
Programmes and Investments, Nesta

The transatlantic founding partners who brought together the Creativity, Culture & Capital collection of essays reflect on motivations, learnings and future ambitions.

### Upstart Co-Lab: Impact capital for an inclusive creative economy

Upstart Co-Lab connects capital with creative people who make a profit and make a difference. A field-builder, thought leader and catalyst since launching in 2016, Upstart has defined a 'creativity lens' to frame the creative economy as an impact investing priority; demonstrated through original research the role of creative places and businesses in comprehensive community development and the opportunity the creative economy offers BIPOC and women entrepreneurs; developed a pipeline of 300 impact investment opportunities in the creative economy; and directly mobilised nearly US\$23 million of impact investing capital for the creative economy of the United States.

Upstart Co-Lab identified 145 industries that states and regions across the US use to define their local creative economy, and grouped these industries into categories to describe the inclusive creative economy for the benefit of impact investors: ethical fashion; sustainable food; social impact media (with a focus on film & TV and video games); and other creative businesses, such as those in the visual art market, immersive live experiences, and the quickly growing creator economy – the ecosystem of direct-to-audience platforms and digital tools helping creatives to develop, monetise, scale, and maintain control over their work.

Over the past three years, Upstart has advised donor-advised funds, private foundations and endowed cultural institutions with US\$4 billion in aggregate investment capacity. Upstart has helped newcomers explore how investment can align with their values and commitment to art, design, culture, heritage and creativity. Upstart has helped those who are already impact investors deploy nearly US\$12.5 million into funds and companies in the creative economy driving deep people-focused impact and delivering financial return. To learn more, read Upstart's *2021 Impact Report: Investing for an Inclusive Creative Economy* and *Cultural Capital: The state of museums and their investing*.

Creativity and culture are globally recognised as empowering people – especially disadvantaged groups, women and youth – to take ownership of their own development as the basis for innovation that can drive inclusive, equitable and sustainable growth. While there

are already examples in Europe, Latin America and Africa of impact investments funds fully dedicated to the creative economy – such as Nesta's Arts & Culture Finance Fund in the UK, the HEVA Fund in Kenya, France's Mirabaud Patrimoine Vivant and Brazil's Trê – the US currently lacks such a vehicle.

Now, Upstart Co-Lab is launching the Inclusive Creative Economy Strategy, the first national creative economy impact investment strategy in the US. The Inclusive Creative Economy Strategy will invest in a portfolio of emerging impact funds with creative industry exposure and seed/early-stage companies in the creative industries. Upstart's approach targets market-rate returns.

The Strategy seeks to achieve deep, people-focused impact across five dimensions:

- **Access to capital for BIPOC and women entrepreneurs:** Funds and companies that are led by diverse managers and founders, respectively, as well as investments in funds that are backing diverse founders.
- **Quality jobs:** Jobs that provide a living wage, basic benefits, career-building opportunities, wealth-building opportunities, and a fair and engaging workplace.
- **Vibrant communities:** Activities that strengthen economic development, encourage civic engagement, build resiliency and contribute to quality of life.
- **Sustainable creative lives:** Ownership models, earnings opportunities, and pathways to wealth building that support a 'creative middle class'.
- **An inclusive creative economy:** Economic activity anchored in Openness and Experimentation, Diversity and Inclusion, and Tradition and Innovation that benefits artists, designers and all members of the community. (Learn more: '[Values And Metrics for the Inclusive Creative Economy](#).')

In tandem with managing this investment strategy, Upstart will conduct a complementary influence strategy, intended to both unlock the creative sector as a new source of impact capital and to move impact capital to the creative economy at scale. In an effort to engage more investors,

advisers and fund managers in impact investing in the creative economy, Upstart will be radically generous in sharing the learnings so that others can replicate our approach. The Inclusive Creative Economy Strategy is intended to demonstrate to the impact investing field the potential of the creative economy to deliver both market-rate financial returns and deep people-focused impact.

Upstart Co-Lab's goal is to make the creative economy a priority within impact investing. When this happens, artists, designers and other creatives will gain access to values-aligned capital to scale their businesses and their impact. Cultural institutions, art lovers and artists will become the next cohort of impact investors. The creative economy will be more inclusive, equitable and sustainable because it is shaped by impact investment capital that shares these values.

Upstart is grateful to our partners at Nesta's Arts & Culture Finance and Fundación Compromiso, and to all of the contributors to this collection for our shared work towards these ambitious long-term goals. We move forward energised by this collaboration and by this global community. Thank you.



**Laura Callanan** is the founding partner of Upstart Co-Lab, which is connecting impact investing to the creative economy. Before launching Upstart Co-Lab, Laura was senior deputy chair of the National Endowment for the Arts; consultant with McKinsey & Company's Social Sector Office; and associate director of the Rockefeller Foundation, where she managed the endowment and co-led impact investing, closing two investments in the creative economy. Laura has been visiting fellow at the Federal Reserve Bank of San Francisco, scholar in residence at UC-Berkeley/Haas School of Business and a Rockefeller Foundation Bellagio fellow. She chairs the GlobalGiving Foundation, advises Shift Capital, and is a member of the British Council Creative Industries International Council.

### Fundación Compromiso: Social innovation to boost the creative economy

Fundación Compromiso is a non-profit organisation with a solid profile in social innovation that walked its way into the creative economy hand in hand with *Creativity, Culture & Capital: Impact investing in the global creative economy (CCC)*. We had the immense privilege to partner with organisations of the stature of *Upstart Co-Lab* and *Nesta*, representing the Latin America share. Our deep gratitude to Laura Callanan, Francesca Sanderson, Sarah Lang, Racheal Bull, Sarah East, Louisa Shanks, Jenny Jacoby, Paula Silva, Josefina Derrider and Jeannine Emery, with whom we shaped, designed, reflected and dreamt about the CCC. What a massive learning and what big thanks to our international colleagues for co-creating a global conversation about the potential and the opportunities of the creative sector.

Our profound gratitude as well to all the essay authors for their unique perspectives, for believing in the project from scratch – and most of all for the significant contribution each one of you is making to the development and expansion of the global creative economy. A special note also about the unique experience of conducting a global research study during the pandemic. We knew in those first quarantine months that the report was going to inspire and deliver concrete examples of how creativity and culture could help build back better from Covid-19.

The 2022 edition of the UNESCO World Conference on Cultural Policies and Sustainable Development – MONDIACULT 2022 aims to affirm culture as a ‘global public good’, underlining its value as a cornerstone of our societies, natural resources and economies. This is very good news for the sector: culture and development are being read together, and therefore efforts will be put into measurement. Launching this collection of essays showcasing global initiatives in the creative economy at the beginning of 2021, the UN International Year of Creative Economy for Sustainable Development, helped to bring the impact investing perspective into the creative sustainable development agenda.

The Latin American chapter was an adventure, because we had to scout case by case. Fundación Compromiso was defining its own impact investing strategy along with the learnings of connecting impact capital to the creative economy. The Creativity at Work

section of the collection, which explores the impact the creative economy has on every aspect of our lives, felt most suited to us from the beginning, with the social focus giving us the scope to draw together a first regional creative impact investing constellation.

In Latin America, the extra challenge was that the region is made up of 33 very different countries, with different currencies, very different scales and some with very recent democracies. It is in this context, and in a region where the largest cause of excess mortality is violence, that we started to ask ourselves who was funding those artists and cultural entrepreneurs who were delivering innovation and the creative solutions that uplift lives and enhance our environment.

Creativity, Culture and Capital gave us the opportunity to explore the creative ecosystem and highlight those working for good. It allowed us to amplify the stories of some of the most amazing and interesting players in our creative ecosystem and meet and greet them in one global publication.

But the big jump came with the translation of the entire collection into Spanish – a gesture that was a great support to the Latin American impact investing and creative community. It is quite something to be involved in a project where you get to feel the pulse of a growing movement. Of course, some countries in the region are leading the creative transformation, but collecting these stories enabled us to understand where the energy of the creative economy is coming from, and the concerns and challenges we need to address. Although tickets are still small in Latin America, we can extrapolate and visualise the positive trend.

For Fundación Compromiso, *Creativity, Culture and Capital* is a spark that places Argentina and the region in a pipeline position. We strongly believe the CCC community has started a global movement that will connect its members and build better. Fundación Compromiso maintains its commitment to scaling creative startups and companies driven by graduates of the Potrero Digital Learning Centre. May *Creativity, Culture and Capital* continue to evolve into a living resource and community platform that connects investors, innovative artists and cultural entrepreneurs worldwide.



**Carolina Biquard** is a lawyer who has dedicated her professional life to strengthening civil society in Argentina. She holds a master’s degree in Nonprofit Management from the New School for Social Research. She founded Fundación Compromiso in 1994 and was the CEO until 2005. Fundación Compromiso develops and spreads a new model of supporting and investing effectively in social, environmental and cultural issues throughout Latin American civil society organisations, private enterprises and public institutions. From 2007-2009, Carolina was National Director of Cultural Industries. She was the President of the Fondo Nacional de las Artes, a public institution dedicated to financing artistic creation and Argentine culture from 2015 to 2018. Carolina is now back at Fundación Compromiso, converting the foundation into an Impact Fund.



**Bárbara Russi** is an anthropologist with a specialisation in cultural management working as adviser for the National Commission of Monuments and Historical Heritage and as a consultant on institutional building and financing strategy for public and private organisations in the cultural field. She served as Chief of Cabinet in the National Fund for the Arts; coordinated the Institutional Development Office of the National Ministry of Culture; worked on the creation of the Costume Center of the San Martín Theater; and coordinated the creation of the Training Trade Center for the Theatrical Complex of Buenos Aires and for the Lyrical Teatro Argentino of La Plata. She worked in the production of Urban Art Festivals in Buenos Aires, and in the nonprofit world was Director of Institutional Development for Juventus Lyrica and Fundación ArteViva. Barbara is a Board Member of Fundación Compromiso.

### Nesta: Impact investment and the creative economy - taking each other to the next stage

It was a different time when we conceived of this project in 2019. The climate was already a pressing issue, but most of us weren't considering the risk of a global pandemic, or parsing the implications for our cultural lives and the livelihoods of the people and organisations who support them. Creativity, Culture & Capital was born out of a shared conviction that arts, culture and creative enterprise are a transformative force for good in the world, and that coordinated collective action by investors, philanthropists and policymakers can turbo-boost this positive impact – in scale, in sustainability and in effectiveness. As creative economies the world over take stock of the post-pandemic landscape, this project has only become more urgent. It is time to examine the financial tools available to us. Using imagination, courage and ingenuity in deploying them, we can ensure that the desire to 'build back better' delivers more than an empty catchphrase, cast adrift between the twin supertankers of risk aversion and status quo.

While the creative economy isn't explicitly recognised in the UN SDGs, as investigated in the British Council's seminal report, *The Missing Pillar*, we believe diffuse social benefits are a feature not a bug of our sector. Whether it be grassroots craft organisations delivering jobs, creative clusters driving local economic growth and development, or dance classes addressing loneliness and reducing risk of falls in elderly patients, many arts and creative interventions address more than one of the goals, and this interdependence characterises the power of the arts to address our complex systems and the wicked problems the world is facing today.

Creative approaches are necessary, because siloed disciplines and interventions working along one axis of impact can only address our social challenges in parallel or in series, rather than as a multivariate matrix. And as creatives develop novel initiatives in their attempts to find solutions to these problems, so too must investors be imaginative about how they conceive of and measure impact. Directly measurable positive outcomes work for everyone, but we must remember that not everything good can be measured and not everything that can be measured is good.

Culture and creativity permeate everything we do, and, as Dr Maria Jackson, Chair of the US National

Endowment for Arts memorably commented at the Edinburgh International Culture Summit, 'The arts are often preconditions necessary for so much of what we say we want to achieve in society'. Creative work can provide a much-needed catalyst for significant cultural shifts, whether that be around the devastation climate change is wreaking on the natural world, or on LGBTQ+ acceptance and inclusion.

As impact investors develop their sophistication and deepen their understanding of the social challenges they demand their capital addresses, we believe the creative economy will become increasingly attractive as a home for that capital. It is vital we develop the infrastructure within the creative economy to provide investable opportunities.

The skills we have developed at Arts & Culture Finance in investment origination, impact management, measurement and evaluation, business model understanding, market dynamics, and challenges in areas such as talent development and retention and governance, as well as shortfalls in creating supportive environments for innovation, are specific to the creative economy. We believe our bespoke sector skills and experience not only enable us to build better relationships and promote the potential of impact investment to drive commercial models, economic growth and the myriad other positive impacts of the sector, they also mean we make better investments. We can manage the risk of our individual investments and our overall exposure better, and strike a constructive balance between financial risk and return and impact risk and return. Our position is that local intermediaries with deep knowledge and networks, and strong and proliferating credibility within the target sector, are absolutely vital to driving creative economy growth through impact investment.

There are many exciting opportunities for new fund development. As the energy crisis continues and creative and cultural venues across the world battle with rising costs and outdated energy and heating infrastructure, there is a huge opportunity for impact capital to be deployed to retrofit the sector's global asset base. Venues are unique in how they seek to engage visitors, and provide not only an opportunity to develop best practice through collective planning and experimentation, but also to ensure that the act of retrofitting is itself an act of public engagement.

Collective investment vehicles can not only catalyse action by making capital available, they can also be learning centres for what works: we have often helped investee organisations navigate problems we have experienced elsewhere in the portfolio, either by connecting them directly, applying our own learnings across the two situations, or, in some cases, by helping the original organisation productise and sell their valuable experience to willing and grateful customers. The other huge benefits of collective investment vehicles, particularly when investors span the public, private and philanthropic sectors, are that power dynamics shift and diffuse, and, crucially, that the social impact that motivates all of the investors becomes the lodestone around which their otherwise competing agendas can coalesce. When the positive outcome is the ultimate unifying priority, collaboration becomes easier and long-term partnerships are born.

This chapter of Creativity, Culture and Capital is drawing to a close. The beautiful founding coalition of Arts & Culture Finance, Upstart CoLab and Fundacion Compromiso – built on trust, respect and a shared, unswerving belief in the project's aim of making a compelling case for impact investing in the creative economy – has delivered 100 inspiring stories to ignite a pilot light under this incredible source of positive social outcomes, for individuals, communities, society and the planet.

We know there are more stories out there, and the beginnings of a movement are building. With passion, patience and persistence, we can create a perpetual source of funding for the creative economy that not only values positive impact but insists on it, and a portfolio of vibrant and profitable investment opportunities for impact investors across the globe.



**Fran Sanderson** has been at Nesta for five years and has overseen the development of Arts & Culture Finance, which manages over £30m of impact capital. She has led on various projects, including Amplified, a grant and structured support programme helping cultural and creative organisations to use digital ideas to generate social impact; Nesta's involvement in the RSC's Audience of the Future project; a Creative Immersive Mental Health fellowship programme with StoryFutures looking at the role of creatives in engaging users; and Alternarratives, a prize designed to reignite interest in reading for pleasure among young people. Fran started her career as a fund manager at JPMorgan, before spending some time travelling in a campervan and living off grid in southern Portugal with her young family. She started working in impact investment at the birth of Big Society Capital in 2012, and has a lifelong passion for the arts.



## Creativity at work

Creativity and culture generate powerful impact. We knew that when we began this project – and yet, over the 100 essays we’ve gathered, we’ve seen it reinforced time and again, and in unexpected ways. A Native Alaskan tribal organisation inspiring its youth, celebrating its stories and creating a revenue stream through video games.

A Colombian city, Medellín, tackling poverty and violence and dramatically improving the quality of life of its residents through investment in culture. A collectively owned entertainment label achieving individual and community empowerment in an informal settlement in Nairobi.

In this third and final collection, we find yet more examples of the ways in which culture can forge new connections and tackle wicked problems. From homelessness to healthcare, indigenous rights to prisoner rehabilitation, creative organisations are providing creative solutions, through the visual arts, film, music, fashion and more. We see these stories as building blocks in a global movement towards a more inclusive and sustainable economy, with creativity at its core.



## Investing in the arts can improve population health

**Dr Daisy Fancourt**, Associate Professor of Psychobiology & Epidemiology;  
Head, Social Biobehavioural Research Group;  
Director, World Health Organisation Collaborating Centre for Arts & Health  
**Alexandra Bradbury**, Research Programmes Manager  
University College London

Pioneering research by UCL shows a powerful link between health and arts & cultural engagement, opening up novel ways of managing and treating mental and physical health conditions.

With NHS waitlists and treatment backlogs covering the front pages of most UK newspapers, the pressure is on to explore radically novel solutions for our health service.

Our research group at UCL has solutions to offer, but what we bring to the table is not radical in the traditional sense. We're not offering glitzy apps or high-tech products. We're offering resources that already exist in our communities, but which are rarely harnessed for their potential to prevent and treat health issues: arts and cultural assets. Unfortunately, these resources haven't formed part of the usual care you receive when you visit your GP. But this has all begun to change in recent years, with innovative pilots paving the way for a national social prescribing rollout aiming to reach 900,000 people a year by 2024. Social prescribing allows GPs to refer people to a variety of community programmes, including those related to the arts and culture. It is part of the NHS Long Term Plan to expand personalised care, and it's becoming increasingly recognised for its value in addressing the social challenges that land many in poor physical and mental health.

Much of the evidence for social prescribing comes from research that examines the effects of arts interventions on mental and physical health. For example, a wealth of evidence already shows how arts activities such as singing can be used to treat depression. However, the studies are typically small in size (dozens or hundreds of people only), unrepresentative (the people who take part may be different from the rest of the population) and only follow people for a short period (weeks or months). So we've taken another approach, examining how arts and cultural engagement can affect the health of tens of thousands of people over years, if not decades.

To do this, we use large longitudinal cohort studies that are available to researchers across the UK. These track people across their entire lifespans, rigorously assessing every aspect of their lives. The studies are jewels in the UK's research infrastructure, but their relevance to arts and culture was unappreciated until our work began.

These models have tremendous significance for how we can design health programmes to prevent, manage and treat physical and mental health conditions

We recognised that buried within them were dozens of questions on how people participate in the arts. We then used cutting-edge statistical techniques to look for associations between arts participation and health outcomes. Most excitingly, because the samples are representative of the population, our findings reflect how the arts could impact health at a societal level.

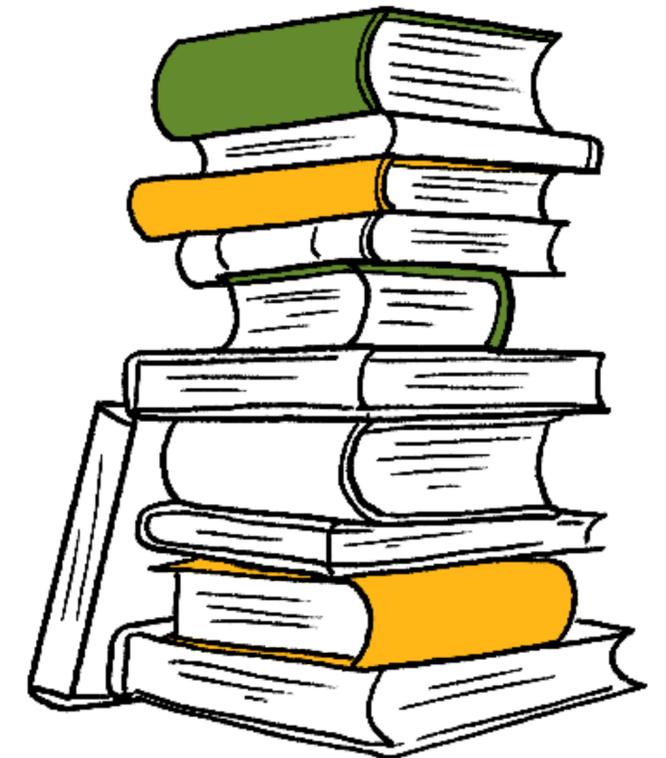
We've also explored whether arts engagement is related to the incidence of health conditions in the first place – a question that had never been considered. Over the past five years, we've found significant evidence for the preventative effects of the arts on health. For example, women who listen to music during pregnancy are less likely to develop postnatal depression in the three months after birth. Older adults in England (age 50+) who regularly participate in cultural activities (for example, attending the theatre, cinema or galleries) have nearly half (48%) the risk of developing depression compared to people who do not engage in culture. They are also more likely to have higher levels of wellbeing, a lower risk of loneliness, a lower risk of developing chronic pain and a lower likelihood of becoming frail. We also found lower risks of those in this group developing dementia or having poorer cognitive functioning.

On the other end of the age spectrum, we've found that arts and cultural engagement can have long-lasting effects from childhood to adolescence. Specifically, children aged seven who take part in creative activities have a lower risk of developing behavioural problems in early adolescence. If children tend to read for pleasure, they are less likely to use cigarettes and alcohol at age 14, and they also have lower levels of hyperactivity, inattention, and better prosocial behaviour.

Adolescents also benefit from arts engagement. They are less likely to be antisocial, to behave criminally, to perceive such behaviour positively, and they are more likely to have better self-control. Alcohol, marijuana and tobacco use are also less common among teenagers taking part in arts groups.

In all of these observational analyses, we recognised two key methodological issues. First, that people who engage in arts and culture could be 'different' from the rest of the population – perhaps healthier, wealthier, better educated, living in more affluent areas, retired or with more free time – which may be why they have better health outcomes. But, using advanced statistical techniques, we found that while demographic, health, social and behavioural details did partly explain some of the associations between the arts and health, they did not explain the whole picture. Independent relationships between arts, culture and health were maintained despite these other factors.

Second, with observational data we don't have the same certainty over causality that we would have by conducting trials in which people are randomised into 'intervention' and 'control' groups. This is a challenge that anyone working on cohort data faces, but we've used the latest statistical techniques to 'infer' causality. For example, we've matched people who engage in the arts with 'twins' in the same dataset who mirror them on all important lifestyle factors but who are not engaged in the arts. Essentially, we've mimicked intervention and control groups. We've also applied different techniques to the same research question to allow the strengths and weaknesses of each method to balance out and to check that analyses converge on the same finding. We've even analysed cohorts in other countries to check that unique contexts aren't leading to spurious associations. As our findings continue to corroborate those from rigorous causal trials, we have more and more confidence in what we're discovering.



A large part of our work in recent years has turned to the question of 'why': what is it about the arts that means they have the capacity to affect our health and how does this happen? Two major developments from our work have been the identification of over 130 'active ingredients' in arts activities that all have the potential to affect health, and over 600 'mechanisms of action' that link these ingredients to specific mental and physical health outcomes. These ingredients include aspects of arts activities themselves, the social components that can be involved in engaging and participating, and the context within which activities are delivered. Mechanisms are the processes that link arts engagement with health outcomes and they can be psychological, biological, social and behavioural. We're proposing new complex theoretical models that explain the interrelationship between these ingredients, mechanisms and outcomes in our scientific papers. These models have tremendous significance for how we can design health programmes to prevent, manage and treat physical and mental health conditions.

Unfortunately, we're also finding that many people face barriers to accessing cultural resources, especially individuals from less advantaged backgrounds. People with mental health conditions, with low levels of happiness, who are in poor health and who live in deprived areas are also less likely to engage. This is a big challenge because it means that those who are most likely to experience poor health are also more likely to miss out on the health benefits of arts engagement. Fortunately, regardless of where people live, we've found they can experience the same health benefits from the arts. But the question is, how can we remove obstacles for people who need the arts the most?

This returns us to social prescribing, which aims to help equalise arts and cultural access and address health inequalities. However, current schemes are far from meeting health demand, which will inevitably increase due to the consequences of the pandemic, the cost-of-living crisis, our ageing population, increasing geopolitical tension and its repercussions, the rising burden of mental health, years of underfunding of our NHS, the increasing burden of chronic diseases and multiple other challenges. More work is needed to understand how social prescribing may address these inequalities.

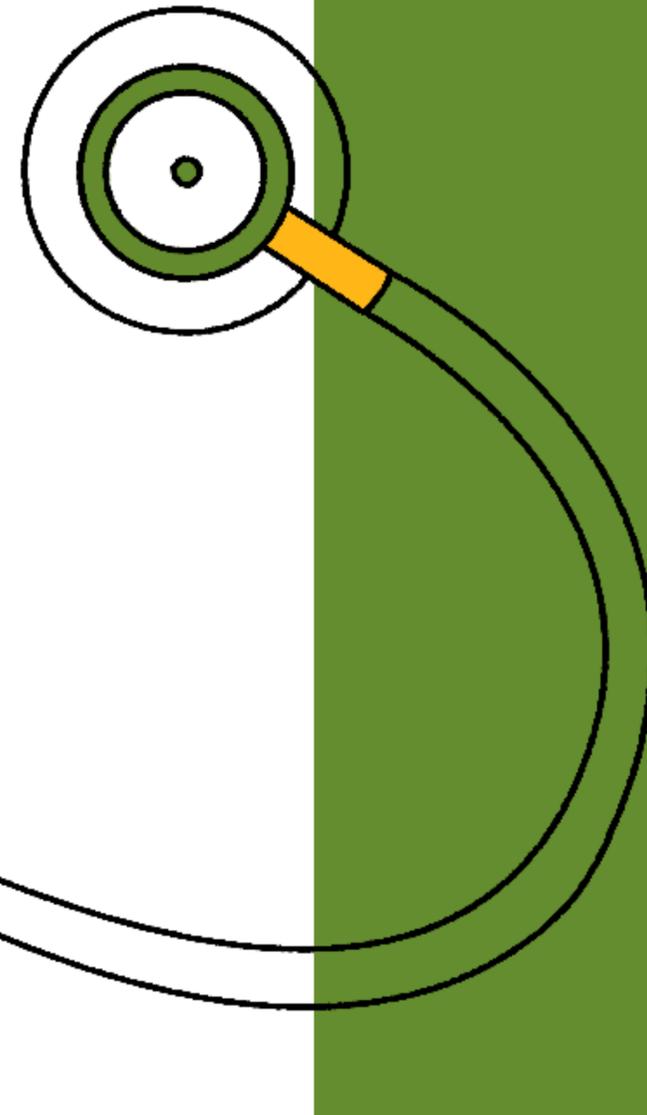
These are also worldwide problems, and the World Health Organisation is already working with us to explore the potential of the arts and social prescribing to improve health in communities across the world. The field of arts-in-health offers limitless opportunities to address these problems, but we need governments, healthcare systems and investors to prioritise the arts for population health. We need a massive funnelling of capital into the arts sector to provide essential cultural assets for social prescribing schemes. And we need to bring together community groups, arts organisations, health services and other partners to revolutionise our approach to healthcare delivery.



**Dr Daisy Fancourt** is Associate Professor of Psychobiology & Epidemiology at University College London, where she heads the Social Biobehavioural Research Group. Her research focuses on the effects of social factors on health, including loneliness, social isolation, social and community assets, arts and cultural engagement, and social prescribing. Her work includes behavioural studies, clinical trials of new psychosocial interventions within the NHS, and epidemiological analyses. She is Director of the World Health Organisation Collaborating Centre on Arts and Health, a member of the WHO TAG on mental health in Covid-19, an Expert Scientific Adviser to UK government, a member of the Lancet Covid-19 Commission, a BBC New Generation Thinker and a World Economic Forum Global Shaper.



**Alexandra Bradbury** is a Research Programmes Manager in the Social Biobehavioural Research Group at University College London. She is experienced in science communications and research management and formerly coordinated the COVID-MINDS Network. She is also an MBA candidate at the UCL Global Business School for Health.





# Building social capital through collaborative design

**Judah Armani**

Head of Social Design Lab, Royal College of Art  
Senior Researcher, Central St Martin's Design Against Crime  
Visiting Fellow, Rhode Island School of Design

A record label born in a UK prison is providing participants with vital skills through songwriting and co-creation.

I am very fortunate. I remind myself of that daily. My work revolves around creativity and collaboration – often collaboration with those in the most challenging circumstances. Difficulty and creativity appear to be natural bedfellows – after all, necessity is the mother of invention – but there is a darker side to this pairing. The streams of creativity do not always flow freely to those whom society chooses to ignore. Innovation can often be a luxury afforded to those who are visible, known and accepted.

There are many creatives who choose to occupy the liminal spaces of societal invisibility with the power of innovation. I have been drawn to these liminal spaces ever since I was a child, not just because I believe this is the precise point of intervention for art and design, but because my life is richer for it. Ever since I arrived in London as an immigrant from the Middle East, these spaces have been familiar to me. I know what it is to be an outsider, and I know what it is to be visible enough for my differences to make me invisible.

Over the last two decades, I have been privileged to collaborate with disparate communities embedded within homelessness and His Majesty's Prisons. I have witnessed countless examples of the ways in which creativity nurtures, enriches and encourages neighbourhoods.

InHouse Records is a record label that was born in His Majesty's Prison (HMP Elmley) and developed through a completely collaborative narrative. It has grown to provide skills-based training in custody and in the community. The label provides participants with an opportunity for aspiration, as well as the enhanced skills that enable them to become better fathers, husbands and members of society. InHouse has a very low reoffending rate (less than 1%), making it a very successful rehabilitation programme. However, for so many people, InHouse is simply a record label, making music that is released and distributed through Sony – music that is performed live, including on stage in 2022 at Latitude and the Brighton Festival.

**Almost all InHouse songwriters will change their narrative through songwriting, taking on more accountability, as they begin to make more sense of their past in order to build a safer future**

At the very heart of InHouse lies creativity – a creativity that lives in the most challenging circumstances, and which demonstrates clearly that making something together provides so much more than just that which is made. The men find out that making something together requires collaboration, which needs its own set of nuanced tools: communication, accountability and adaptability. These are often the neglected tools of the co-creative process, but without them co-creation cannot happen.

The communication needed for collaboration in these challenging circumstances requires and enables participants to bridge the profound gaps resulting from adverse childhood experiences and generational poverty. Enhanced communication literacy, which includes written,

visual, verbal and non verbal (body language) communication, allows for more expressive idea-sharing. Through better communication, we are exposed to other people's ideas, opening the gateway to increased adaptability. In short, sharing ideas leads to more learning.

For InHouse Records, songwriting is the concrete process through which to nurture the competencies of communication, accountability and adaptability. Songwriting provides the songwriter with an opportunity to express narratives that might

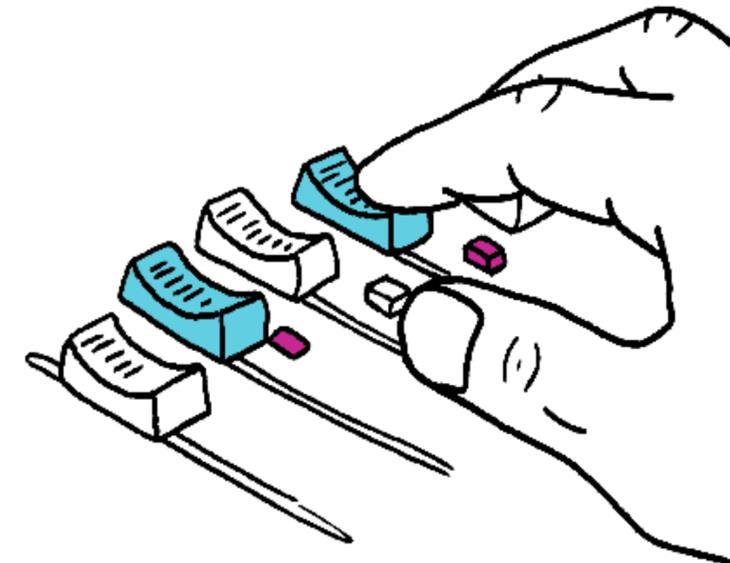
otherwise have been difficult to articulate. In the telling of these stories, the writer not only develops communication skills but also begins to open the door to accountability.

We all construct our own narratives from our life experience and events. As we learn more about ourselves, the opportunity to change our narrative to (hopefully) a more accurate representation presents itself, enabling us to own bits of our narrative that may be uncomfortable. For InHouse artists, each song is an opportunity to view their own narrative. To begin a process of challenging and examining. Almost all InHouse songwriters will change their narrative through songwriting, taking on more accountability, as they begin to make more sense of their past in order to build a safer future.

The growth in communication and accountability through the process of writing songs generates learning capacity, or adaptability. Let's be clear, adaptability is not shorthand for 'resilience'. Rather, it should be an organic byproduct of understanding each other better, being open to new ideas and new ways of thinking, providing a sustainable flow of creativity. When ideas are heard, repeated and adopted, people begin to think less like a 'self' and more like a 'collective', a neighbourhood. An enhanced accountability, in the spirit of creativity, is the final jigsaw piece of the collaborative process. Individuals begin thinking as a group; the collective becomes supportive of each other; a learner who is into drill learns all the lyrics for a country and western song penned by his InHouse colleague as an act of solidarity.

The skills developed collaboratively at InHouse – communication, accountability and adaptability – form the nucleus of the social capital missing through systemic breakdown. There was a time when the UK criminal justice system employed machines to punish the body. Justice was meted out through instruments such as the stocks, the rack or the hangman's noose. Gradually, the switch was made from punishing the body to punishing the soul, and from using machines to using regimes. When the soul is punished, we must find and speak the language of the soul to open a fresh dialogue. Creativity and the arts are the clearest language of the soul – and music can translate stories that have previously been impossible to articulate.

Through creativity and the skills to collaborate, that which is invisible can become more visible and that which society chooses to hide from its sight can be gradually revealed. A fresh lens is fashioned through creative collaboration, and through this lens we can all see a better way of being human.



**Judah Armani** is the head of Social Design Lab at the Royal College of Art, a senior researcher at Central St Martin's Design Against Crime and a visiting fellow of the Rhode Island School of Design. He has his own practice of collaborative design, which currently operates in the criminal justice system.



# FILMANDES: An experience in the creative industry

**Marcelo Ortega**  
President, FILMANDES

An association dedicated to promoting the development of the creative industries in Mendoza seeks to put local audiovisual talent on the global stage.

FILMANDES is a civil association dedicated to promoting the development of the creative industries in Mendoza. Since 2015, the organisation has worked towards the aim of establishing an audiovisual hub in the province of Mendoza. It contains production companies, video games entrepreneurs, electronic sports and augmented reality producers, and is integrated with Mendoza's universities and public bodies.

Those of us who have worked in the creative industries for some time have set ourselves some significant challenges: how to succeed in making cultural activity productive and visible and transform it into an industry rather than merely a sector; how to position a region as a competitive content production hub and put it on international radars; how to attract investment and financing in this knowledge economy.

Creativity, understood as the improbable connection between elements of value in contexts of uncertainty, is the identity that mobilises us and is the key to innovation. It is a central element of a system capable of creating jobs, development and wealth that simultaneously promotes landscapes, history and territories and, in doing so, highlights cultural spaces of great value.

From the beginning, we have had the support of the Inter-American Development Bank (IDB) in the form of both economic resources and practical advice to set us on a clear course. To manage change and navigate the complexities, we have tried to think broadly and create a model of *affectio societatis* that would prioritise unity in a context of diversity.

One of the central tenets of this new space was the need to build a relationship with the public sector, reflecting our recognition from the outset that making it without official support would be impossible and that official support alone would not be enough.

Government assistance is crucial in the audiovisual universe to balance asymmetries and support a sector

made up mainly of micro and small businesses. We prioritise the relationship with the 'official' sectors – the economy, production and export – to establish channels for dialogue on investment, financing and international relations. We always work on the premise that the creative industry is based on talent, ideas and culture, but we also factor in the need to encourage governments to invest, promote the support of the business sector and see the vast development potential of this industry.

In 2019, we achieved approval for a law that establishes an audiovisual promotion system, recognises the sector as an industry, allocates specific funds for the development of audiovisual projects, and creates

the Mendoza Film Commission (made up of an association of public bodies that include the Ministry of Finance, the Ministry of Culture and Tourism and Pro Mendoza; along with non-governmental organisations that group several businesses and audiovisual production companies). With this legal framework and a pluralist working group in place, a first guarantee fund was formed to offer lending at a subsidised rate and serve as a competitive fund for audiovisual projects. This year we have managed to triple that initial investment. Our draft bill on the attraction of

investment to the audiovisual industry in Mendoza now has the government's approval to be put to the provincial legislature and become law this year.

Together with the Municipality of the City of Mendoza, we have set up a 1,300m<sup>2</sup> film studio in the 33<sup>rd</sup> District. Although it is still being fitted out and equipped to international standards, we have already shot some commercials and films. This property adjoins an urban area of scarce resources; with the Municipality of Mendoza, we have coordinated a social integration programme through which we have included workers and technicians from this adjacent neighbourhood in each of the projects filmed so far.

In our own West Coast, we have the necessary conditions to offer infrastructure, qualified human resources, technology, installed capacity, public-private interaction and, more fundamentally, culture

As part of the consolidation of the creative ecosystem, we established partnerships with the education sector ranging from the initial stage, in which audiences begin to be created, to university and postgraduate training. We also built an audiovisual observatory, identifying over 200 job types that are in demand in the industry and for which there is not currently sufficient training. This observatory is coordinated with the National University of Cuyo and disseminates trend data and strategic information for decision-making. As a result of this activity, we have launched FilmAndes Academy, a space for job creation in line with industry needs. So far, more than 300 people have passed through the different training phases of this programme.

At the national level, the Argentine Audiovisual Corridor (CAAR) was established, bringing together chambers of commerce and creative clusters from Córdoba, Rosario, Tucumán, Bariloche, Corrientes, Misiones and Buenos Aires around the goal of positioning the sector and balancing investment and production models throughout the country. An exciting event was the creation of the Creative Route 40, which unites the cities of Mendoza and Bariloche in an audiovisual project competition that aims to show the identity, diversity and talent of this Argentine West Coast.

Throughout 2021, we boosted the visibility of the sector with outreach programmes through the media and networks. We created the first creative economy forum, including specialists and experts at the national and international levels, and we also aired *QR, Nueva Economía*, a TV show that features dynamic interviews with guests who are able to present concrete examples of how culture and creativity generate development and wealth.

We are convinced that FilmAndes, as a space for collaborative development in the audiovisual sector, is an exemplar of the new economy in action: a growing trend that is disruptive and makes knowledge and innovation core components of the production process. It generates new elements of the value chain, includes people who act as agents of change, and develops new audiences – which, in short, become new markets and global opportunities for expansion.

All over the world, understanding of the concept of the creative industries – the orange economy, as defined by the IDB – is growing. In our own West Coast, we have

the necessary conditions to offer infrastructure, qualified human resources, technology, installed capacity, public-private interaction and, more fundamentally, culture.

A creative industry whose mission is to get people excited, have fun and think is an industry that has its success assured. That's our purpose. That's what keeps us going.



**Marcelo Ortega** is the president of FILMANDES and the vice president of CAAR – Corredor Audiovisual Argentino. He is the executive producer and partner of the production companies Occidental Films and SUR Films, and is a member of Filmcommission Mendoza. He was secretary of continuous learning and international relations at the National University of Cuyo, president of the Provincial Institute of Culture of Mendoza and a member of the Advisory Council of the National Institute of Cinema (INCAA). He has been a professor at universities in Argentina and Chile, and worked as a consultant to the United Nations Development Programme (UNDP) and the Federal Investment Council (IFC). He has an MBA in organisational management, a diploma in creative enterprise management and is an industrial designer.



# Digitising humanity vs. humanising the digital

Sarah Coward  
CEO and Co-Founder, In The Room

Conversational AI is democratising access to wisdom, experience and expertise. Creative organisations that embrace the technology can create richer connections with their audiences.

Digital media, synthetic human avatars, deep fakes and conversational AI. All of these are playing roles in how humans, humanity and human experiences are represented. Companies, organisations and creators will increasingly be faced with sometimes challenging choices about how they represent humans, the use of fictional versus real human personas, and how technology can support the next stages of human representation through digital means.

### The birth of virtual humans

No one can have missed the development of digital humans and virtual influencers. From [Lu do Magalu](#) to [Thalasya](#), synthetic personalities are developing online communities and promoting social causes and commercial products. Operating in the same social media space as human influencers, many of them have individual 'interests', such as art and film, and talk about their 'lifestyles', including sustainable fashion and veganism.

Obviously, being digital, none of these influencers have ever eaten anything, worn real clothes or taken part in any activity. Whether this matters or not for fictional creations might depend on a myriad of factors, such as your attitude to the blend of human and digital creations being represented in the same space. Or whether the audience knows who the humans are behind these digital creations – who chooses the clothes, views and lifestyles of the synthetic personalities. Trevor McFedries, one of the main creators behind digital influencer Miquela, [has talked about](#) how he strives for the character to reflect the lived experiences of members of the creative team, and to reflect societal concerns and issues.

Just as storytellers have done for thousands of years, today's digital creators are finding power in the stories of fictional people. These curated tales and personalities can bring inspiration, myth and enjoyment.

As voice interaction and conversational interfaces grow, they are fuelling a new conversational economy, where conversation is the foundation of the relationship between the audience and the organisation

They can shine a spotlight on issues and – because they can be created and controlled – provide an avenue for human representation that can be perfectly defined to reflect a story, company, organisation or brand. As a result, creative and social opportunities for the use of virtual and digital humans will continue to develop at pace.

### Scaling access to human experience

Most of us will have had a moment with a unique individual who has changed our lives by sharing a unique perspective – whether it was a leader, teacher, parent, friend or someone we disagreed with. In these moments, we not

only get a glimpse into someone else's life and perspective, we also have the opportunity to reflect on our own.

This process undoubtedly leads to creativity and change. Conversation with others who might have lived very differently from us can challenge us and build empathy, understanding and inspiration.

Alongside the development of entirely synthetic humans, digital media and conversational AI are transforming access to the knowledge, wit and wisdom of real people whose lived experience makes them unique. And we have the opportunity to harness these approaches to drive positive impact.

Our work at In The Room draws on this principle. Our conversational media platform enables the use of authentically captured audiovisual content, combined with conversational AI, to create voice interactive experiences with real people you might never get to meet in person.

Global audiences can ask questions 'to' unique individuals and receive an answer immediately from an archive of pre-recorded, authentic answers. The person is reflected in their own words, tone and body language – being entirely 'themselves'. As a consequence, the technology enables deep engagement with the audience, who can make their own 'conversation', with remarkable results.

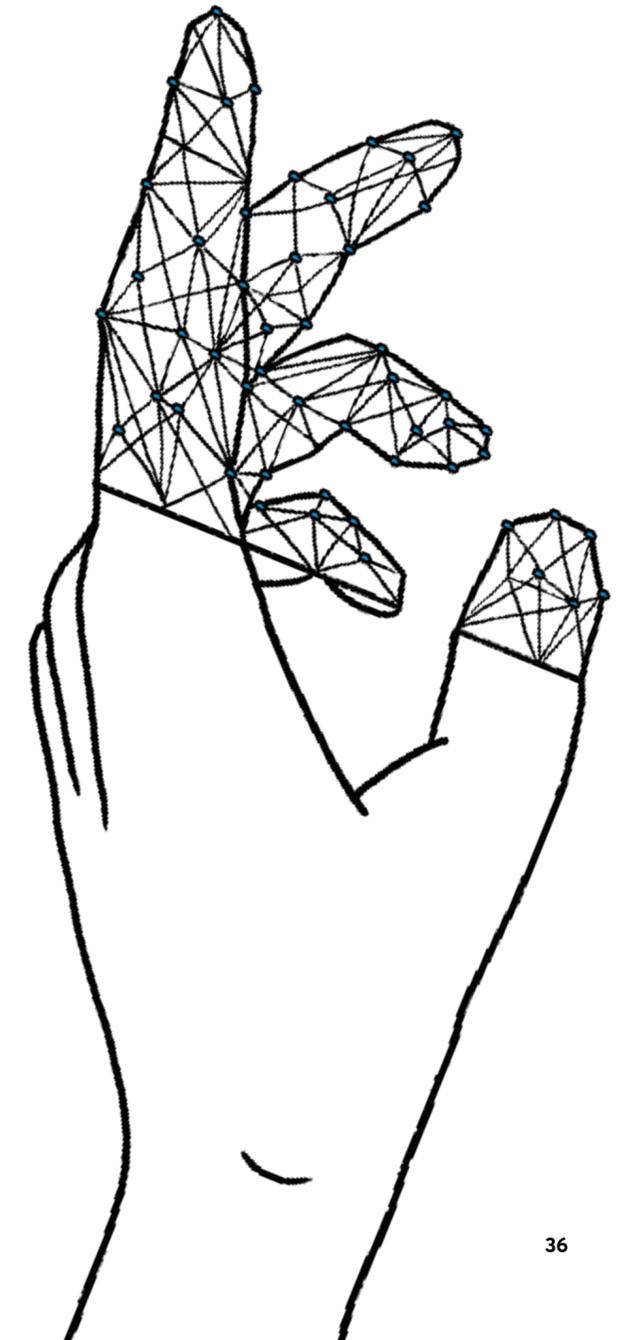
Our platform has been used for inspirational, creative, commercial and educational purposes. Importantly, it can be used for areas in which the individual human experience is vital for the audience. For example, the technology has been used to preserve the legacy and experiences of Holocaust survivors, allowing young people, who will never meet these witnesses in person, to ask questions and hear their first-hand accounts directly.

It has also been used to scale up access to world-leading experts in various mental health conditions, letting people receive answers to frequently asked questions about topics such as depression from specific and known experts. And it has provided access to the stories of those who have experienced mental health issues, enabling people to ask them questions about their journey and, in many cases, their recovery.

Audiences recognise the power of connecting with the experiences of real people – both to better understand serious topics and to gain access to uniquely talented people such as leaders, musicians and artists.

Working alongside Universal Music and the National Portrait Gallery, our work creating the world's first interactive digital portrait, featuring legendary musician Nile Rodgers, showed the power of a one-to-one digital interview for fans, deepening their understanding of his music, talent and impact on the industry.

Real humans are not as controllable as fully virtual avatars. They bring with them the messiness of lives lived, mistakes made and narratives that do not always make sense. They also bring the inspiration of real challenges overcome – and they bring hope, empathy, humour and more.



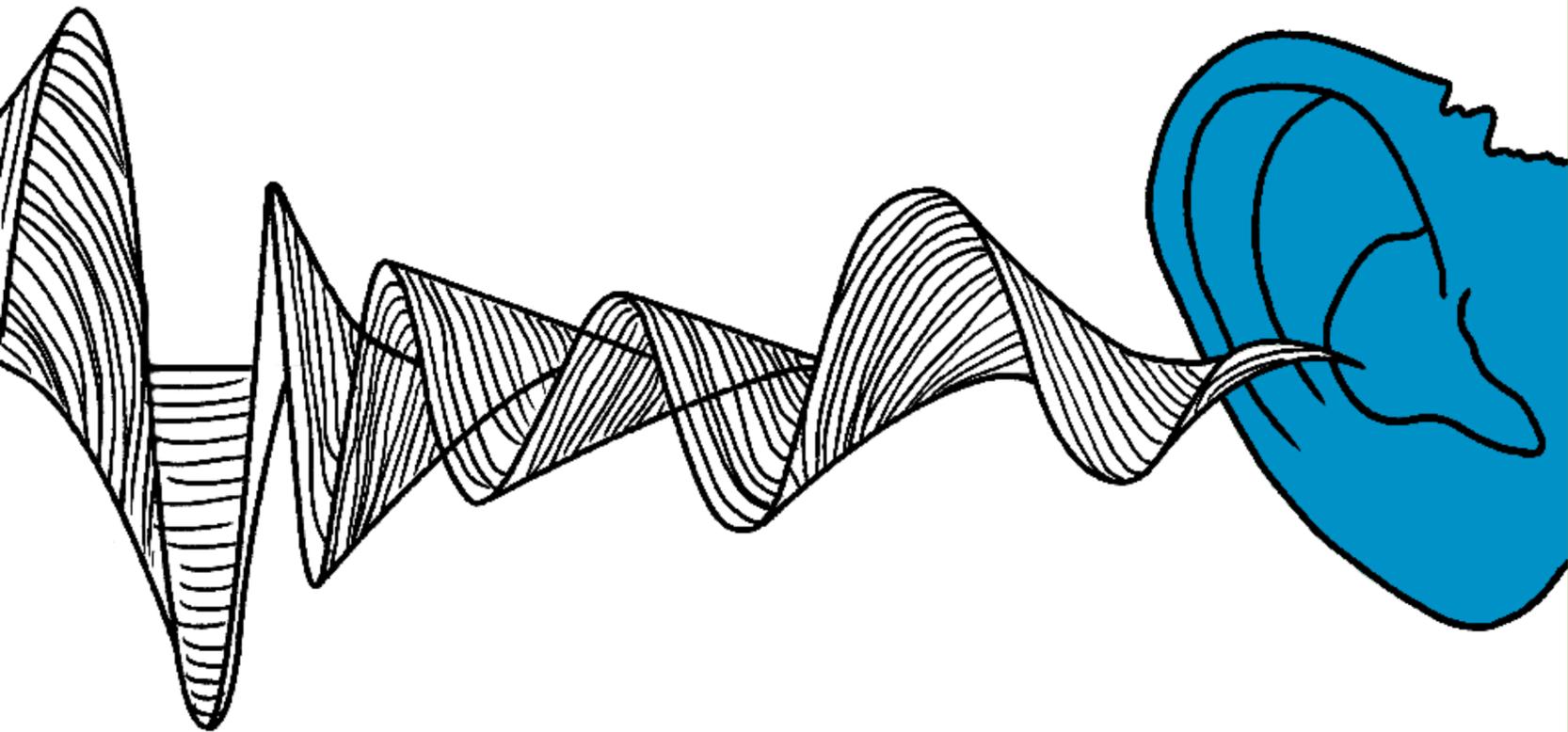
### The conversational economy

Our research shows that audiences perceive significant power and value in connecting with real, individual, human experience, but also that they are open to using new technologies to access unique people who are in demand.

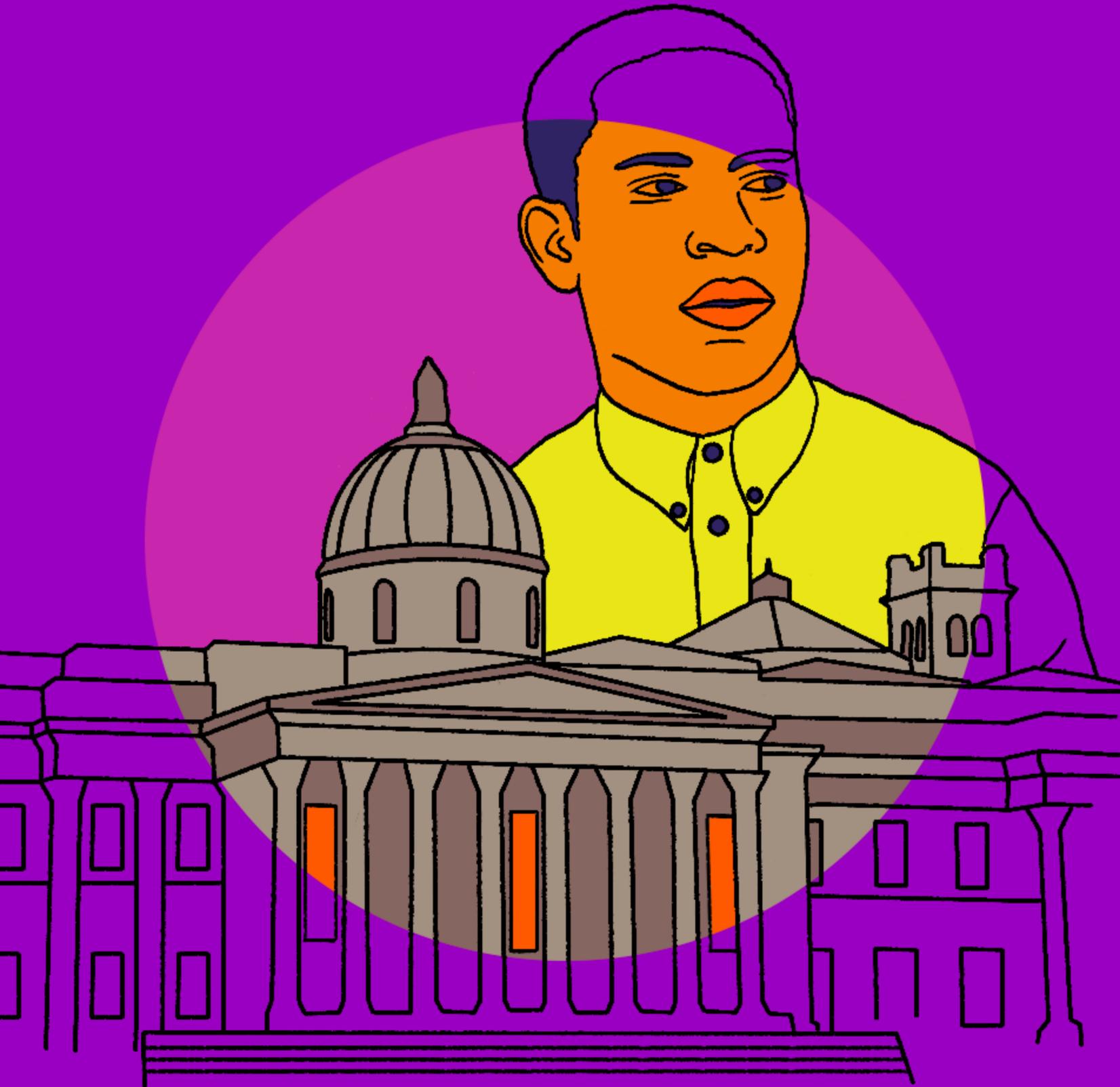
As voice interaction and conversational interfaces grow, they are fuelling a new conversational economy, where conversation is the foundation of the relationship between the audience and the organisation. Organisations will need to embrace new approaches to speak with their audiences, rather than broadcasting to them. New tools will support this revolution, enabling creative companies and nonprofits to increase the impact of their experts and leaders, and reach their audiences at scale.

While individuals and organisations will have their own choices to make about the use of synthetic or authentic media, or blends of the two, it is clear that these approaches will co-exist and that there will be many distribution points for these types of experiences.

As the conversational economy develops, creative organisations will need to think deeply about how, when and why they can use new conversational techniques – and what type of human representation they want to put forward. With ambition, we can harness the power of human impact and the power of scalable technology to solve real problems by democratising access to the wit, wisdom and knowledge of unique individuals.



**Sarah Coward** is a founder and CEO with a passion for transforming audience engagement and understanding through conversation. She established [In The Room](#) to enable people to connect with remarkable people from all walks of life. Prior to founding In The Room, Sarah worked at the National Holocaust Centre and Museum, instigating the Forever Project, an award-winning work creating authentic digital projections of Holocaust survivors. Sarah has 15 years' experience at director level, and 20 years'+ experience in business development, with a focus on developing strategic vision to drive growth. She was part of the Nesta/Arts Council Accelerator Programme aimed at pushing forward the application of new technologies to arts organisations, following on from successful participation in the R&D Digital Fund for the Arts.



## Art as a catalyst for change

**Love Ssega**  
Musician and Artist

Creative climate activism is necessary and exciting – and, when properly funded, can reach new audiences and leave a powerful legacy.

Over the past two years, I have found my work as an artist focused on the climate emergency – essentially, connecting the arts with climate activism. Something very intriguing has happened over this period. I've found that my motivation to continue to pursue the arts has increased exponentially. Furthermore, I've found there is a public out there crying out for more art directly relating to climate. Popular music and art should reflect the times they are made in. As we watch temperatures soar, floods rise and fires rage, what artist could in good artistic conscience ignore what's happening? On the other side of the coin, I believe museums, galleries, commissioners and other cultural institutions should in good conscience invest in and support artists looking to highlight our climate emergency.

Over this short period of time, I have managed to use my art as part of a MoMA PS1 x Slow Factory installation, *The revolution is a school*, in New York; feature in a BBC Radio 4 documentary, *Clearing the Air*; feature in YouTube Originals series *Seat At The Table*, alongside Sir David Attenborough and President Barack Obama; create a new sound piece for Theaster Gates' Serpentine Pavilion, Black Chapel; run a community-wide arts and air pollution campaign, *LIVE + BREATHE*, in two of London's most densely populated inner city boroughs; compose a new piece, *Capes For Blue Skies*, for London's Philharmonia Orchestra, mixed at Abbey Road Studios; and, on Earth Day 2022, create and direct a promenade performance with an all-Black cast for *Love Ssega's HOME-Zero* inside the three largest rooms of the National Gallery in London. If this type of career sounds exciting to you, read on to hear why I think creative climate activism is a necessary and exciting endeavour.

The power of the arts lies in their ability to invoke a reaction – or, in other words, to activate an emotion. Therefore, what artist isn't an activist? At the beginning of the pandemic, a commission from Season For Change, co-run by UK arts organisations Julie's Bicycle and Artsadmin, gave me the opportunity to use my songwriting to address an issue of climate and racial injustice. My project *Airs of the*

*South Circular* focused on the toxic effects of air pollution on the Black community in my borough of Lewisham in south London. A song I wrote, *Our World (Fight For Air)*, was first picked up by local media and then shown at COP26 in Glasgow in 2021, as part of the official UN programme – not bad for a song about air pollution. This is what happens when investment is directed towards enabling artists to make the art they want to make.

The National Gallery has one of the most iconic facades in London. It dominates the north side of Trafalgar Square in the heart of the capital, less than a mile from both Buckingham Palace and the Houses of Parliament. Nesta and National Gallery X (a collaboration between the National Gallery and King's College London) put out a callout for a commission, *HOME-Zero*, that would use art to catalyse change. The winning artist would work with the National Gallery's world-famous collection to start a public conversation on the relationship between household emissions and climate change – an important topic given that household emissions account for a fifth of all UK emissions and yet public awareness is even lower than for issues such as air pollution.

This was quite a specific brief; however, for an artist, the challenge is part of the attraction. The project also came with a commission fee of just over £40,000, which meant a large-scale experience could be created, with all collaborators and fellow artists getting properly paid. Part of my winning commission plan involved a workshop with 18- to 35-year-old people of colour in the National Gallery X R&D lab, with all participants, mainly from minority backgrounds, paid for their time and input – a key but often overlooked point. Over an evening, the workshop participants heard from and interacted with Lisa Insansa (Gal-Dem journalist, writer and specialist on the history of Black squatting movements), Abby Jitendra (Citizens Advice), Kennedy Woods Architects, and Madeleine Gabriel (Nesta mission director: A Sustainable Future), enabling all groups to learn from each other. The outputs from the workshop informed the creative and

The power of the arts lies in their ability to invoke a reaction – or, in other words, to activate an emotion. Therefore, what artist isn't an activist?



Love Ssega's HOME-Zero at the National Gallery, London  
Photo credit: Sophie Harbinson



Love Ssega's HOME-Zero at the National Gallery, London  
Photo credit: Sophie Harbinson



Love Ssega's HOME-Zero at the National Gallery, London  
Photo credit: Sophie Harbinson

One last point on art and activism is the legacy they can create. As part of this project, I commissioned four new MIDI-controllable instruments made from upcycled fossil fuel heating components such as old radiators and gas cylinders. The plan is to perform with them alongside collaborators [Shadwell Ensemble](#), taking the message of *Love Ssega's HOME-Zero* to new audiences and even having new musical works focused on reducing home emissions written and performed. We aim to take the instruments, currently on display at the Nesta building, around the UK to music festivals, venues and educational settings. This is what the arts and climate activism can do. To see more, just invest.

musical responses for the Earth Day 2022 presentation of *Love Ssega's HOME-Zero* in the heart of the National Gallery.

These were two promenade performances with an all-Black cast including poets Kieron Rennie and Solomon O.B. and choreographer-dancers Krystal S. Lowe and Paris Crossley. I composed a new 30-minute score inspired by the National Gallery's collection of Turner, Caravaggio and Constable paintings, in front of which the performance took place, and each performer created original poetry and choreography inspired by the workshop outputs. The two performances drew the largest crowds to the National Gallery Lates since before the pandemic. This was an energetic, open-minded and diverse crowd of 18-35 year olds, some of whom were entering the National Gallery for the first time, all for the cause of climate activism and art.



**Love Ssega** is a performing artist whose music-led work has been performed at London's National Gallery and Serpentine Pavilion, with visual art exhibited at New York's MoMA PS1. His use of art and culture to promote climate awareness saw him invited to host at United Nations COP26 and featured at The New York Times Climate Forward. Love Ssega was the original frontman-songwriter of Grammy-winning Clean Bandit and is now Artist in Residence for Royal Festival Hall's Philharmonia Orchestra. Love Ssega is a Trustee of Brian Eno-led climate charity EarthPercent and Arts Foundation Music For Change Fellow 2022.

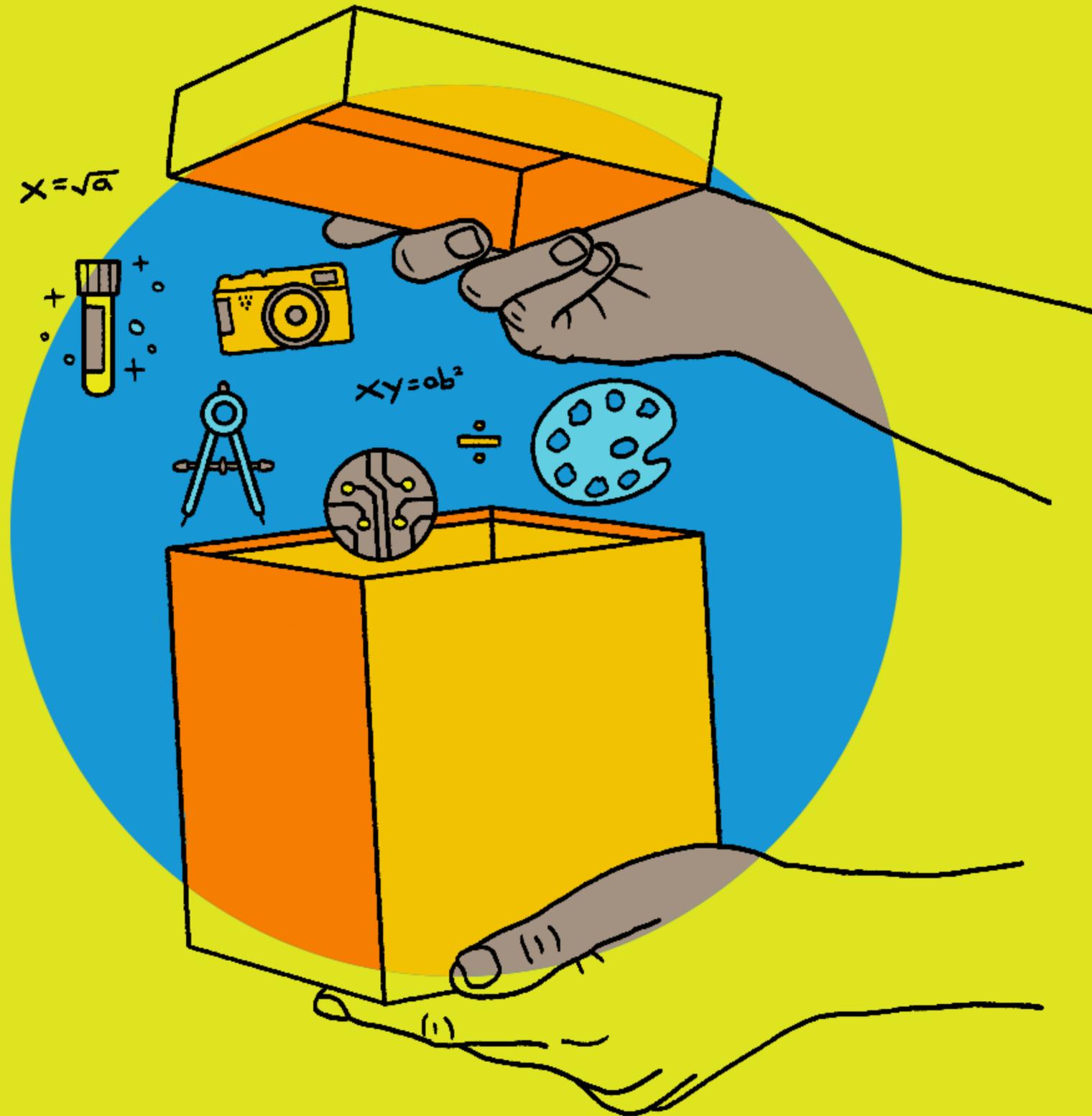
[www.lovessega.com](http://www.lovessega.com)

**Instagram:** [@lovessega](https://www.instagram.com/lovessega)

**Twitter:** [@LoveSsega](https://twitter.com/LoveSsega)

**Facebook:** [facebook.com/lovessega](https://www.facebook.com/lovessega)

**Youtube:** [youtube.com/lovessega](https://www.youtube.com/lovessega)



# Unlocking culture's potential through creative R&D

**Katie Popperwell**  
Senior International Producer,  
UNBOXED: Creativity in the UK

A new approach to commissioning and cross-sectoral creative R&D offers a model for the mobilisation of the cultural sector to play a more prominent role within the sustainable development agenda.

Socially engaged practice has become increasingly prominent over the past decade across visual arts, performance, theatre, design and pedagogy as artists and institutions respond to urgent global issues from their local contexts. The global pandemic has thrown into sharp relief issues around social inequality, while demonstrating the potential for the collective use of creative technology and the internet to galvanise communities of interest, shift mainstream narratives and demand societal change. It was within this context that a programme of £120 million worth of investment into the UK's creative economy brought together cross-sectoral creative teams to design and deliver projects of scale over a two-year period. That investment resulted in a programme that evidences the value of taking a new approach to cultural production which decentralises creative innovation and gave rise to initiatives that could begin to inform a new framework for the commissioning of creative work that aligns to the UN's global sustainable development agenda at a previously undelivered scale.

UNBOXED: Creativity in the UK was a programme of large-scale commissions delivered across England, Northern Ireland, Scotland, Wales and online, opening in March 2022 and running until the end of the year. The programme was funded and supported by the four governments of the UK and delivered in partnership with Belfast City Council, Creative Wales and EventScotland. It featured 10 major, multi-site and digital creative projects all designed to be experienced by audiences free of charge, to engage with communities outside major metropolitan areas across the four nations of the UK, in places often less well served culturally.

The project began life as a funding commitment from the four governments of the UK to deliver against two objectives: to bring people together, and to celebrate the UK's creative offer to the world. It was devolved to

an arms-length body from government, with curatorial independence governed by an independent board. Through a series of visioning sessions and in-person consultations that took in a cross-section of the creative sector through a tour of the regions in 2018-2019, an ambition was established for the project (then with the working title Festival UK 2022) to focus not solely on the arts or the creative industries, but to celebrate creativity in all its forms. The STEAM (science, technology, engineering, arts and mathematics) agenda became an organising principle as a means of bringing together creative thinkers across disciplines and encouraging cross-sectoral collaboration.

In September 2020, six months after the first Covid lockdown was announced in the UK, an open call went out for teams to assemble across at least three of the STEAM sectors, with a mandatory representation of the arts. Each team was required to demonstrate a clear focus on platforming underrepresented and emerging organisations, artists, practitioners and thinkers; to include at least one organisation or individual with experience of delivering large-scale public programmes; and to include at least one team member who had not worked with any of the team before.

Artists came together with engineers, musicians with architects, neuroscientists with game developers. In total, over 120 teams applied.

The teams were not required to submit project ideas; rather, the aim was to facilitate the creation of genuinely diverse collectives that could draw learnings from across a range of sectors, and to support them to produce new concepts – a model familiar to the tech sector in the creation of novel commercial IP, but less common in the cultural sector, where creatives need to retain artistic rights. From the 120 applications, 30 teams were selected to take part in a fully funded creative research and development programme, the Creative Studio – a six-week

There is a huge potential to generate shifts in public perception on issues of sustainable development when investment into grassroots creators and organisations enables them to work at scale and across sectors

semi-structured series of seminars, workshops, lectures, open sessions and consultations, all delivered online. At the outset, the teams were given an R&D budget of £100,000 and a brief to imagine and design a concept for a large-scale public engagement project that was open, original and optimistic; would exist in real and/or virtual spaces across the UK; and would reach millions globally.

Keynote speakers including musician Nile Rodgers, writer Bernadine Evaristo and space scientist Maggie Aderin-Pocock contributed to the Creative Studio programme, providing richness and inspiration, while the BBC's R&D department led the group in a series of structured creative exercises to support the idea-generation process, [introducing product design and future-casting techniques](#) that were familiar to many of the participants and brand new to many more. The cohort was given guidance on how to make new teams work, how to ensure inclusion in your process and how to innovate with intent.

Rather than funding core institutions, money was distributed widely across the creative and STEM sectors, with over 500 organisations and individuals supported. The teams included 27 universities, nine coders, 32 science and research institutions, 11 disability organisations and 100+ freelancers.

At the end of the R&D period, the 30 teams pitched their ideas and 10 were selected. The project materials and feasibility reports for all 30 projects were submitted under a creative commons licence. The intention is for this body of material, alongside the digital footprint of the full live programme, to be published as a free 'commons of ideas' to support cross-sector groups or individuals to collaborate on new creative concepts.

From this novel and incredibly ambitious commissioning mechanism and the scale of the investment in the collective creative process, an informal but consistent thread emerged. Though a mission-led approach had not been expressly part of the brief, each of the selected commissions responded to the provocation of 'optimism' by addressing a range of humanitarian and environmental challenges, from the climate emergency to the legacy of post-colonialism, from neurodiversity to land access rights. A strong current of activism surfaced across the programme as scientists and artists formed coalitions around mutual goals. Science and technology provided

the tools to effect material change; socially engaged artistic practice offered the motivation and values to drive that change. For artists and organisations who had previously engaged in mission-led work in grassroots contexts, national-scale budgets and collaboration with other sectors facilitated a massive explosion of scale.

The 10 successful teams were awarded individually allocated budgets, with the [Barnett formula](#) used to establish the division of funding across the four nations, and the projects went into production at the start of 2021.

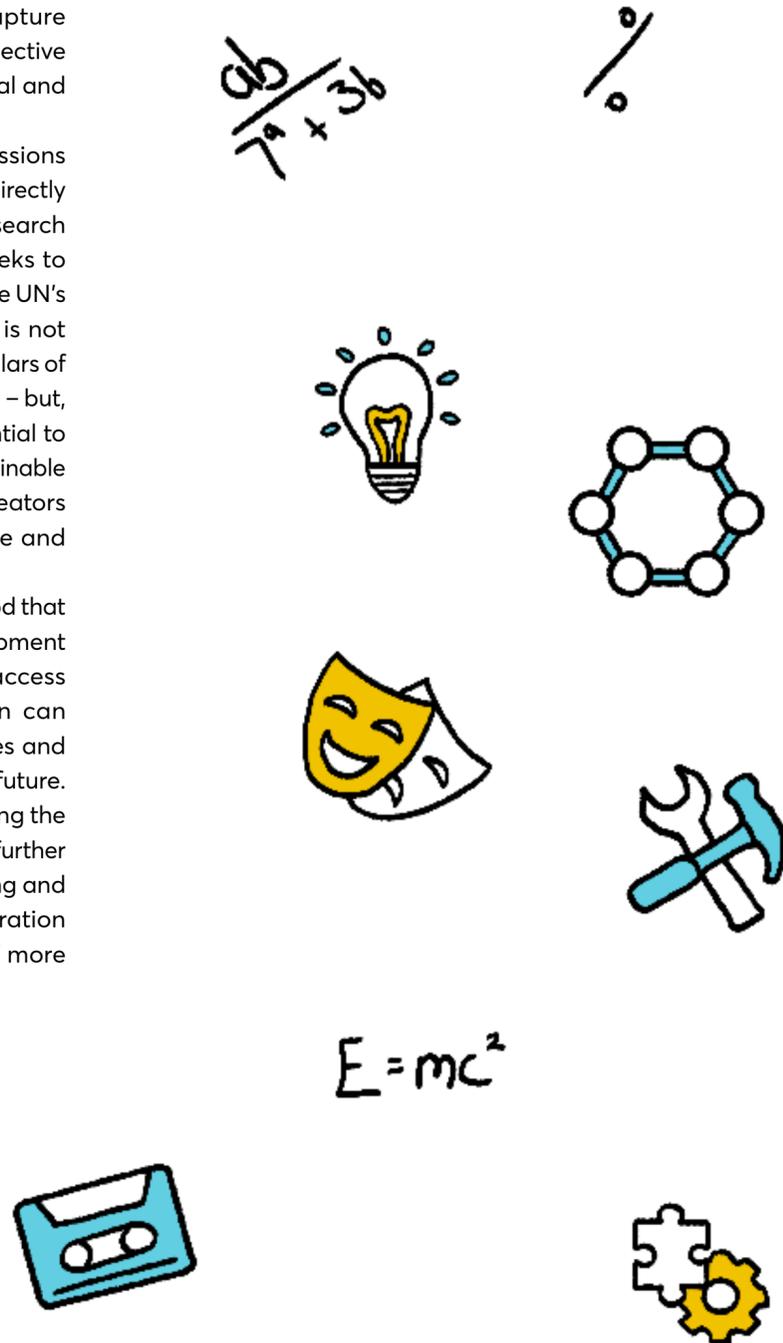
Each of the 10 commissions seeks to shift public perception by inspiring audiences to think differently about the way they experience the world. Some have been more explicit in their small-p political missions – such as Dandelion, which aims to seed a sustainable mass movement of community growing and environmental regeneration in Scotland; PoliNations in its explicit deconstruction of the postcolonial myths of nationhood; and [Green Space Dark Skies](#) in its direct provocation to interrogate the status quo around land ownership, rights, access and natural heritage.

But that vision of a more positive shared future is embedded in all the projects. [Dreamachine](#) creates a powerful collective and individual hallucinatory-like experience for audiences, while contributing to an international body of research into human perception, [The Perception Census](#). At the same time as producing a spectacular lighting and projection mapping performance, About Us supported young people within their communities to use the power of language to understand our connectedness across space and time. Northern Irish project Our Place in Space uses the concept of the overview effect experienced by astronauts to engender new perspectives and new connections in post-conflict communities, and has been supported by UNBOXED's international partner, the British Council, to develop international collaborative projects with schools in Vietnam and South Africa.

The RSA launched a major new research enquiry in 2022 that uses the 10 UNBOXED commissions as its basis. Collective Futures asks how collective imagination and creative collaboration might help shape better futures for people and planet. Through an open call to the RSA's 33,000-strong global fellowship, it seeks to capture projects all over the world with approaches to collective creativity that transcend the traditional institutional and individual models.

Through this lens, the UNBOXED commissions taken as a whole serve as a case study that speaks directly to the Missing Pillar agenda, a programme of research and advocacy led by the British Council that seeks to evidence the vital role of culture in the delivery of the UN's Sustainable Development Goals (SDGs). Culture is not currently formally recognised alongside the three pillars of development – social, economic and environmental – but, as UNBOXED demonstrates, there is a huge potential to generate shifts in public perception on issues of sustainable development when investment into grassroots creators and organisations enables them to work at scale and across sectors.

In the creative sectors, it is widely understood that culture's potential as a tool in sustainable development is far from being unlocked. Large-scale, open-access projects that capture the public's imagination can transform the thinking of people and communities and help us to build a more equitable and sustainable future. But to enable culture to play its full role in addressing the challenges we face, we need further investment and further exploration of radical new models of commissioning and R&D that provide space for collaboration, exploration and imagination, with a focus on the creation of more positive futures.



**Katie Popperwell** is a multidisciplinary creative producer and cultural critic based in the UK. She is currently Senior International Producer at UNBOXED: Creativity in the UK, where she leads on a programme of international engagement and thought leadership including research, events and digital content. During her 20-year career in the arts she has created programmes of work for major festivals including Manchester International Festival and 14 – 18 NOW and acted as a creative consultant for a variety of businesses, higher education institutions and community organisations. A former journalist, she has contributed to a range of publications and presented BBC Radio 4's flagship arts programme Front Row. She is a trustee of Manchester UNESCO City of Literature.



## Creativity without purpose means nothing

Lucía Coll, Managing Director  
Esteban Torbar, Founder  
Eposak

In Venezuela, an organisation promoting the development of sustainable tourism is empowering communities and transforming lives.

The lesson we have learnt from the pandemic is much more profound than we can imagine. As the days go by, we are increasingly committed to looking around us and understanding that the balance that allows us to stay alive is fragile and subtle. Our unbridled creativity and 'progress' pushed the planet to the edge of a cliff, and it was just then that the world turned around, looked us in the eye and asked, 'Is this really how you want to end this story?'

Then everything stopped. We allowed ourselves to reflect. We saw living nature reclaiming its spaces. We reinvented ourselves a thousand times, and the full weight of the importance of sustainability fell on us. We understood that our creativity is worthless if we do not link it to a purpose – to something that makes this world a fairer place for everyone.

Living in Venezuela is seeing creativity run through the streets every day. This creativity materialises differently depending on the direction taken by each creative practitioner. Sometimes, it serves the sole purpose of overcoming the many adversities that stem from daily life in Venezuela, a country where a third of the population lacks food security; where inflation, at 686.4% at the end of 2021, is the highest in the world; where the diaspora numbers some 5.5 million people. Venezuela is a country where people lack the means to escape poverty, where fuel is scarce, where efficient public policy is absent, and where there are no coherent authorities or essential services.

This country is like a video game in which each challenging level is followed by one still more challenging. And the truth is, we love it. Getting bored is impossible: you must constantly assess your options and jump from platform to platform, hoping never to get splashed by lava. The great magic of Venezuela is that, when you think you are about to lose all your lives, an unexpected exit always appears – and, if you try hard enough, you can unlock a whole new level of possibilities.

At *Eposak*, we immerse ourselves in some of the most absurd realities out there. We go deep into rural communities living in environments that can simultaneously be the most

beautiful and the most hostile. We wake up to magical mountains, sacred beaches, sounds of ancestral drums, colours that illuminate paths and encounters with unique cultures. And we help people face challenges such as crime, illegal mining, prostitution, lack of access to education, lack of opportunities and the highest teen pregnancy rate in South America.

Our creativity unites with our purpose by virtue of each of these places. Because, in them, we see harmony despite the chaos. We see the drive and desire to create better realities. Each of the projects we have developed in these indigenous, peasant and fishing communities has brought about immense challenges. Regardless of the nature of the project we are delivering (infrastructure, musical tourism, solar energy, virtual tourism, sport and more), the number of challenges we have

to face is gigantic. Our problem-solving skills have accelerated with every passing year, with every new community. They have grown with every reinvention of the sustainable tourism of these places, with every traveller connecting with them and returning home with a smile and a new gleam in their eyes. The satisfaction is immense. It adds years to our lives.

What makes us different is that we are not afraid. For over a decade, we have worked without fearing lack of time, lack of resources, political instability, insecurity or uncertainty. So far, we have delivered more than 35 experiential projects, offered more than 2,000 hours of training, impacted nine rural communities, benefited 3,000 people directly and more than 26,000 indirectly, hosted more than 4,000 face-to-face and virtual voyagers who have travelled with us, and, since May 2020, designed and delivered more than 35 online experiences.

Today we can tell stories that have transformed lives, such as that of Birongo, a disenfranchised community plagued by crime. Our first project there started with the youth music group *Las estrellas de Birongo*. Through our projects *Conectando Raíces* and *Acción Turística*, the entire community has been visibly empowered. People have found spaces to coexist and resolve their differences. Today, *Las estrellas de Birongo* is a symbol of unity and resilience. The group

has made presentations at the national and international level; has appeared on TV and the radio; has its own social media presence; has made a professional video clip; and has brought many new tourists to Birongo. A music school that carries the group's name is being built in the community. More than 75 children and artists receive classes every day and are granted access to satellite internet to promote culture, tourism and education.

At present, we work with nine communities, but we aim to reach more than 40 in Venezuela and an additional 50 in other countries in the region. And, with this work, we soon hope to achieve our most audacious goal: to extend our



**Lucía Coll** is managing director at Eposak Foundation and a social entrepreneur. She became a guide at a young age, and now counts more than 18 years of professional experience in adventure tourism. Since 2011, she has supported rural communities to develop sustainable tourism. Lucía holds a Bachelor's degree in Communications - Audiovisual Arts from Universidad Católica Andrés Bello in Venezuela. She has completed courses on Creativity and Design Thinking from Stanford University, and Adventure Filmmaking from Banff Center of Arts and Creativity, Canada. She also holds certifications in Social Impact and Environmental Sustainability (Acumen), Marketing Management, and Leadership on Sustainability, Social Inclusion and Climate Change. Lucía is co-founder of sustainable tourism organisations including Ahete – the Sustainable Tourism Network of Venezuela and Climbing Venezuela, and volunteers with the I Love Venezuela Foundation.

online experiences in these communities to a billion virtual tourists worldwide.

What if the answer to sustainable development was to find our purpose? This purpose enhances our creativity, makes us go further, and does not allow us to surrender.

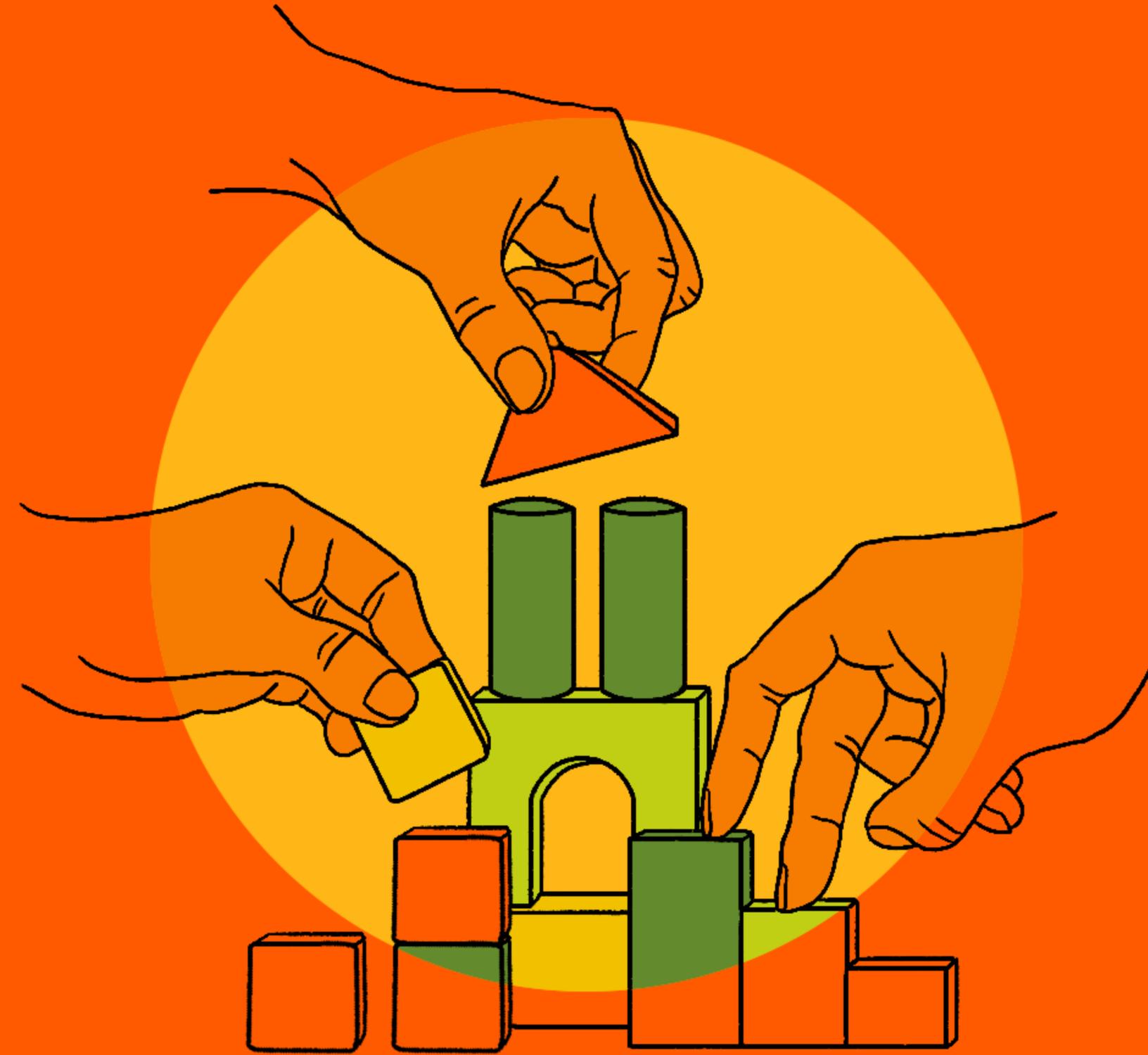
And how hard it is to find our purpose in life. Mark Twain said the two most important days in your life are the day you are born and the day you find out why. Even before we find that purpose, we are sometimes tempted to stop looking for it. Because that is much more comfortable: to allow the world to carry us along and our lives to somehow be 'lived', empty and meaningless.

For now, we can't tell you how or where to find your purpose. But we can invite you to travel sustainably, learn about what we do at Eposak and understand how sustainable tourism can transform millions of lives. Because travelling does not only help communities, it also helps you. It is often in these experiences that our creativity is awakened, and this energy helps us to stay alive.



**Esteban Torbar** has been an entrepreneur in travel and tourism for 25 years. He is president of the Maso Group and founder of Eposak, an organisation that promotes the development of sustainable tourism. Esteban has been a promoter and co-founder of several initiatives in travel and tourism, including the Hotel Cayena Caracas and Viajanet.com.br. He has been an Ashoka Fellow since 2014 and a member of YPO since 2007. He was recognised by EY among the 30 inspiring business leaders of 2020.

We understood that our creativity is worthless if we do not link it to a purpose – to something that makes this world a fairer place for everyone



# What does it mean to play in the city?

**Dr. Furaha Asani**  
Research Lead, Watershed

A Bristol, UK-based programme encouraging playful encounters in city spaces became a global network of creative producers. The enforced pause of the pandemic enabled valuable reflection about who may play.

Playing can be a truly engaging activity. It can encourage participation, agency, connection and fun encounters. In public city spaces, especially where there are large volumes of footfall, playing is not necessarily an activity that happens spontaneously, outside of designated locations such as parks and playgrounds. But what happens when city spaces suddenly offer a pop-up invitation to play, right then and there, for a short period of time? Something to remind us that play can be more than just a pastime – that it can be ingrained in the mundane.

About a decade ago, [Watershed](#), a Bristol-based independent cinema and cultural hub, initiated a programme that uses play in public spaces as a tool for disrupting normative views on play. Watershed's R&D space, the [Pervasive Media Studio](#), was the perfect incubation ground for the conception and prototyping of such an idea, drawing on a rich community of street games makers and the playful creative technology interventions made within this community. A programme was born that sought to produce creative technology within the existing city infrastructure to facilitate playful encounters. This programme, [Playable City™](#), has now been operating for 10 years, reaching five continents and nine cities, from Lagos to Recife, Tokyo to Melbourne, Singapore to Austin. We have worked with over 74 partners and over 50 creatives, reaching over one million people globally since conception.

Playable City extends you an open and free invitation, via creative technology installations, to play in public spaces, to catalyse a conversation about the kind of city you want to live in. Over the past decade, Playable City has supported projects that inject some fun into an ordinary pedestrian crossing ([Stop, Smile, Stroll](#)); released an interactive pack of origami-like light-projected animals in random places ([Urbanimals](#)); inspired people to dance underneath lamp posts, interacting with shadows that the lamp post captures and projects back onto the floor as untethered beings ([Shadowing](#)); and encouraged text-based conversations between people and everyday city

objects such as post boxes, graffiti and parking metres ([Hello Lamp Post](#)). These four projects, respectively, won the Playable City annual award from 2013 to 2016, from a global shortlist of projects that explored the theme of playfulness in cities.

The years following the last award in 2016 brought an adaptation of the operational model. As opposed to merely platforming projects, the delivery team decided it was time to begin seeding an international network of creative producers, with the intention of forging longer-term partnerships with like-minded producers from different cities around the world. This would enable us to grow a more sustainable network and better understand different contexts of city change. What followed was a programme called [Creative Producers International](#) (CPI), which ran from summer 2017 to spring 2020 and recruited 15 creative producers from all over the world for a developmental opportunity. Over a period of two years, this cohort committed to learning and developing their creative producing practice and met twice in person: once in Bristol and once in Tokyo. Each meeting lasted for several weeks and strengthened the bonds of the group, sparking ideas and forging collaborations, many of which endure today. Members of the CPI cohort each manifested their learnings in their own cities, creating their own city-specific Playable City projects/experiences.

As with most other public-facing interventions, Playable City encountered an extended pause when the pandemic hit. This pause coincided with a period of internal reflection around the question of who has the privilege to play. As Watershed and Pervasive Media Studio transitioned our work online, all delivery followed suit. Still, we were determined to find a way to implement our learnings from the CPI programme and adapt Playable City for the better.

In 2021, we co-designed and co-produced [hybrid labs with some of our CPI alums](#) based in Lagos and Durban, looking at themes of creative producing, future heritage, climate justice and creative resilience. We also

Playable City extends you an open and free invitation to play in public spaces, to catalyse a conversation about the kind of city you want to live in

received funding from Arts Council England's Cultural Recovery Fund for a three-day online artists' lab to focus on what a future socially conscious Playable City could look like. In the context of the pandemic, as we transition out of lockdown phases, this means embedding public health considerations in all our Playable City operations and experiences. In our home city of Bristol, and in a building located alongside the harbour where [Colston's statue was thrown into the water](#) in the summer of 2020, it also means intentionally interrogating the very concept of 'playfulness': for instance, how do we responsibly open an invitation to everyone to play in city spaces that are still reckoning with historical and contemporary racism, inaccessibility, and other forms of discrimination and injustice?

With these thoughts in mind, we convened our [artists' lab](#) with six artists and makers from among our [Pervasive Media Studio residents](#). The group came together online to converse, share openly and honestly, and play. This artists' lab produced six co-designed themes, which we plan to embed into all our future Playable City work:

- 1. Definitions:** How can the definition of play be expanded and owned by everyone and especially those who are marginalised and underrepresented?
- 2. Permissions:** How can we better understand the different social and cultural pressures different people feel about how they can 'play' in public. What and who might consciously or unconsciously reinforce these pressures?
- 3. Safety & comfort:** Who feels safe and comfortable within a space to play in their own style? How is safety and comfort given or taken away?
- 4. Perspectives:** How can we embrace the many different ways people perceive cities, spaces and play?
- 5. Details:** What details truly build a sense of space for people? How do these change from person to person and how do they shift over time?
- 6. Accessibility:** What biases are present in the very materials with which we create or ask others to be creative. How can this create barriers and inaccessibility, and how do we dismantle these?

In 2022, we launched a call for six Playable City prototype teams to participate in a [Sandbox process](#), comprising a three-month period of intense research and development, with the successful prototypes to be announced early in 2023. It is our hope that this new phase will reflect our decade-worth of learning, add to the reinvigoration of civic spaces in Bristol and further afield, model growth and social responsibility within the creative economy, and interrupt someone's day with moments of fun and play.



**Dr. Furaha Asani** (she/her) is Research Lead at Watershed, leading on Pervasive Media Studio's delivery of a [research strategy](#) focusing on projects that span inclusive and responsible innovation, hybrid (digital + physical) products and experiences, and the climate emergency. This work involves collaboration with research partners in Bristol and Bath, the southwest region more broadly, and internationally. Furaha is also a mental health advocate and a writer.



## Do you see what I see?

**Anil Seth**

Professor of Cognitive and Computational Neuroscience, University of Sussex

An art-science collaboration aims to learn more about the 'wild diversity' in the ways in which we experience the world.

You open your eyes and a world appears. What could be simpler than that? It may seem as though the world – with all its colours and shapes, people and places – just pours itself into your mind through the transparent windows of your senses. And that the self – your self – is perched somewhere behind your eyes, taking in a river of information and figuring out what to do.

But how things seem is not how they are. The apparently simple act of experiencing a world is a remarkable feat of biology – an everyday miracle, which nature has specifically designed us to not recognise as being so.

Imagine for a moment that you are your brain. There you are, locked in the bony vault of the skull, trying to figure out what's out there in the world. All you've got to go on is a constant barrage of sensory signals that are only indirectly related to what's out there. These signals don't come with labels ('I'm from a cat! I'm from a cup of tea!'), and their inherent ambiguity means that perception – the process of figuring out what's there – cannot simply be a 'read out' of the information they contain.

Instead, experiencing a world, and a self, are inherently creative acts, the results of an active process that comes mainly from the top down rather than the bottom up. In my research as a neuroscientist – and as I explore in my new book *Being You* – I've come to view the brain as a kind of prediction machine, always in the business of making predictions about what's out there in the world (or in here, in the body) and using sensory signals to calibrate these predictions. What we experience, in this view, is not a read out of the sensory signals, it is the content of the predictions – the brain's best guess of what's going on. We live in a 'controlled hallucination', a creative construction that remains tied to reality by a dance of top-down brain-based prediction and bottom-up sensory prediction error – but which is never, and can never be, identical with that reality.

One striking consequence of this view is that, since we all have different brains, we will all live in different

subjective worlds, even when we share the same objective reality. This means the blue sky I experience on a sunny day could be different to the blue sky you'd experience, even if you were standing right next to me. And it's likely we'd never realise this, because differences like these are by their nature private, subjective and disguised by our use of a common language.

The propensity to have different experiences in a shared situation is bread-and-butter in our wider culture. No two people in the audience of a Shakespeare play, or gazing at a Rothko, will think or feel the same way. And nobody would expect them to. But, somehow, we do expect our perceptual experiences of a shared world to be the same – for a blue sky to look the same blue to all of us.

That this isn't the case is captured by what I call 'perceptual diversity': just as we all differ on the outside, we all differ on the inside too.

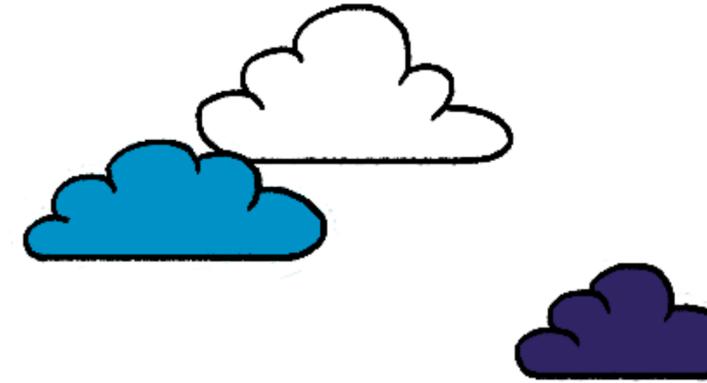
Sometimes these perceptual differences do rise to the surface. A few years ago, a poorly exposed photograph of a dress caused a social media storm because half the world saw it as being white and gold, while the other half saw it as being blue and black (it was, in fact, blue and black). This example of psychology in the wild was fascinating not only for the individual differences in colour perception that it revealed, but for the doggedness with which people

clung to their way of seeing things, denying that any other way could even be possible. To my mind this rejection of alternative ways-of-seeing is rooted in the very nature of perceptual experience, which is to make it seem like the world we experience is independent of our brains and minds, even when we know that it isn't. As Cézanne once said, colour is where the brain and the universe meet.

Perceptual diversity has come to the fore in an exciting new art-science collaboration I've been involved with called Dreamachine, created and produced by Collective Act – the central offer of which is a collective, immersive experience based on a little-known invention by the beat generation artist Brion Gysin and on the research of the pioneering British neuroscientist William Grey Walter.

Somehow, we expect our perceptual experiences of a shared world to be the same – for a blue sky to look the same blue to all of us

Dreamachine uses stroboscopic lighting and spatial sound to create vivid experiences of colours, shapes, movement – and frequently much more – in the minds of participants, all of whom have their eyes closed. Unlike our everyday experiences of the world around us, what arises in the mind in the Dreamachine seems to come from within, and everyone has a unique experience even though each person is exposed to exactly the same flickering white light. The drawings that people create after their journeys give an indication of this wild diversity, and they are beautiful too, even though no drawing can fully capture what the Dreamachine allows to unfold.



Participant reflections from the Dreamachine  
Photo credit: Collective Art

Another part of the Dreamachine programme takes the idea of perceptual diversity much further, in the form of a large-scale citizen science experiment called The Perception Census. Developed by a team of scientists, philosophers and experience designers, it seeks to map out – for the first time – the unique ways in which we each experience the world around us. Not just in the Dreamachine, and not just when looking at an image of a dress – but everywhere, all the time.

The Census itself consists of a series of engaging, fun, easy and quick-to-complete online experiments and interactive illusions. As well as contributing valuable data, participants will have the chance to learn about their own powers of perception and how they relate to others. Importantly, the Census goes beyond visual perception to explore many different aspects of how we experience the world, including our perception of sound and music, of the passing of time, and even of our emotions.

What will we learn from The Perception Census? To a large extent, this depends on how many people take part – tens of thousands have already engaged from over 100 countries. We're hoping the scale of the data will bring to light many new things about human minds and brains and open up entirely new landscapes for further of research.

Whatever the data reveals, the concept of perceptual diversity has sociocultural as well as scientific

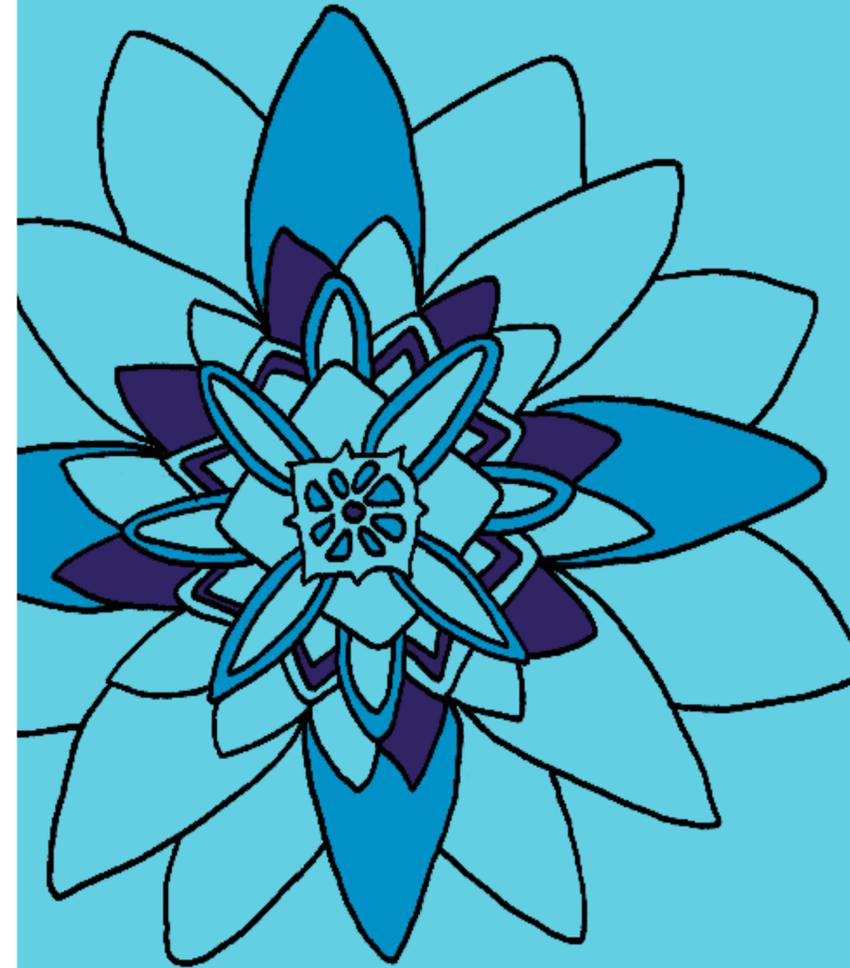
value. Differences are not deficits, whether they are externally apparent differences or internal differences in our perceptual worlds. And perceptual diversity applies to all of us, not just to the variety of conditions that are associated with the existing label of 'neurodivergence'.

My hope is that a greater appreciation of perceptual diversity will help each of us cultivate a new humility towards our own experiences, recognising that the way we see things might not be the way they are – and might be different too from the way others see the same things. And that this humility can provide new platforms for empathy, understanding and communication between people who may have very different views, both in terms of what they believe and, more literally, in terms of what they see.

A deep dive into perception – whether through the Dreamachine, The Perception Census, or any other invitation into the magic of the mind and brain – can help all of us rediscover something of the wonder of being human. The wonder that arises when we no longer take our worlds, or ourselves, for granted. Science, after all, is part of culture, sharing with the arts a creative curiosity about the human condition, our relation to others and our place in the universe. The way I see things, it's precisely at the ever-evolving interface between science, art and technology that this creative curiosity can and will best flourish.



Participant reflections from the Dreamachine  
Photo credit: Collective Art



**Anil Seth** is Professor of Cognitive and Computational Neuroscience at the University of Sussex, Co-Director of the Canadian Institute for Advanced Research Program on Brain, Mind, and Consciousness, and a European Research Council Advanced Investigator. He is lead scientist on Dreamachine and author of the bestselling book: *Being You – A New Science of Consciousness* (Faber, 2021). Find out more at [www.anilseth.com](http://www.anilseth.com) and follow him on Twitter [@anilseth](https://twitter.com/anilseth). Find out more about Dreamachine and take part in The Perception Census, putting your senses to the test in the largest scientific study of its kind, at [www.dreamachine.world](http://www.dreamachine.world).



## From Mexico to the world

**Iliana Rodríguez Cavazos**, Director, Corporate Sustainability  
**Carlos Serrano Cerrillo**, Coordinator of Cultural Heritage projects  
Xcaret Group

An initiative born in the Riviera Maya almost 40 years ago has become an example of environmental sustainability, ecological and heritage tourism, and good business practices.

Our story begins almost 40 years ago, during a trip made by the architect Miguel Quintana Pali to the Riviera Maya in 1985. He fell in love with the landscape and made the decision to buy five hectares with the intention of building a house of his own. At that time, he had no idea that the land hid a treasure: as he began to prepare the ground to build, he discovered a universe of cenotes, Mayan vestiges and underground rivers. He decided to create a park to provide access to the natural beauty of the region to many more people. The Xcaret Group was born out of those first five hectares, along with the feeling that it was not fair for this archaeological and natural wealth to be enjoyed by

only a few. Today, the group runs eight theme parks (the first of which, Xcaret, opened its doors in 1990), three hotels, a holiday club, two tours and a travel agency.

The history of the Xcaret Group is a success story; it is a story of overcoming the H1N1 epidemic in 2009 and Covid-19 in 2020 and 2021, and of undertaking the reconstruction of the area after Hurricane Wilma in 2005. This disaster not only forced the closure of the entire facility, but also left buildings and natural areas in a state of total devastation. The 2009 influenza epidemic slowed tourism down, and the Covid-19 pandemic forced the total closure of national borders and a complete standstill in the industry. Each of these crises has strengthened us. We have learned to lead initiatives in the region, we have learned to take risks, and we have learned to work together for the greater good of the community. For example, when we were hit by the H1N1 epidemic and tourism faded away, instead of closing the operation or continuing at 50%, we decided to take the risk of opening a new park to send a message to the world that our region was still alive and ready to welcome visitors. The region's tourist industry responded immediately, and our competitors were encouraged to step up. Recovery was difficult and gradual, but it was achieved.

**We seek to make every visitor fall in love with the flora and fauna of the Riviera Maya while acquiring a much greater awareness of the collective imperative to preserve our environment and cultural heritage**

We have discovered that the prestige of our brand, achieved over a long period of time and through sustained efforts, is not only a guarantee of quality for tourism in the region but also a great responsibility – because the entire region waits for us to take the first step in the recovery process, and observes where we are headed before they follow us. But perhaps the factor that has contributed the most to this recognition is the way we ground our work in a sustainable operating model, based on three pillars: the wellbeing of people, business prosperity, and caring for the environment.

We have striven to preserve Mexico's tangible and intangible heritage, driven by the great love we feel for our country. To achieve this, we have convened the regional artisans who established the cooperatives that, under a fair trade model, sell their craft products directly to visitors. We have also developed a set of best practices for research and documentation of Mexican cultural traditions, leading us to present performances to local and international tourists of some of the traditions that have been recognised as part of the intangible heritage of humanity: the Voladores of Papantla, the Mariachi of Jalisco, the Dance of the Elders, and traditions of pre-Hispanic origin such as the Mesoamerican Ballgame and the Mayan Fireball Game (a ritual with 3,000 years of documented history).

Our concern for heritage preservation does not stop at those traditions that distinguish Mexico for the variety of its cultural expressions; in the Xcaret Park, we have integrated the archaeological presence of the Mayan vestiges, operated by the appropriate authorities. Today, as part of the tours we offer to the archaeological sites, tourists travelling to the Riviera Maya can visit Chichén Itzá, the 'Magic Village' of Valladolid, Tulum and Cobá. Our aim is to awaken a lasting fascination with Mexican history, culture and landscape in our visitors.

We have also made great efforts to ensure that the natural wealth of the Riviera Maya does not suffer the impact that tourism sometimes has on the environment. Our founder, being an architect, has advocated for eco-integrative architecture that stands out for its innovation and design, enabling the Hotel Xcaret México to become the first in America to obtain the EarthCheck Gold certification in the category of planning and design. But we always want to go much further: our Xcaret park has repopulated one of the most emblematic species on the American continent – the macaw – and established a turtle preservation sanctuary. We seek to make every visitor fall in love with the flora and fauna of the Riviera Maya while acquiring a much greater awareness of the collective imperative to preserve our environment and cultural heritage.



**Iliana Rodríguez Cavazos** began her career at Grupo Xcaret more than 29 years ago. Since 2019, she has been the group's director of corporate sustainability, driving the sustainability strategy and seeking to demonstrate that companies can be successful while contributing to sustainable development. She began her career with the group in sales, and also worked in public relations and corporate social responsibility, where she defined the sustainable tourism strategy. Iliana is a member of the Media and Crisis Committee of the International Association of Amusement Parks and Attractions (IAAPA) and the Steering Committee of the United Nations Global Compact in Mexico. She is a promoter and member of the Sustainability Committee of IAAPA.



**Carlos Serrano Cerrillo** has worked for Grupo Xcaret for 22 years. He has served as a cultural advisor and cultural development coordinator, and is currently cultural heritage project coordinator. For 10 years, he has been responsible for the group's relationship with the World Tourism Organisation (UNWTO), and in 2012 he formulated the entry with which Xcaret won the UNWTO Ulysses Prize for innovation and knowledge in tourism. He has trained three generations of General Tourism Guides and is the author of the interpretive scripts that underlie the group's tours to Chichén Itzá, Cobá and Tulum. Carlos holds bachelor's and master's degrees, as well as a PhD in psychology.



## The power of music to change lives

**Sigrún Sævarsdóttir-Griffiths**

Founder and Artistic Director, MetamorPhonics

A project that brings together music students and people experiencing challenges such as homelessness is producing beautiful music and transforming participants' lives.

'The power of music' is perhaps a cliché, but in my profession I see the impact music has on vulnerable individuals every day – and it is profound; in some cases, life-changing.

In 2019 I set up my community interest company, *MetamorPhonics CIC*, with the core objective of using music to empower people wrestling with significant life challenges such as addiction, mental health issues and homelessness to become independent, active and valued members of society. I had worked in a wide array of social environments in my career spanning 20 years as a creative music workshop leader. I had taught and led a masters programme in higher education at the Guildhall School of Music and Drama since the late 1990s and at the Iceland University of the Arts since early 2000. However, the time had come for me to set up my own independent venture, building on the strong relationships I had forged with my existing employers and other collaborative partners.

Now in its third year of operation, *MetamorPhonics* runs bands, each with their own identity, in London, Leicester, Los Angeles and Iceland, set up in collaboration with higher education institutions, orchestras, occupation rehabilitation centres and/or homeless charities. The bands are led by highly experienced professional music leaders and focus on collective and collaborative composition processes, resulting in high-quality music, created and owned collectively by all band members.

Our unique project model stems from the combination of music students and people with lived experience of the above challenges, and the way we support both groups in taking next steps towards independent, fulfilling futures. Each band's membership is a 50/50 split of students in higher education and people in recovery. The bands are structured non-hierarchically, with members working together to write original music, regardless of their dramatically different life stories, ages and musical backgrounds.

The programme originated from a project I set up in my role at the Guildhall School of Music and Drama

in 2012. *The Messengers* was originally established in collaboration with St Mungo's Homeless Charity. The first project took place in a community centre in East London, where we worked with five music students and drummer and music producer Guy Wampa-Wood and hoped to be joined by members of the St Mungo's Recovery College. Throughout that first morning, people arrived, in some cases needing encouragement with a cup of tea and a promise that we would not make them play anything. But when the drums kicked in there was no turning back. Three days later we invited a small audience to attend an informal sharing, where the group performed 20 minutes of original music, completely co-created.

The Messengers went from strength to strength.

Meeting three times a year, the group became prolific in its composition process, writing several new compositions in each rehearsal block. In 2016, the group was approached by Luaka Bop, David Byrne's record label in New York, to collaborate with its artist, Doug Hream Blunt. The band and Doug worked together for three days and collectively wrote four pieces of music, which they performed on the main stage of the music festival Field Day. A year later, Doug returned to London to record the songs with *The Messengers* and perform at the Jazz Café in Camden and at Walthamstow Garden Party,

an outdoor festival in East London, attended by tens of thousands of people.

At that stage, I knew this project needed to go further. This was something that could be recreated in different places – and so, *MetamorPhonics* was made.

Our biggest operation is currently in Iceland, where we work with a network of occupation rehabilitation centres, Iceland University of Arts (IUA), Reykjavik Music City and the Iceland Symphony Orchestra. We run bands in three (soon to be six) occupation rehabilitation centres in different parts of the country, each band meeting twice a year. Participants are invited to apply to become members of *Korda Samfónía* – the collective big band, whose members are people in recovery, students from

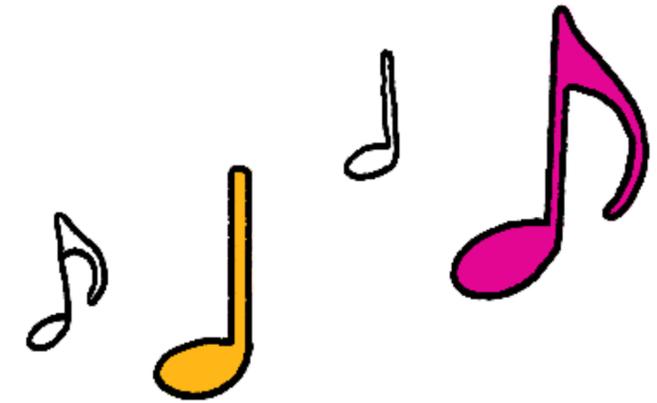
Throughout that first morning, people arrived, in some cases needing encouragement with a cup of tea and a promise that we would not make them play anything

IUA and players from the Iceland Symphony Orchestra. In 2021, its first year of operation, *Korda Samfónía* met for 10 days. On the project's 10th day, the band performed 60 minutes of original music to a socially-distanced audience of 500 in Iceland's most prestigious music venue, Harpa. The performance was nominated by the Icelandic Music Awards as Event of the Year in the pop, rock, rap and hip hop category. The performance was recorded and, in 2022, *Korda Samfónía*'s debut album *Ég sé þig* (I See You) was released.

*MetamorPhonics* is now developing a traineeship scheme in Iceland, supported by the national network of occupation rehabilitation centres. We have three trainees on board, who support the delivery of all the projects, attend music leadership training courses and receive individual and group mentoring.

After their first year of involvement, we conducted individual interviews with the trainees to hear more about their experience. We were moved by their incredible stories and delighted to hear about the extent of the programme's impact for them. The trainees agreed that they now see themselves in a different light. They feel more aware of their own strengths and talents and have surprised themselves with their own achievements. They have changed their ideas of what the future might hold and have taken practical steps to change their trajectories. They all speak of a dramatically improved state of mental health, more positive self-image, excitement for the future and new-found joy in life. They all have a passion for making music accessible to more people, having experienced just how dramatically it has transformed their own lives.

Music making goes far beyond the act of creating soundtracks for people to enjoy. I hope you will agree with me when I say: the power of music is real, and it changes lives.



**Sigrún Sævarsdóttir-Griffiths** is a musician, educator and music leader working within higher education, artistic and community contexts across the UK, Europe, the US and Asia. For 12 years, Sigrún was course leader of the Master's in Leadership Programme at the Guildhall School of Music and Drama, where she continues to lecture and lead artistic work. Sigrún is founder and artistic director of *MetamorPhonics*, an award-winning community interest company. Sigrún is passionate about enabling music making and access to the arts as an essential, unifying element of life, in every community.



## Whose land is it anyway?

**Liz Pugh**

Co-Founder and Creative Producer,  
Walk the Plank (UK)

For the past two years, a pioneering arts company has led a team of engineers, environmentalists and artists to shine a light onto our connections with the landscape and ask us all to become better guardians of nature.



Green Space Dark Skies is one of 10 groundbreaking commissions for UNBOXED: Creativity in the UK. It aims to connect people to the planet by offering diverse community groups a chance to explore the landscape on their doorstep through a journey at dusk into a National Park or an Area of Outstanding Natural Beauty (AONB). Each journey involves hundreds of people carrying special 'geolights' – geo-positioning lights powered through renewable energy. Events took place in 21 different locations across England, Scotland, Wales and Northern Ireland between April and September 2022, and each gathering was captured on film and shared online and through broadcast.

As co-founder for arts organisation Walk the Plank, one of the UK's pioneers in participatory outdoor arts, I have been involved in shaping many spectacular celebrations that put communities at their heart while reinforcing a sense of place or time. This one is different.

Green Space Dark Skies was commissioned during the pandemic, and is very much of this time. The project was designed under lockdown, and none of the team who undertook the R&D met in person until the pitch had been successful and the planning phase had begun. The focus is on bringing people into a closer relationship with nature in order to build better guardians of the planet. At least 25% of those taking part have never been welcomed into the countryside before.

This is profoundly different from how the company worked before: no live audience, no spectacular show to wow them. Instead, we offer a way to bring people into a connection with nature and with each other that provides a memorable, sensory experience – one that is intimate, beautiful, and shaped by the composers, poets and artists who are part of a creative team recruited in each location.

And there's an emphasis on minimising our carbon footprint in every decision we make, from the provision of public transport for all participants to the absence of generators and the use of renewable energy at all the sites.

In the project's conception, we acknowledged

the profound shift that had taken place as a result of the pandemic, when the privilege of travel was removed from us all and our only journeys were for essentials – for food, for work or for medical treatment. Research by National Parks UK revealed the socioeconomic and cultural barriers faced by many people in accessing the great outdoors, from a lack of public transport to a feeling of not being welcome because of how you are dressed or the colour of your skin.

In the nineteenth century, the Enclosures Acts in the UK removed lands held in common. 2022 was the 90<sup>th</sup> anniversary of the 1932 Kinder Scout Mass Trespass, a citizen protest that gave rise to the right to roam movement in the UK and the subsequent establishment of National Parks as places where we can all have access to the land.

Who owns land matters; as Guy Shrubsole wrote in *Who Owns England*, 'Land is by far the greatest of monopolies, and how the landowners use their land has implications for where we build the affordable housing we need, the food that we grow and how we grow it, and how much space we leave for nature.' Perhaps we should not have been surprised that one of the challenges the project faced was gaining permissions from landowners!

This project wouldn't have been possible without the investment in culture that Nesta's Arts Impact Fund made in the company five years ago, which enabled us to purchase an industrial space, Cobden Works. Alongside an Arts Council England capital grant, that investment gave the company a sustainable workshop space and HQ under one roof – a roof now adorned with solar panels so we can generate our own energy to recharge the geolights. It also gave us the security to weather the combined storms of Brexit and a global pandemic. This relative stability put us in a position to take advantage of the UNBOXED R&D callout for teams that brought together partners from science, technology, engineering, maths and the arts.

The cross-disciplinary nature of a project that involves young engineers from Siemens working alongside Walk the Plank's creative technologists, artists and sustainability experts, in partnership with National Parks

We offer a way to bring people into a connection with nature and with each other that provides a memorable, sensory experience

UK, the National Association of AONBs and the University of Salford, is both challenging and exciting. Challenging because the new technology to control the lighting was developed in a very tight timescale; exciting because we are succeeding in building 'nature connectedness' in thousands of people. People who had never set foot in a National Park or AONB in their lives – but who have been made to feel welcome, who have discovered the health and wellbeing benefits of time spent in nature, and who are making plans to spend more time outdoors, with friends or family.

Professor Miles Richardson's [research](#) identifies a correlation between a lack of 'nature connectedness' and a lack of biodiversity, placing the UK as bottom in a survey of 14 European countries in both metrics. He also identifies Senses, Emotion, Beauty, Meaning and Compassion as levers that might make change happen. Green Space Dark Skies offers people experiences that involve all of those levers.

Here's what some of our participants said:

'I had an amazing time. I went on my own, met several people and had fun with the lights in such a beautiful location. A great experience.'

'A stunning, life-affirming experience.'

'Quite an emotional experience – thank you.'

'Amazing. It was such a lovely thing to have been able to participate in.'

'Mind blown at the #GreenSpaceDarkSkies event on Mynydd Parys last night...felt really privileged to be part of a mass gathering celebrating nature in natural landscapes. Proper magic.'

The legacy of Green Space Dark Skies will become clear over the next five years as the benefits of projects of this scale – requiring new ways of working and focused on interventions that bring new partners into sometimes uncomfortable proximity – are rarely visible immediately. But we can already see that the mycelium of artists, scientists and environmentalists interested in interdisciplinary work has been strengthened by the project as it has reached into corners of Wales, Scotland, Northern Ireland and England. We look forward to working with National Parks and other guardians of land to build more meaningful dialogue between people and place, nationally and internationally.



Paddleboarders and sand art as part of Green Space Dark Skies at the Gower, South Wales  
Photo credit: Robert Melen



One of 700 participants at Green Space Dark Skies in the Chilterns  
Photo credit: Phil Young



Musicians gathered with lights on the Giant's Causeway for Green Space Dark Skies in Northern Ireland  
Photo credit: Brian Morrison



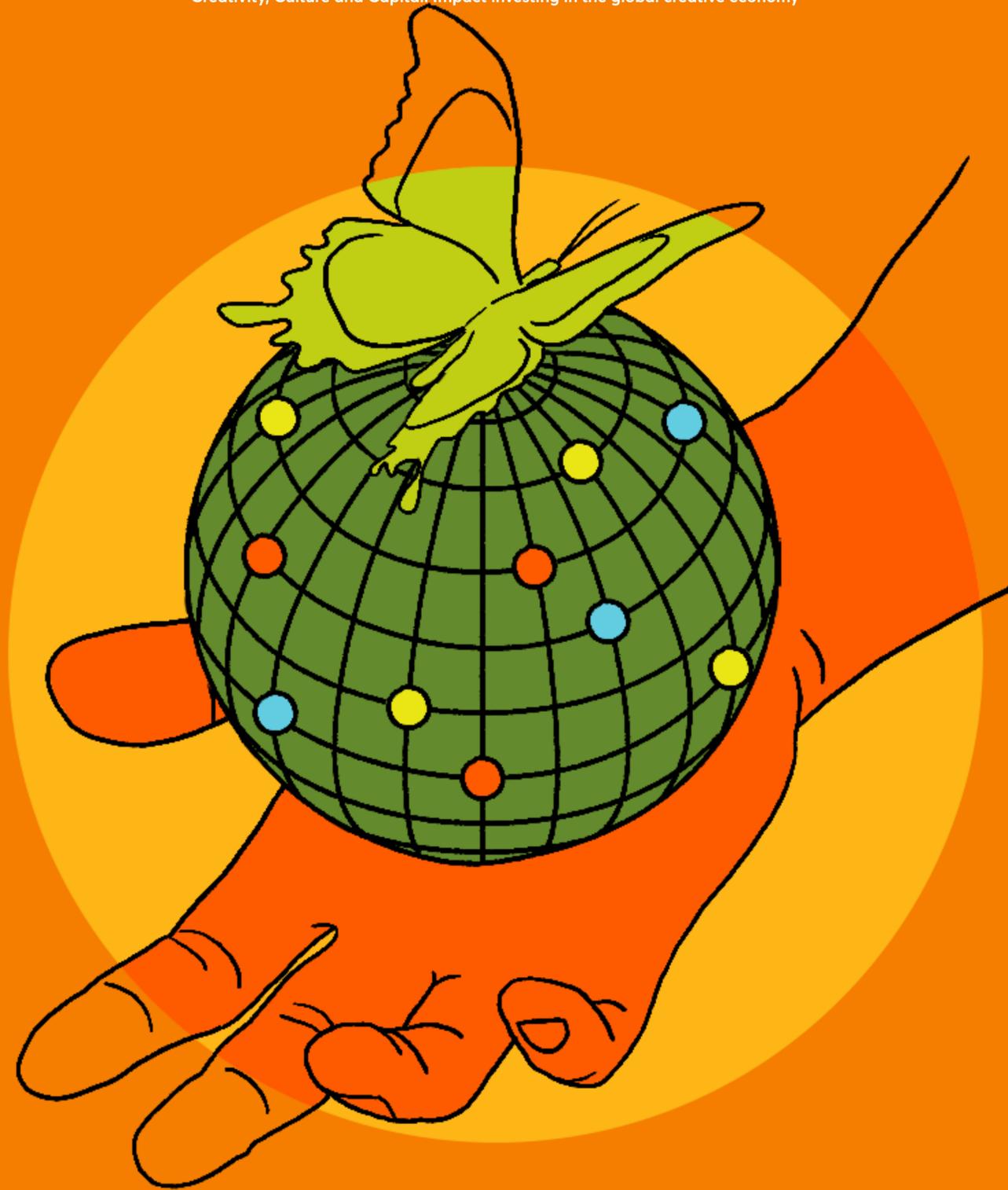
**Liz Pugh**, FRSA, is a creative producer and co-founder of [Walk the Plank](#), leading teams working on festivals, parades and site-specific performances. As a director of large-scale outdoor performances with participation at their heart, she created the opening for Pafos: EU Capital of Culture 2017, and staged Wales's largest outdoor bilingual performance for Wales Millennium Centre (2015). Liz is currently Creative Producer (Wales) for [Green Space Dark Skies](#), part of Unboxed 2022, and is one of 12 Creative Advisers to the European contemporary performing arts network, IETM. Liz has led Festival Management Training in West Africa, the Caribbean and Ukraine; co-designed two European training programmes: School of Participation (2019-21) and School of Spectacle (2017-19); and has worked for the British Council worldwide. She sits on the boards of Xtrax and Salford's Culture and Place Partnership.



More than 100 musicians gathered for Green Space Dark Skies at the Giant's Causeway, Northern Ireland  
Photo credit: Brian Morrison



Green Space Dark Skies, Scafell Pike - an extinct volcano brought back to life  
Photo credit: David Bewick



# No venue is an island

**Shain Shapiro, PhD**  
Founder and Chair, Sound Diplomacy

Why does the closure of one venue matter? If we thought of culture as an ecosystem, we wouldn't have to ask.

Every day we wake up to more news warning us of further irreparable damage to our natural ecosystem. Whether it is our northern and southern poles being double-digit degrees warmer than is deemed normal, or more frequent incidences of extreme weather, the damage that climate change will cause to our natural ecosystems is understood, widespread and coming for us. Everything about us as a shared species will need to change, be it reducing our need to extract and then burn things from the ground, or ceasing to engage in needless conflicts that destroy habitats and livelihoods and exacerbate all our problems. But one thing that is not questioned – that is understood and accepted – is that we see this problem, and its effects, through the lens of the natural ecosystem. Each organism and element has a unique role and, when one is damaged or removed, it impacts the entire ecosystem. One insect becoming endangered has implications far beyond that singular insect. To support everyone, we must protect everything.

I believe the same way of thinking can be applied to culture and how we invest in it, support it and make sure it is open, accessible and available to as many people as possible, regardless of whether it is a large theatrical performance or a solitary street performer playing covers in a public square. Because reducing access to culture for one person or group – say, restricting education for girls in Afghanistan – impacts everyone, everywhere. Regardless of whether it impacts our immediate lives, less knowledge and less fairness in one part of the world makes all of us poorer and our collective cultural ecosystem worse.

But we do not look at culture, or a particular art form such as music or theatre, as an ecosystem. Instead, we take two distinct and often conflicting approaches. The first is to look at art and culture as common goods, ones that should be made available to everyone as a human right, because of their intrinsic value. The second is to see culture – or a particular discipline within it – as a commercial industry, where culture is traded, with winners and losers. Yes, many outputs – an album, a play, a gig

– encompass the two, but in looking at culture through these lenses, we tend to see the final product as what matters most, whether it is produced for our collective benefit or to be sold and consumed. Whatever the process to make the art, it is just that, a process. It's already happened and has produced the piece of art that matters. That's what we consume. That's what matters.

This process – the creation of art – is often ignored because it happens behind the scenes: in classrooms, rehearsal spaces, recording studios and workshops. It is hidden away from view, in an industrial estate, a railway arch or a school, and rarely signposted. Or it exists in the ether, like the algorithm that supports our Spotify subscriptions when we cue up a playlist. And, because

of this ignoring of the process in favour of the output, like our natural ecosystem, we take it for granted.

When we're at a concert or a museum, immersed in a particular piece of art, be it a song or a painting, we're not thinking of the process that went into making that moment happen. Take the song, for example.

That song – that four minutes of bliss – is a product of failing upwards over time. That failing requires a number of things to happen or to be made available in the first place: access to musical instruments; training to play those instruments; knowledge to operate recording equipment to

produce, engineer and master the track; interpersonal skills to be able to perform in a group in unison; an industrial mechanism to make that song available, be it through a streaming platform or a radio station. Marketing, distribution and other tools to promote the track. And more. Nothing 'just happened'.

If we changed our perspective to incorporate that process, it would be a lot clearer to us that investing in culture as an ecosystem, like investing in our natural environment, would produce results that benefited us all. If we break down each component part, we can identify those insects, those organisms – in this case, processes, access and infrastructure – that must be in place and thriving for the entire system to succeed.

**That song – those four minutes of bliss – is a product of failing upwards over time. That failing requires a number of things to happen or to be made available in the first place**

If certain communities lack access to music and cultural education, or can't afford to buy instruments, then the entire ecosystem suffers. If there's a lack of spaces to fail upwards – studios, rehearsal spaces – then there's less content to be heard or seen. And without understanding each component in the context of the ecosystem – the way the music programme in the school down the road impacts how many local acts play the amphitheatre a few miles away – the entire system is put at risk. Instead of a talent pipeline, we end up with an hourglass, enlarged at the top and bottom but thin in the middle, with those at the bottom drowning in sand.

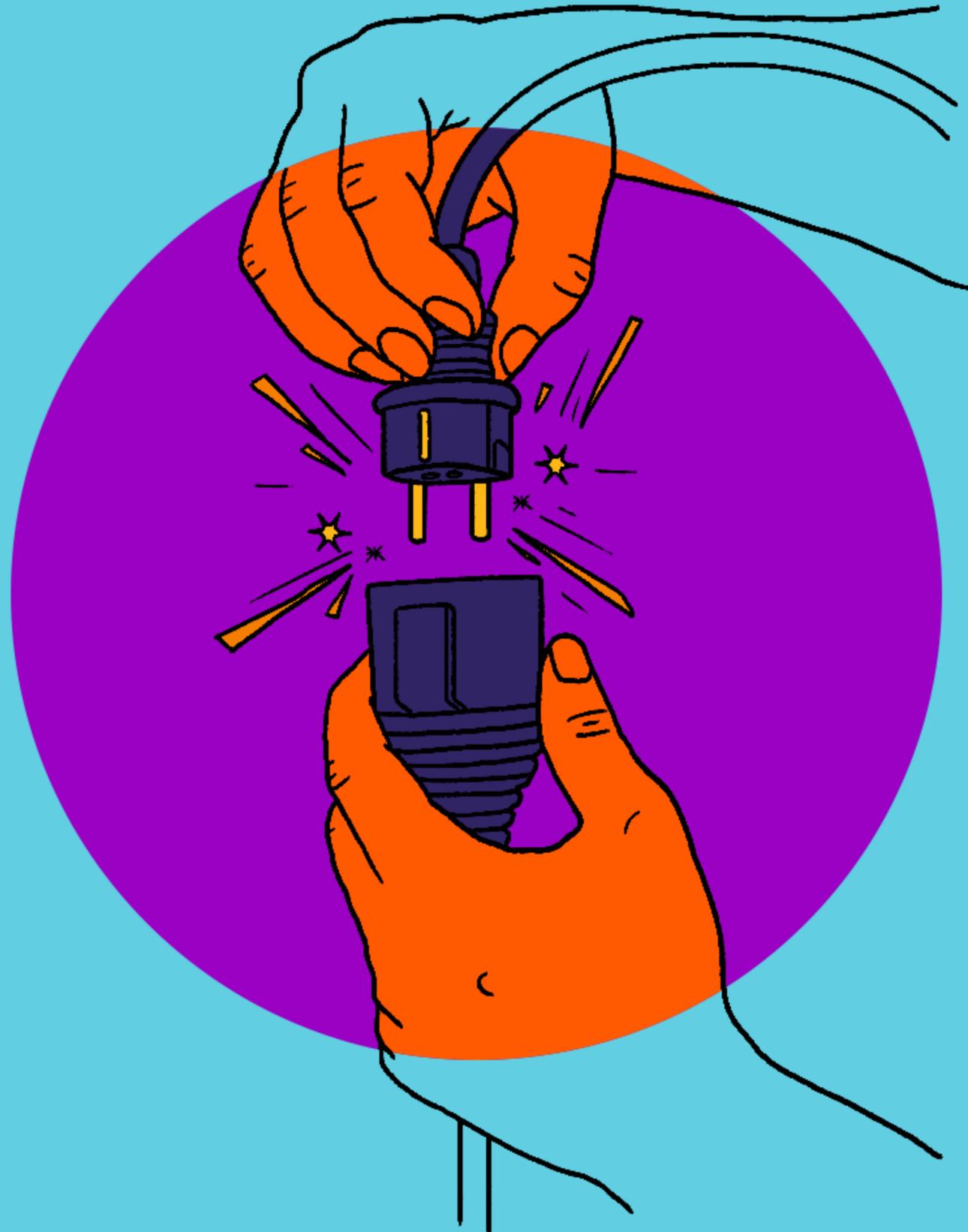
But we don't see art, music, culture, whatever it is that way. We either see it as something that must be produced for everyone, or as a competitive landscape where some succeed and others fail – or a combination of the two. Both of these definitions will persist. Not everyone who picks up an instrument will earn a living from it, nor will every song get heard, especially when an estimated 60,000 are uploaded to Spotify each day. But access to the process, as well as the end product, is what we need to focus on, and – as with climate change – it is these subtle changes, seen through an ecosystem, that we must pay attention to.

A venue closing is about more than that venue. The sooner we see this, and change our tactics to address it, the better off we'll all be – in the natural world, as well as our cultural world.



**Shain Shapiro** is a globally recognised thought leader at the convergence of music, culture and urban policy. He is the founder and executive chair of [Sound Diplomacy](#) and the executive director of the not-for-profit global [Center for Music Ecosystems](#). He is also the co-founder of Music Cities Convention, the Music Cities Community and the Music Cities Awards. Shain has consulted in over 80 cities and countries, in every continent bar Antarctica (and he'll get there). His work has influenced thousands of policymakers and urban leaders at all levels of government. Shain holds a PhD from the University of London and was one of the top 10 Creative Entrepreneurs in Britain in the British Council's h100 list. His debut book, *The Music Ecosystem*, is due out in 2023.





## Connecting impact capital

If we knew at the outset of this project that culture and creativity could have profound impacts on individuals and communities, we also knew that so much more could be achieved with judicious use and sufficient infusion of the final C: capital. Over the 100 essays, we've seen what can happen when enlightened investors enable imaginative projects to scale, and when creative founders encounter purpose-built funding models and tailored impact support. And we've demonstrated that not only does the creative sector need impact investors, but impact investors need the creative sector: a vast and rapidly growing part of the economy that shares their impact goals, that is vital to the achievement of the SDGs, and that offers the market returns and scale they seek.

In this final collection, we hear about how funds in Latin America and the UK have bridged gaps in investor understanding and developed robust impact measurement capabilities. And we share a reflection on the success of Colombia's orange bond programme and a call for a global market in culture impact bonds. We hope this work will encourage others to join us in daring to dream of a global cultural sector that does not exist in a permanent state of precarity, but instead is underpinned by the secure and stable financing it needs to deliver on its potential. The opportunities are enormous – for investors and for society as a whole.



## Cultural and creative industries, sustainable finance and smart cities: A look into the future

**Adriano Picinati di Torcello**

Global Art & Finance Coordinator, Deloitte network

The cultural and creative sectors are a key driver of global growth and an essential component of smart cities. Culture impact bonds could put them on a secure footing.

At Deloitte Luxembourg, for the last 15 years, we have been analysing the macro trends transforming the art and cultural sectors and the potential opportunities for the wealth management sector. We leverage our industry knowledge of the art and finance ecosystem into a range of services to assist wealth management, visual art and cultural stakeholders worldwide.

In 2011, we unveiled the inaugural Art & Finance report, exploring the business opportunities of incorporating art into wealth management service offerings. In 2019, with the sixth edition of the Art & Finance report, we started exploring the topic of impact investment and culture – with one of the articles, ‘Reimagine: Supporting the arts’, contributed by Fran Sanderson, Director of Arts Programmes and Investments at Nesta. One year later, during our 13th Art & Finance conference, we held two panels on culture and smart cities and on culture and sustainable impact investment, in which Laura Callanan, founding partner of Upstart Co-Lab, took part.

In October 2021, we published the seventh edition of our Art & Finance report. For the first time, we dedicated an entire chapter to culture, social impact investment and sustainability, featuring an article from Fundación Compromiso.

We support the view that culture, social impact investment and sustainability exist at the intersection between philanthropy and investment. This is a new domain for the art and wealth management industry, providing a new client service for wealth managers that focuses on social impact and purpose-led investment in the art and culture sector. We also believe that sustainable finance, the Cultural and Creative Sectors (CCS), and smart city strategies can support each other.

As part of the global shift in sustainable investment trends, today’s investors view social investments as an opportunity. In the survey for our 2021 report, 28%

of collectors and 31% of art professionals identified sustainable impact investment in the arts as their most attractive investment model. This was even higher among the younger demographic (under 35 years old), where 50% said socially responsible investment products in culture were the most compelling investment model. This implies that wealth managers could expand their sustainable investment offerings by targeting the CCS.

While the CCS are often seen as having little economic relevance, data shows they represent a key growth driver in many countries and are some of the fastest-growing sectors in the global economy. The CCS also suffer from a lack of funding, driving a need to explore new alternative sources of revenue and partnerships and reconsider many traditional funding models. Despite this, the CCS are still slow to connect with impact investors, finding it challenging to provide evidence of their eligibility for this type of investment.

If the CCS are to play their full role in society and sustainable development, the time is now to find better ways and models for connecting impact investors with the sectors’ financing needs. However, organisations in the CCS must improve how they analyse their performance and impact. This,

in turn, will enhance their transparency to stakeholders, strengthen their relationships with society and potentially attract new supporters, investors and donors.

A city’s cultural and creative spaces and programmes contribute to its vibrancy and attractiveness – therefore, the CCS play an essential role in smart city strategies. There is an increasing realisation that urban smart cities must combine technology and culture, because improving residents’ quality of life requires connecting and inspiring people beyond technology. As H.E. Mohamed Al Mubarak, chair of the Department of Culture and Tourism, Abu Dhabi, declared in a 2021 article published in the

**These bonds would successfully integrate culture and creativity within an inclusive and sustainable urban growth strategy, where the repayment of cultural and creativity investments would be subject to social – and not just financial – impact**

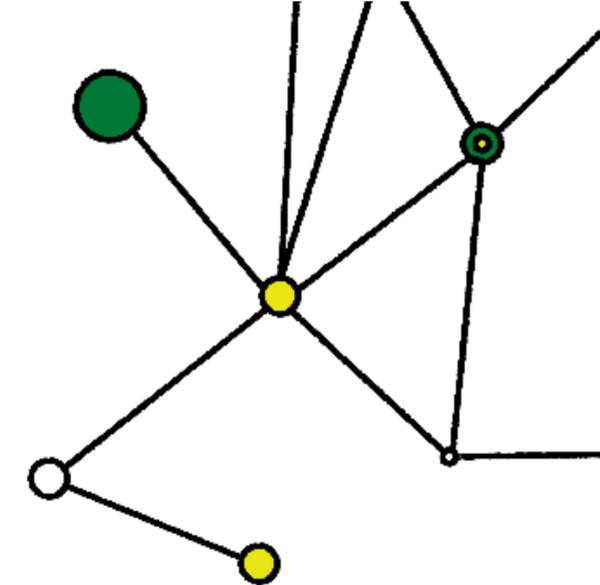
Economist, ‘Culture and creativity will drive the cities of the future.’

With the growing recognition that the CCS can support cities to become ‘smarter’, we may see culture impact bonds become a reality in the future, helping develop a new generation of smart cities. These bonds would successfully integrate culture and creativity within an inclusive and sustainable urban growth strategy, where the repayment of cultural and creativity investments would be subject to social – and not just financial – impact.

Could we see a CCS impact bond market develop similarly to the green, social and sustainable bond market, which is estimated to have reached a market size of US\$1 trillion, according to PIMCO? And could the World Bank and European Investment Bank lead the way, as they did with the initiation of the green bond market?

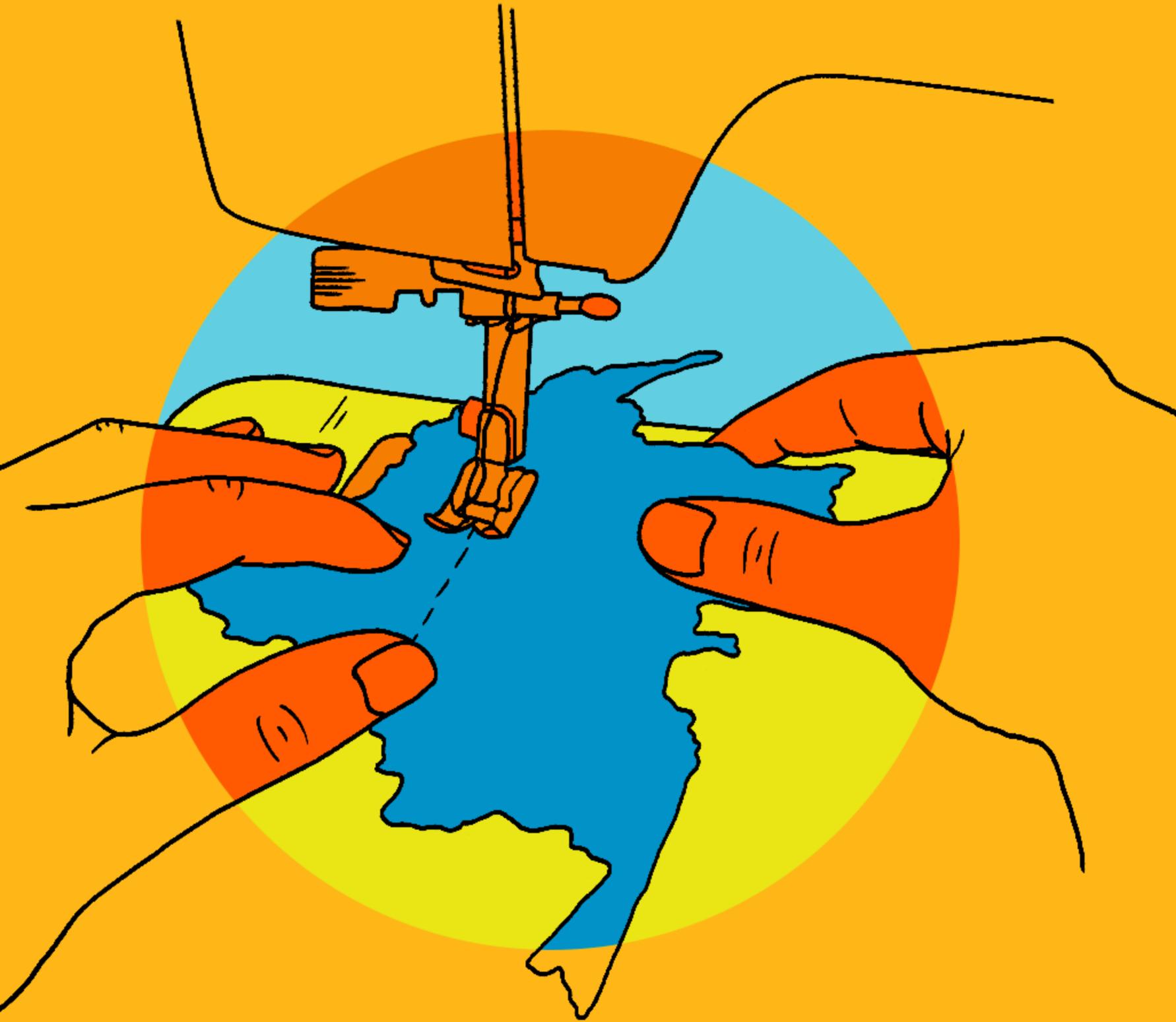
- Similar to green bonds, culture bonds could be fixed income instruments that encourage sustainability, designed explicitly for CCS projects that accelerate and sustain a dynamic creative economy that contributes to social progress.
- Culture bonds could include tax incentives, such as tax exemptions and credits, to enhance their attractiveness to investors. These tax advantages would provide a monetary incentive to tackle prominent social issues and help develop the creative industries.
- To qualify for culture bond status, a third party – a culture impact bond standards board – should verify that the bond would fund projects that benefited the CCS.

At Deloitte Luxembourg, we are committed to supporting the CCS and promoting an innovative dialogue that ensures the long-term sustainability of these sectors.



**Adriano Picinati di Torcello** is a consultant for the finance, art business and cultural sectors. He is in charge of Art & Finance at Deloitte Luxembourg, an initiative that he has coordinated since its launch. Adriano created the annual international Deloitte Art & Finance Conference and is the co-author of the Deloitte and ArtTactic Art & Finance report.

[www.deloitte-artandfinance.com](http://www.deloitte-artandfinance.com)



## Bancóldex believes and creates

**Juliana Martínez Hernández**  
Head of Creative Economy, Bancóldex

A strategy designed to boost the creative and cultural industries in Colombia has disbursed more than US\$ 940 million to 130,000 orange entrepreneurs in the last three years.

The basis of the creative economy is knowledge and talent. In Colombia, the orange economy contributes 3.2% of GDP and generates almost 600,000 jobs, according to figures from the National Department of Statistics (DANE). However, with the advent of Covid-19, the creative sectors were among the hardest hit.

In the early 2000s, Bancóldex began a process of transformation. Previously Colombia's bank of foreign trade, it became the country's development bank for business growth, lending to companies across regions, sectors and sizes. Bancóldex has traditionally granted loans through an on-lending mechanism, and has been active in the search for other financing mechanisms – such as private equity funds, bond issuance and, most recently, direct credit – that respond to government priorities and the needs of entrepreneurs. These mechanisms have been and will continue to be used to provide further dynamism to the 103 economic activities (ISIC) in Colombia's orange economy.

In August 2018, the bank set itself the goal of connecting, understanding and strengthening access to financing for the creative and cultural industries. To this end, it created a new business unit, hired new leadership for this unit and designed a comprehensive long-term strategy with four main pillars of action to boost the creative and cultural industries. As a development bank, it has pioneered and consolidated credit programmes for the business sector that have delivered significant impact for Colombian entrepreneurs.

With the design and structure of its orange strategy, Bancóldex highlights the importance of the creative and cultural sector for Colombia's growth and development. And, as a public development bank that mitigates the market's failures in providing financing for entrepreneurs, the bank promotes entrepreneurship and generates economic value.

To accomplish its purpose, Bancóldex has sought to understand the creative and cultural industries by leveraging its existing knowledge of well-understood

creative sectors – such as textile and clothing companies – and deepening its learning about sectors further away from commerce and closer to culture – such as the performing arts, cinema and photography. In this aspiration, the bank has been accompanied by great allies who, with their experience, perspective and guidance, have strengthened and enhanced the orange approach and pushed us to be increasingly innovative and proactive.

For more than 10 years, Bancóldex has issued special or labelled bonds on the public markets. The main aim of these bonds is to enlist the private sector in financing the country's sustainable development by enabling investors to generate low-risk returns and participate in productive economic and social improvement.

Drawing on its experience of issuing social and green bonds, at the end of 2018, Bancóldex carried out the first – and so far only – issuance of orange bonds in the world, with the aim of supporting the development of the creative sector, maximising its economic impact and strengthening the creative industries.

One of the biggest challenges in the conception and implementation of the bond issuance was the lack of knowledge, information and

understanding about the orange economy in Colombia. The support of the Inter-American Development Bank (IDB) was vital in this regard, as was the role played by the Financial Superintendence of Colombia, and the third-party supervisory support of Deloitte.

As a result of this work, an approximate placement of US\$ 125,000 was achieved in November 2018, with 103 investors and a 2.9x oversubscription – an early sign of the interest and confidence generated in the capital markets. In under a year (by August 2019), 100% of the funds had already been disbursed, boosting financial support for the creative and cultural industries and representing a significant contribution by Bancóldex to the national policy of promoting the orange economy.

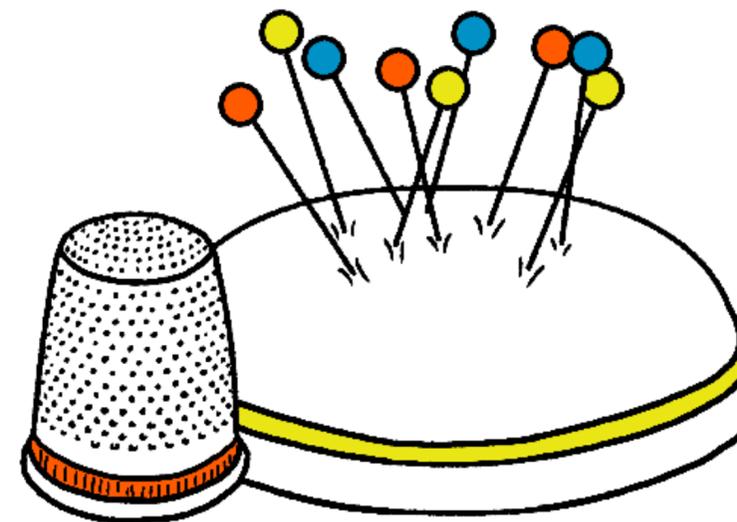
With the design and structure of its orange strategy, Bancóldex highlights the importance of the creative and cultural sector for Colombia's growth and development

The third and final round of reporting on the orange bonds highlights that, as of August 2021, 4,071 credit operations have been carried out, of which 98% are concentrated in micro and small businesses, across all 32 counties in Colombia.

The orange bonds became a positive message of support, backing and credibility for an industry not traditionally served by the financial system. This innovative financing tool is an instrument that complements and aligns with public policy, led by a development bank that bets on, creates and believes in creativity and talent.



**Juliana Martínez Hernández** is an expert in social policy design, implementation and evaluation. Over the last eight years, she has led innovative and strategic initiatives to promote the development of financial inclusion and the design of financial products and services in the country: agricultural microcredit, inclusive insurance, insurtech, micro savings, transferable guarantees and financial education, among others. In the social inclusion sector, she led the first banking pilots and implemented more than 100 public-private partnerships for the construction of child development centres. For three years she has served as Head of Creative Industries at Bancóldex. Juliana is an economist with a master's degree in economics.

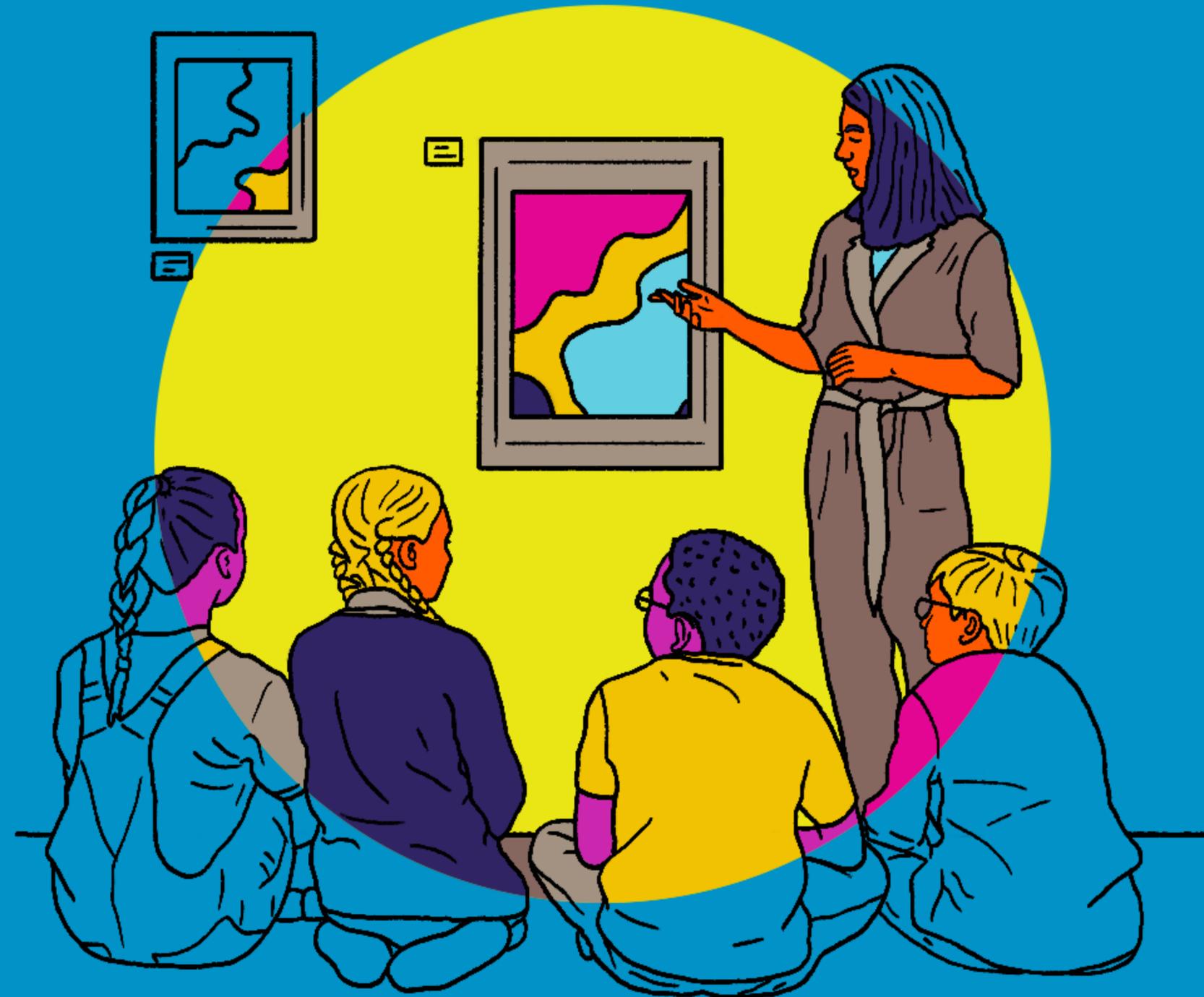


# How impact investment can develop impact management capabilities in the cultural sector

**Seva Phillips**

Head of Arts & Culture Investments, Nesta

A UK impact investment fund is supporting cultural organisations to measure and articulate their impact, putting them in a stronger position to make their case to funders, governments and society as a whole.



The social impact of cultural and creative organisations is often much deeper than it might appear on the outside, to audience members and patrons. A world class concert hall runs free, interactive music therapy groups for those living with dementia and their companions. A performing arts company focused on African and Caribbean dance also plays host to community groups, including a youth group, a yoga class and a dominoes club. A museum all about the history of migration offers a positive counter-narrative to critical media portrayals of refugees, asylum seekers and migrants in the present. For all these organisations, the contribution to society goes beyond culture: it's about tangibly improving the lives of people in their communities.

### Recognising the impact of arts and culture

So much of this work does not get the recognition it deserves, for several reasons. Partly, it's about being careful with the messaging; as commercial organisations, there's an imperative to market the core offer that sells tickets and gets people through the door, rather than focus on social programmes that often cater to a more vulnerable audience and are often resourced through other channels. But it's also about the capacity to credibly and persuasively tell the impact story. Many cultural organisations, which are effectively social enterprises, lack impact management capability; that is, the time, skills and resources to robustly monitor, evaluate and articulate the positive outcomes they create. With better data and compelling stories about their objective social impact, in addition to the more subjective artistic impact, cultural organisations would be in a stronger position to make their case to funders, governments and wider society.

For impact investors such as the UK's Arts & Culture Finance, which backs cultural social enterprises, better impact data enables us to either take greater financial risks or accept lower financial returns for higher social returns. For all these reasons, we decided to put the development of impact management capabilities

at the forefront of our second fund, the Cultural Impact Development Fund (CIDF), which we launched in 2018.

Supported by Access - The Foundation for Social Investment and financed by its partners The National Lottery Community Fund and the UK's wholesaler of impact investment funds, Big Society Capital, CIDF provided small scale (£25,000-£150,000) unsecured loan finance to cultural organisations with a clear social impact. It supported organisations like [InHouse Records](#), a record label working in prisons to reduce recidivism, and [Paintings in Hospitals](#), which is making art more accessible in health and care settings, not to mention the three companies described in the opening paragraph: Saffron Hall, IRIE! dance theatre and the Migration Museum, respectively.

### How CIDF made a difference

How did CIDF make a difference to the impact management of its investees? First, the fund employed an impact manager who would ensure that all organisations had a documented theory of change and a framework for their monitoring & evaluation (M&E) practice, detailing the metrics to be collected, the frequency of collection and who would be responsible. The framework would be structured according to (typically) five evaluation questions aiming to get to the heart of what would be relevant for the

organisation to monitor and evaluate, looking not only at the intended outcomes of a given intervention, but the mechanisms of change, too. For example, how effective was the work in reaching the target service users and how fully engaged were they? Without this basic level of engagement, more meaningful outcomes would be unlikely. The impact manager was the first port of call for tracking M&E progress across the CIDF portfolio and acted as a sounding board for management teams in relation to their practice.

Second, the impact manager worked with investees to set goals in relation to outputs (such as number of people supported, number of sessions

delivered), outcomes (the difference made to, for example, wellbeing) and impact management (aspects of the M&E process itself). Each of these three areas was broken down into a handful of specific targets, which themselves would be evidenced by, ideally, more than one indicator. Having multiple, good-quality evidence indicators for a given target allows for a degree of triangulation, making any claims of progress more robust. While targets around outputs and outcomes would look for evidence that, respectively, the intervention was taking place at the proposed level of engagement and had the intended effects, targets around impact management detailed actions the investee could take to make their M&E practice more robust – for example, streamlining systems for data collection, providing M&E training to staff, or close integration of impact data into organisational business planning.

Finally, the fund made a small subset of output, outcome and impact management targets with particularly robust indicators eligible for a potential reduction in the interest on the borrower's loan, if achieved. If half the eligible targets were achieved in a given year, an interest rate discount of 0.2% would be applied to the rate going forward; if all of the eligible targets were achieved, the discount would be 0.45%. These reviews are undertaken annually, meaning that, over time, the cost of borrowing could be reduced significantly from the headline rate. CIDF's intention was to incentivise the achievement of outcomes for the investee, whilst actualising the trade-off between financial and social returns for the fund.

A guiding principle in all this work is quality over quantity, depth rather than breadth. Instead of evaluating the impact of the organisation as a whole, CIDF's target setting is focused on a smaller number of outputs and outcomes – ones that are core to the investee's work and for which there are a handful of quality indicators. For impact targets that could reduce our financial return, this becomes even more critical, as we need to be confident any economic benefit to the borrower arises from verified impact success. This approach also has the practical benefit of focusing limited resources (both of the CIDF team and the borrower) to where most ground can be made.

### Lessons so far

What have we learned from this process?

**Organisations are well engaged with this approach, and the role of the impact manager has been key – but a bigger sample is needed.** Organisations are generally very receptive to CIDF's approach and want to improve their M&E practice. They have found working with the impact manager beneficial, helping them better articulate the impact of their work to their clients, audiences, staff and service users. The two people who've held this position between 2018 and 2022 became trusted, critical friends to borrowers, being their go-to experts on all M&E matters. While all impact investment professionals are likely to have some expertise in M&E, a dedicated manager and subject-matter expert ensures that this work never falls by the wayside and serves as an authoritative source of support for investees.

All that said, there are limitations to our sample: the portfolio is small (10 investments), and the borrowers tend to be small too – in terms of staff size and average annual turnover (less than £500,000). They are also self-selecting: as impact investment is a relatively new form of funding in arts & culture, CIDF's applicants have tended to be forward-thinking and have had (at least) an awareness that impact assessment and reporting will form part of the relationship. The next step would be to test this approach with a broader and more diverse range of organisations; for example, those that are larger and more established. Can this approach be replicated, with the same level of enthusiasm? We need a bigger sample size to find out.

**The approach works because it is proportionate and because of the nature of the investor-investee relationship.** We believe the approach works because it meets organisations where they're at and is specific and proportionate. It also refrains from being overly academic and is framed in a positive way, aiming to help organisations obtain better, more robust evidence that they can easily communicate. The M&E frameworks that are created as part of the process are centred around evaluation questions that are designed to be, first and foremost, useful to the organisation. At the same time, the impact manager works with organisations to build skills and confidence where necessary; it is a supportive and collaborative relationship.

The nature of the investor-investee relationship also lends itself to longer-term collaboration, compared with grant-funded projects. First, because the loan repayment period is typically longer (say, five years) than a grant funding cycle, there is more time in which to influence organisational change. Second, the implicit risk of defaulting on the loan for the borrower should reporting requirements not be met perhaps lends itself to a greater degree of accountability – though we have not had to test this so far.

**Borrowers are achieving their interest rate incentive qualifying targets – but we can't be sure that incentives are the cause of achievement.** It is encouraging that portfolio organisations are on average exceeding or meeting the majority (74%) of their interest rate incentive qualifying targets. This is, however, still an emerging picture, with half of the portfolio (five organisations) still to report on their first year of investment and only a handful of organisations (three organisations) reporting on more than one year of investment to date. It is also important to note that investees have so far been better at achieving incentive qualifying targets relating to the outputs and outcomes of their work, rather than to impact management.

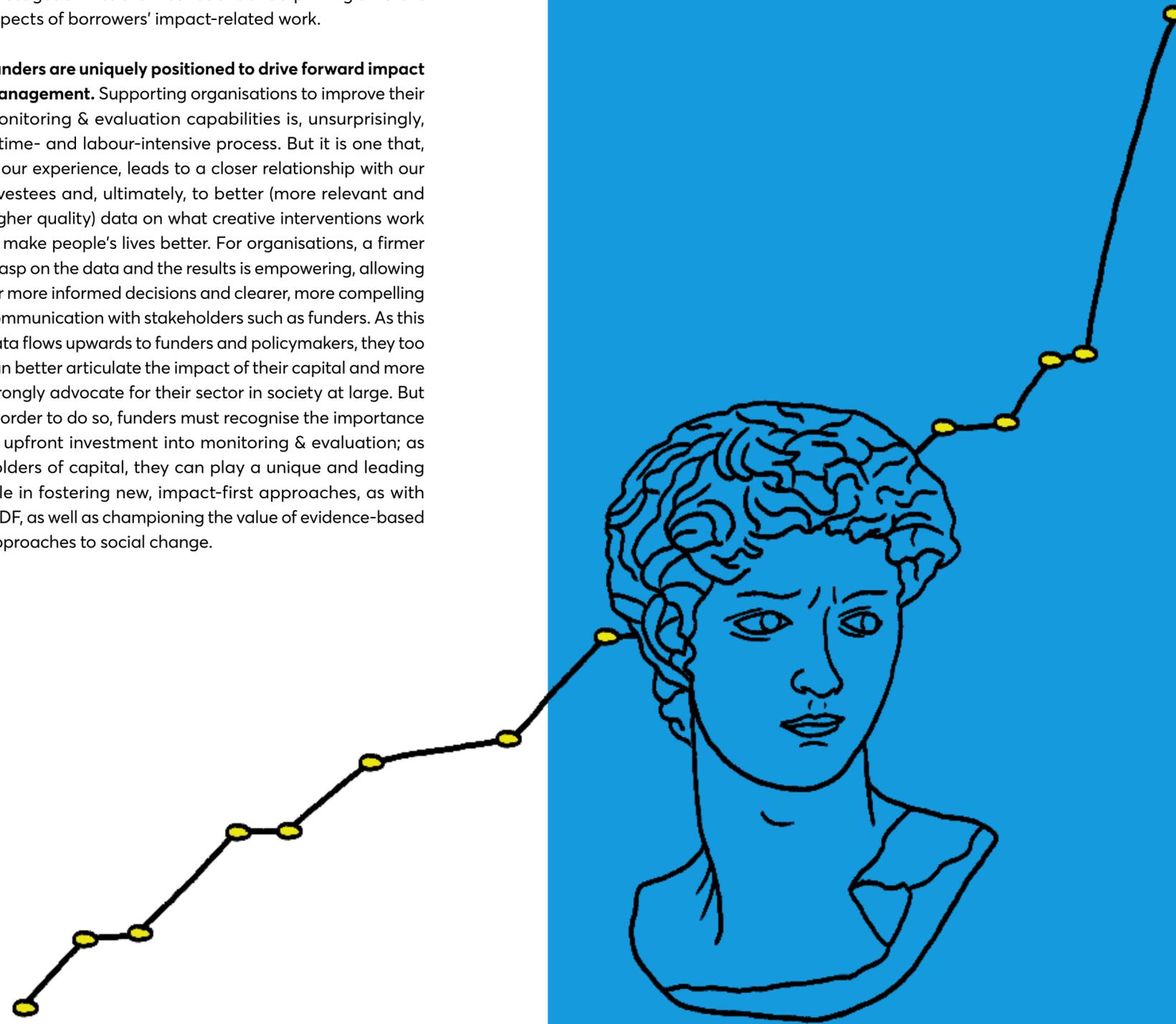
Based on initial, qualitative feedback from the portfolio, the quantum of incentive offered has not necessarily been a motivating factor for investees, but rather an added bonus in recognition of meeting their social impact targets. It's possible that this is because the value of the financial incentive is not large enough to be motivating. However, another hypothesis is that, since the investees are social enterprises, their work and impact has intrinsic motivation, making any additional, financial incentive secondary. If this is true, then the quantum of discount offered may need to be significantly higher to be sufficiently motivating, compared with a scenario where no intrinsic motivation was at play. The fact that borrowers have been less able to meet their impact management targets only adds weight to this hypothesis, since the monitoring, evaluation and articulation of impact is distinct from its delivery and may therefore not carry the same intrinsic motivation. It is possible that economic

incentives may be better targeted at areas where there is less intrinsic motivation. In any event, this approach would only benefit from more track record, as well as further investigation into the motivations underpinning different aspects of borrowers' impact-related work.

**Funders are uniquely positioned to drive forward impact management.** Supporting organisations to improve their monitoring & evaluation capabilities is, unsurprisingly, a time- and labour-intensive process. But it is one that, in our experience, leads to a closer relationship with our investees and, ultimately, to better (more relevant and higher quality) data on what creative interventions work to make people's lives better. For organisations, a firmer grasp on the data and the results is empowering, allowing for more informed decisions and clearer, more compelling communication with stakeholders such as funders. As this data flows upwards to funders and policymakers, they too can better articulate the impact of their capital and more strongly advocate for their sector in society at large. But in order to do so, funders must recognise the importance of upfront investment into monitoring & evaluation; as holders of capital, they can play a unique and leading role in fostering new, impact-first approaches, as with CIDF, as well as championing the value of evidence-based approaches to social change.



**Seva Phillips** is responsible for Nesta's social impact investment work in the arts, culture and creative industries. Seva previously worked at The Young Foundation, where he supported early-stage social ventures tackling inequality in education and helped to develop policy recommendations promoting impact investment across the EU. Prior to this, Seva managed a portfolio of social investments at CAF Venturesome, a leading UK-wide social investor. Outside of work, Seva supports social enterprises in an advisory capacity. Seva began his career at professional services firm EY and has degrees specialising in political philosophy and economics. He holds the Investment Management Certificate and is a 2017 Winston Churchill Memorial Trust Fellow; his fellowship researched how investment vehicles combining public, philanthropic and private capital can be used to achieve social outcomes, drawing on examples from Australia, Canada and the USA.





## A glimmer of hope

**Cathy Hunt**  
Cultural Strategist and Producer

A new government in Australia could be an opportunity to rethink the paradigms and funding models that underpin the creative economy.

I have worked in the cultural sector as an administrator, producer and festival director for 40 years, in a career split between the UK and Australia, with some time in Asia. For most of that period, I have been a consultant, specialising in policy and organisational development, the designing of new cultural infrastructure, and the funding and financing of the sector. Like many others in the last two decades, I came to the realisation that the funding models in place were not fit for the purpose of allowing artists to do what they do best and arts organisations to sustain their vital work through resilient business models. I explored a wide range of approaches to investment, arguing not just for increases in support from both the public and private sectors, but for that support to be delivered and used in a variety of different ways. I developed the QuickstART micro loan scheme for artists from private capital, and a state government Arts Innovation Fund blending government and philanthropic money in a combination of grant and debt financing.

Over the last decade in Australia, though, it became clear that there was no real desire from governments and other financial stakeholders – or, in many cases, from the sector itself – to try seriously to beat new paths towards a more resilient future, by using money differently. I put this down to many things. First, a federal government that really didn't care (as demonstrated by the treatment of the Australia Council for the last decade, and of artists and cultural institutions during the pandemic). Second, other funding agencies whose primary aim was to reduce dependence on public funding, by urging the sector to 'be more commercial' (without understanding what this means for undercapitalised arts organisations driven by a cultural mission), or to solve the societal problems of the day directly through their creative work.

Then there was the lack of appetite for change – particularly among non-profit boards, where there was no recognition that the constant churn of contested, programmatic government funding, as currently distributed, was one of the most risky and time-wasting of all financial models.

**If we want real social change, we have to start with cultural change – and what better tool for that than the creative outpourings of culture itself?**

There was also the issue of scale: a problem affecting the development of impact investment opportunities. On the one side were governments expecting miracles for miniscule levels of investment in change – a 'how much less can we put in' mindset rather than a 'what can we drive forward' approach. One exception here seemed to be the UK, where organisations such as Nesta, as well as a range of trusts, recognised the need for grant funding to be used to drive new strategies and bring in new investment for change.

On the other side were potential investors interested in moving into models of impact investing – but only really in those companies that, even at this early stage, could grow exponentially, as traditional (and now often unsustainable) businesses have been modelled to

do. What is wrong with investing in those that will never grow, but which will deliver cultural, social and economic returns for investors over a sustained period of time?

Recognising that my work, alongside that of colleagues in this space, needed significant external paradigm shifts to succeed, I took myself back to the drawing board. For the past seven years, I have produced and curated the WOW (Women of the World) Festivals in Australia. And I have played the game – the game being to

demonstrate your worth to your funders through the economic impacts you generate (bed nights, tourism, local spend) and make them or their brand shine in media stats and promotional opportunities, while at the same time evaluating the real impact your work has had and why.

The inability to tackle some of the wicked problems of the day (ongoing gender injustice included) is often a cultural issue. The way we think about issues, the way we've always done things as a community, results in particular approaches to problem solving. If we want real social change, we have to start with cultural change – and what better tool for that than the creative outpourings of culture itself? At WOW events, these include real stories from voices that haven't been heard, presented sometimes for the first time, often through different forms of creative

expression, and brought together in a cultural feast of conversation and hilarity. By engaging with their culture and creativity, individuals find strength and inspiration to make change in their own lives. And through these stories and cultural experiences, we change the hearts and minds of those in leadership roles, motivating them to go forward and make community or institutional change for good.

Post-pandemic, and after years of declining public support, some may quite rightly say we are left with a cultural sector so underfunded and undervalued that it will take years of traditional funding from government to build the capacity for change. But this is not the only way. Now, more than ever, it is time for a complete rethink.

With a new federal government in Australia providing a glimmer of hope on the horizon, a few ideas:

- Understand the position of artists in society from a First Nations perspective, as key to our cultural strength as a nation and to the stories we tell the world of who we are. In doing so, recognise the need for a significant increase in government support, but use that money differently. For example, create a significant national basic income pilot for artists, to demonstrate the worth of such a model when it is required for the whole population. Consider also the Foundation for the Artist: a partnership model of investment for the future of Australia's leading creators proposed following the Rudd Government's 2020 Summit in 2008, blending different forms of finance, including impact investment and long-term investment in career development.
- Invest in the capital bases of arts organisations and cultural and creative businesses and enable them to build more diverse and sustainable business models for the future, bringing on board a range of other partners with different finance approaches, including impact investing. Only with maintained government support can mission-driven cultural organisations build sustainable models with diverse income streams, delivering increasing cultural, social and economic value for investors. More investment from other sources will come through government accepting its ongoing investment role in the cultural economy.

Finally, recognise the role of our major cultural institutions in maintaining a civic, democratic society for the future, but ensure that in all aspects of their work and governance they reflect the diversity of the Australian people.

Perhaps these are the first steps we need in a new national cultural policy to build fit-for-purpose models for artists, arts organisations and cultural institutions, enabling them to build a more sustainable cultural economy for the future.



**Cathy Hunt** has spent her working life in the cultural economy across the UK, Australia and Hong Kong, as one of the founding directors of consultancy company Positive Solutions, and as a producer and festival director. Cathy was the founder of the QuickstART microloan fund for artists and has written widely on the funding and financing of the arts. She has served on numerous arts boards and is currently a board director of Screen Queensland. As executive director of non-profit company Of One Mind, Cathy has for the past seven years worked in partnership with the WOW Foundation in London to develop and produce WOW (Women of the World) Festivals in Australia.



## The value of stories

Joyce Zylberberg & Tatiana Emden  
Co-Founders, Screen Capital

A private investment fund specialising in Latin American audiovisual content is a model of the value of investing in creativity and talent.

How difficult it is to describe the word 'value'. This term has several different meanings, some quite ambiguous – from 'the value of something such as a quality, attitude, or method is its importance or usefulness' to 'price, cost, worth, merit, usefulness, advantage, profit, gain, importance, significance'.

At Screen Capital, a firm that manages private investment funds specialising in the entertainment industry, we set out to direct our value towards the development and expansion of the audiovisual and entertainment industry. We launched a model specialising in generating returns through an audiovisual content portfolio. Specifically, through our first fund, Screen One, we invest in series or films with a global perspective and reach.

It has not been easy to raise capital for a private equity fund for which the return expectations are based on audiovisual content. However, we are confident that the Latin American entertainment industry has an enormous opportunity to diversify its potential to reach mass audiences.

Launching our first roadshow to find investors was truly a valuable story. We visited family offices, investment managers, entrepreneurs and art patrons. The vast majority told us that the profit model for an intangible fund made no sense. In the creative industries, the asset base is often intangible and is represented by creativity and knowledge. How to ensure, for example, the collection of a loan against that? The traditional investors we visited were right: appropriately evaluating the individual risk of each audiovisual project is very difficult, and evaluating a portfolio would be even more complicated.

In addition, our entrepreneurs, the creatives, almost always share an intrinsic motivation more closely related to their artistic work than to any goal of financial profitability. For the financier, in contrast, profitability is the priority.

Every day, consumers need more content in their own languages, with faces they can recognise from their local screens, in locations that are familiar to them, and produced with outstanding artistry and quality.

In the end, this story of seeking funding turned out well for us. We managed to set up our first fund with investors from within the entertainment industry, who understood the logic of the business. With that achieved, we went out to look for projects. Along the way, we were joined by Chile's public bodies through Corfo (the Chilean Production Development Corporation), which complemented the private contribution with a public credit line aimed at promoting Chilean venture capital. Thus, we managed to build our fund in March 2020, even as the pandemic took hold.

And this had many consequences, both good and bad. During the pandemic, many stories emerged

because there was a lot of time to write, but production was also paralysed, and we all turned to consuming content in our homes. Consumption of the 'library' available on streaming entertainment platforms such as Netflix, Hulu, Amazon, and Disney+, accelerated by the pandemic, led to a rapid increase in subscribers and users globally. Every day, these consumers need more and more content in their own languages, with faces they can recognise from their local screens, in locations

that are familiar to them, and produced with outstanding artistry and quality.

This could be a positive for the independent producer. However, despite the explosive demand for regional content created by these platforms, producers are unable to obtain financing to produce or to protect their intellectual property. Instead, they end up working on demand for the platforms. In consequence, they retain only a production commission (10–15%) and lose all ownership of their work. As a result of the lack of alternative and efficient sources of finance, producers end up working as contractors for these large platforms, losing their intellectual property and, therefore, all the future value of their work. This not only has monetary implications for the producers, as they miss out on all the possible upsides of a box office success,

but also affects projects on a creative level.

Today, the industry urgently needs new, more flexible financing sources aligned with the logic of the business. Venture capital, private investment funds and the traditional finance industry should all see the investment opportunity. However, there is still some way to go before they can conceive of the commercial and risk particularities of projects as 'unstandard' as audiovisual productions.

Adopting a different mindset – one that captures the point of view of both the financier and the content creator – will be necessary to bring these two worlds closer together. The entertainment world is collaborative by nature. That is a significant value for the new generation of citizens interested in investing in alternative assets and in green, creative, entrepreneurial industries.



**Joyce Zylberberg** is co-founder and managing partner of Screen Capital SA. She currently manages the Screen One Fund, aimed mainly at co-producing television series and films, and is raising new funds to finance creative economies. Previously, in 2011, as Director of the Film Commission Chile, a department of the Ministry of Cultures, Arts and Heritage, she supported more than 280 productions and led the first film incentive policy specialising in attracting film and TV projects of high international impact to Chile. Joyce qualified as a journalist at the Catholic University of Chile and holds a master's in Fine Arts in Film & TV Producing from Chapman University.

But we as investors must be able to recognise emerging talents, select teams and their portfolios, and guide creative teams in their operational execution, legal structuring and negotiation processes without putting ourselves in the way of the creative process. We're going to have to start building bridges.

Within the many definitions of value, there is one that we like a lot, which comes from philosophy:

'Value (phil): The qualities that some things possess, for which they are estimable and are therefore considered to be goods.'

The value of investing in talent and creativity is undeniable. In our native Spanish, the word valor (value) also means courage: bravery, trying different things and taking risks. And where there are risks, there are gains.

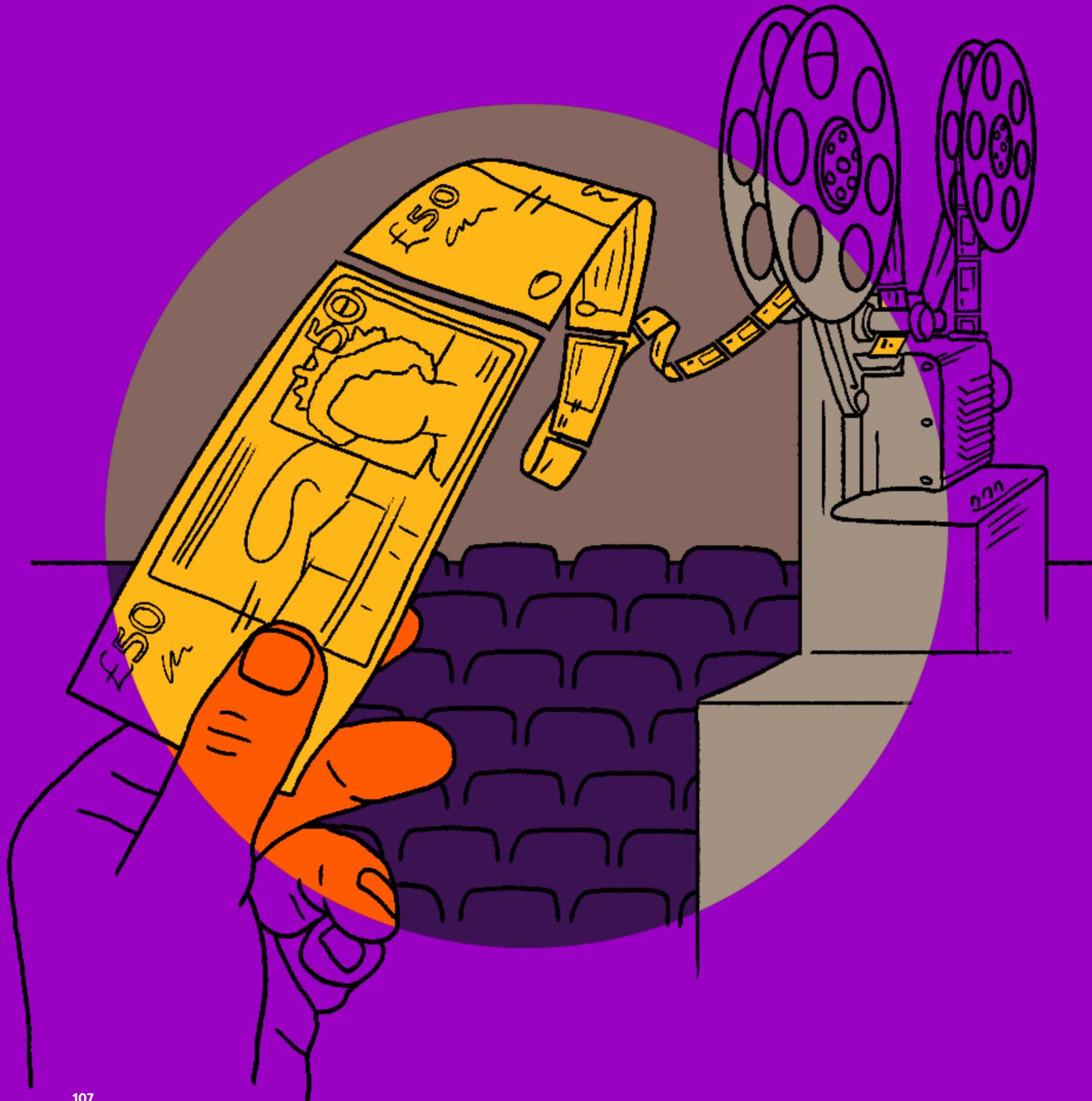


**Tatiana Emden** is co-founder of Screen Capital SA. She has worked in distribution, executive production and sales of national and international films. For more than eight years at the Ministry of Cultures, Arts and Heritage of Chile, she created, developed and managed the international office, led the first programmes that allowed the expansion and recognition of the national audiovisual industry in the world, and participated in related international political committees. At the same time, she was in charge of the management and administration of the general budget of the Audiovisual Promotion Fund (the main public fund for the audiovisual field in Chile), under the current Ministry of Cultures, Arts and Heritage, with responsibility for more than US\$12 million annually, across more than 35 lines of work.

# How can business innovation theory support arts organisations to be more creative, sustainable and impactful?

**Cimeon Ellerton**  
Co-Founder, Social Convention

Business management theory and research on entrepreneurship can be powerful tools for arts and culture organisations. A UK creative studio and social enterprise believes arts organisations should employ more economists and management scientists.



What is the purpose of an arts and culture organisation? The obvious answer is: to make art. However, many of us in the sector also care about the effect of the art and might consider the purpose to be: to positively impact people with art. Whatever your answer, I'm guessing it's unlikely you thought it was to make money.

A profit-making business, meanwhile, has a clear purpose. Many new businesses, such as B-corporations, are adopting a stance of also doing good, but none of them would make doing good subservient to making money. Business management doctrine has been that it's the duty of managers to maximise value for shareholders. Because of this, great efforts are taken to ensure the interests of management and shareholders are aligned – such as by including shares in the remuneration package. Given the dominant form of cultural organisations is non-profit, what are our purpose and goals from a business management perspective? Managers do not own shares in nonprofits, and asset locks mean (quite rightly) that profits cannot be distributed. So how can theories of maximising shareholder value apply to innovation and social impact in arts and culture?

No matter our purpose and our goals, we need to invest time and money up front in reaching them. Time and again, in my research for my MSc in business innovation and in Social Convention's work with arts organisations on the ground, a lack of investment is cited as a major barrier to growth, impact and innovation. However, many people we have worked with and many of the subjects I interviewed for my research see profitability as a zero-sum game, where profit-making is inherently detrimental to impact. Budgets and plans target a tiny surplus, leaving little room for future investment in innovation and resulting in a negative feedback loop of underinvestment in new models, new technologies and new processes. Yet these are the very things that can help deliver more impact in

Budgets target a tiny surplus, leaving little room for future investment in innovation and resulting in a negative feedback loop of underinvestment in new models, new technologies and new processes

the long run and/or can be reinvested in more art and culture. For example, innovating to improve accessibility was a key motivator among participants in my research, but financing it was the most commonly cited barrier.

If we are to unlock a wider range of capital and investment sources – including social impact finance – for cultural organisations, we need to think more seriously about business, management and profitability. In a for-profit business, the role of management is to design strategy and implement business plans that deliver profit. Innovation and management theory come together in the concept of sustainable competitive advantage.

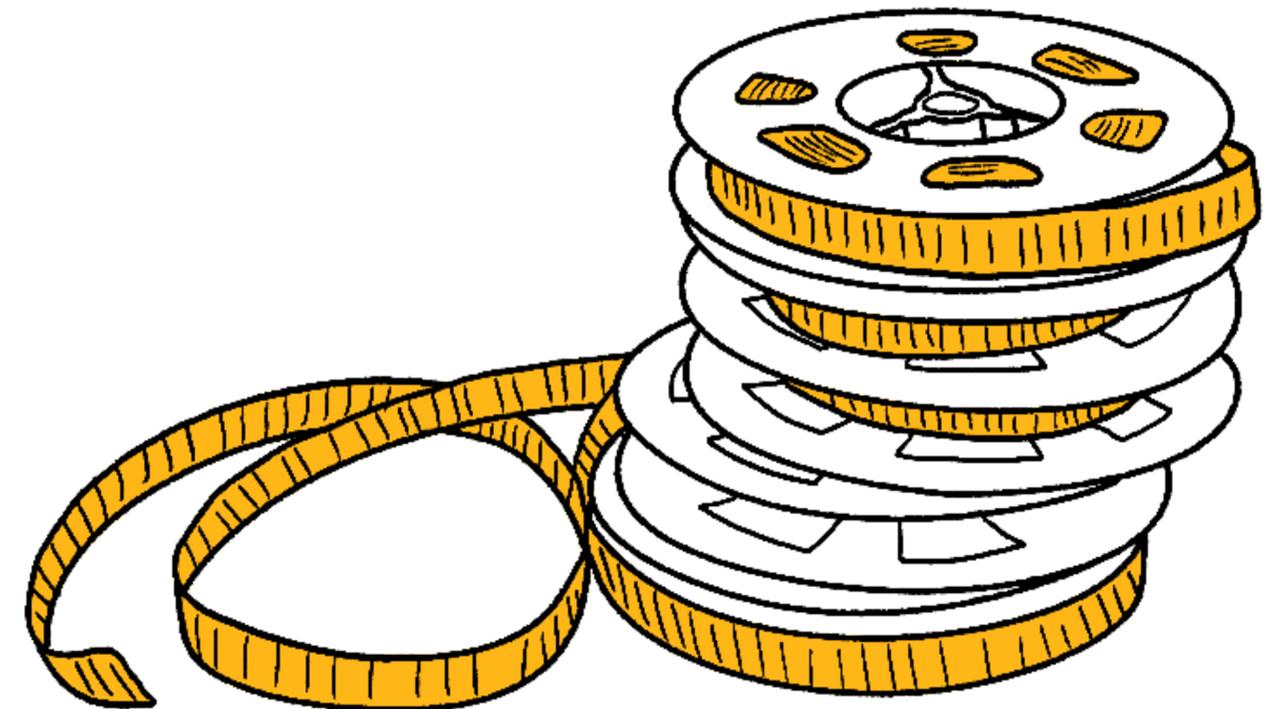
This is the set of resources, assets and capabilities (the resource base) that allows an organisation to deliver the plans, products and processes that deliver the profit.

Without competitive advantage, alternative offers – substitute products, services and experiences – will capture too many of the customers in a given market for you to survive (break even), let alone thrive (turn a re-investable profit). Sustainable competitive advantage comes from the ability to adapt to the changing world in which the organisation operates. This requires innovation, which in turn requires the adaptation of the resource base, which, as

we've noted, costs time and money.

For arts and culture, competition used to be largely confined to the local marketplace. But digital offers are rapidly exposing the sector to competition in a global content and experience ecosystem. This new ecosystem of experience providers and content makers has a huge resource base and is investing constantly in its own competitive advantage. To compete, arts and culture organisations need to generate more surplus so that they can either re-invest directly in R&D and adapt their resource base to the changing operating context or secure third-party capital to invest in said innovation – or, in all likelihood, both.

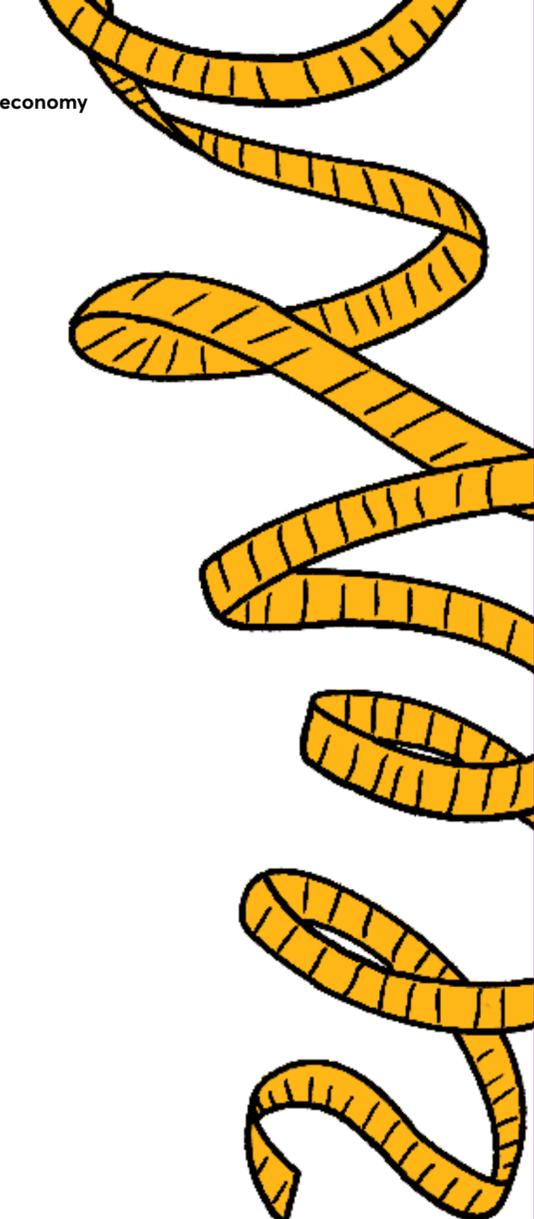
How we measure success will drive how we manage our organisations and how we operate within the ecosystems we are part of. The great thing about social impact finance is that it encourages a dual focus on both social and financial measures. Rather than seeing management as an act of balancing two countervailing forces, we can see it as the creation of positive feedback loops that achieve both the social and financial goals. Barely surviving by breaking even will result in diminishing returns over time, leading to insolvency and closure unless management can reduce costs faster than the diminishing returns (usually through automation or downsizing, which will likely have a negative social impact). My research found that arts and culture organisations are already intensifying workloads on staff in order to cope with the opportunities and threats afforded by digital technologies, because innovations to achieve the necessary positive feedback loops have not yet diffused through the ecosystem. However, they do exist. Various new models for digital touring of theatre works are emerging, creating new access points for audiences and new opportunities for artists.



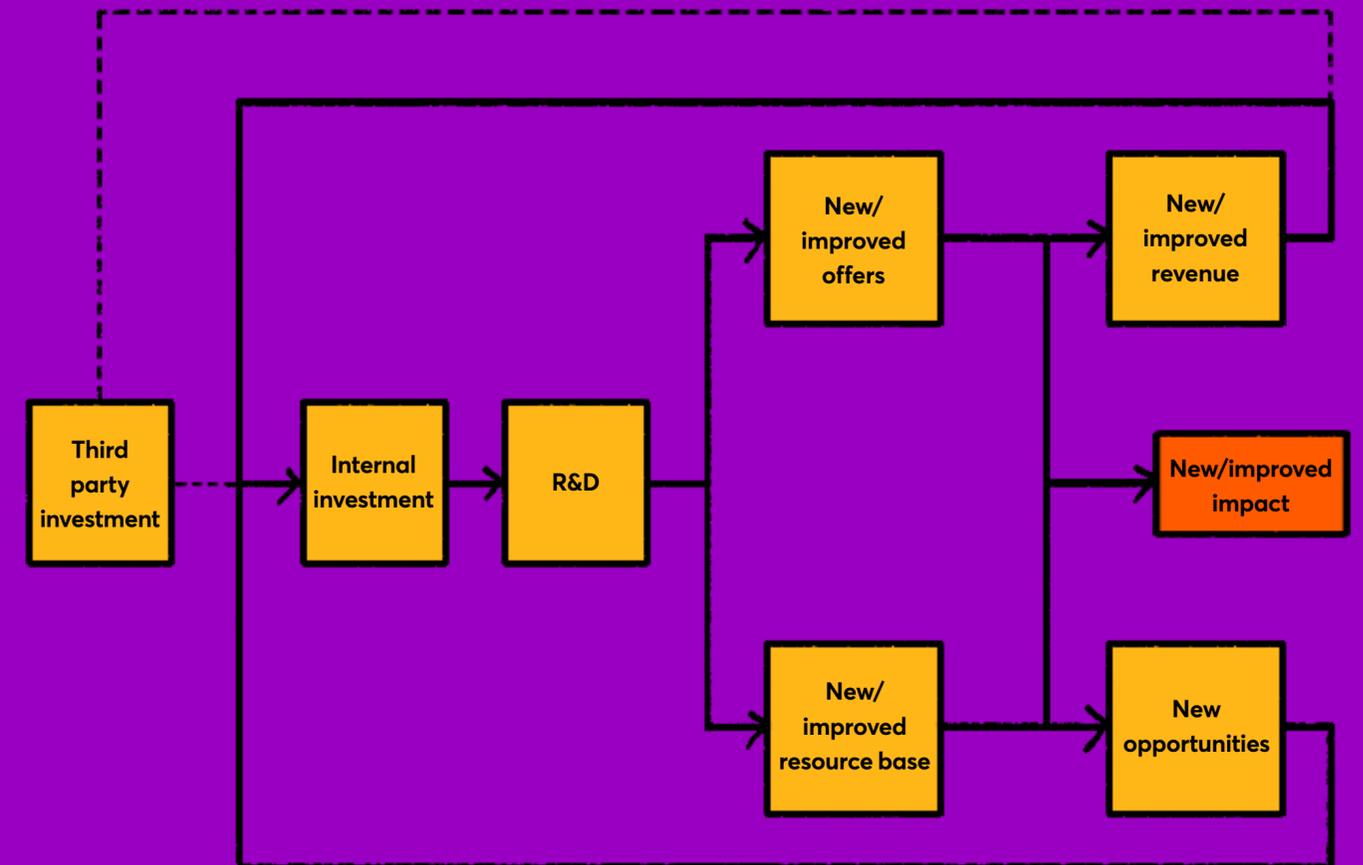
A common response to the need to innovate in order to remain competitive is to work with external partners in a project-oriented manner. This makes sense in organisations where it's the norm to employ significant numbers of freelancers for each new show or exhibition, and also in the context of capital scarcity. However, while it can be a very helpful early-stage approach to R&D, in the medium to long term it leaves important parts of the required resource base outside the organisation. New skills and capabilities are not properly captured and internalised, which results in higher long-term costs and/or new opportunities unrealised. Sometimes it's helpful to hire what we need when we are unsure of how long we will need it or we aren't confident in our ability to scope our requirements. However, in the long run, short-term hiring is usually more costly and the asset is owned by someone else – an asset that might be able to be leveraged not only for the project at hand but for other/future opportunities. An important skill for organisations is to know how and when to internalise new capabilities and resources.

This takes us back to the need to increase our ability to generate surplus to cope with the capital intensity of innovation and to secure finance from third parties to fund it. Free cash flow is the engine of growth. Without it, we can't invest in the long term, but instead are stuck in short-term cycles of cash flow management. At Social Convention, we've seen our own and our collaborators' growth and impact opportunities accelerate once we've created a model that generates surplus cash and generates impact. This is a win-win mindset – but it's not only a mindset. Rather, it is underpinned by rigorous theory and can be achieved through defined practical approaches. Risk can never be removed, and success can never be guaranteed, but thinking like an investor – or like the CEO of a publicly listed company – could help us all make more art and do more good.

Social Convention is an innovation agency and culture lab supporting the development of new arts and culture through access to space, skills and technology for creative entrepreneurship. We use our resources and our networks to help create sustainable new work through new business models and new audience relationships.



## An innovation management model for social impact



**Bibliography and further reading**

- Arend, R.J. and Bromiley, P., 'Assessing the dynamic capabilities view: Spare change, everyone?', *Strategic Organisation* 7(1) (2009), 75-90
- Bakhshi, H. and Throsby, D., 'New technologies in cultural institutions: Theory, evidence and policy implications', *International Journal of Cultural Policy* 18(2) (2012), 205-222
- Bakker, G., 'Sunk costs and the dynamics of creative industries' in *The Oxford Handbook of the Creative and Cultural Industries*, ed. by C. Jones, M. Lorenzen and J. Sapsed, (Oxford: Oxford University Press, 2015) pp.351-386
- Bolton, M., Cooper, C., Antrobus, C., Ludlow, J., and Tebbutt, H., 'Capital Matters: How to build financial resilience in the UK's arts and cultural sector'. (London: Mission Models Money, 2010)
- Brooks, A.C., 'Toward a demand-side cure for cost disease in the performing arts', *Journal of Economic Issues*, 31(1) (1997), 197-208
- Crealey, M., 'Applying new product development models to the performing arts: Strategies for managing risk' *International Journal of Arts Management*, 5(3) (2003), 24-33
- Helfat, C.E., Finkelstein, S., Mitchell, W., Peteraf, M., Singh, H., Teece, D. and Winter, S.G., *Dynamic capabilities: Understanding strategic change in organizations* (John Wiley & Sons, 2009)
- Hesmondhalgh, D., *The Cultural Industries* (3rd ed.) (London: SAGE, 2009)
- Labaronne, L. and Tröndle, M., 'Managing and evaluating the performing arts: Value creation through resource transformation', *The Journal of Arts Management, Law, and Society*, 51(1) (2021), 3-18

- Noori, J., Tidd, J. and Arasti, M.R., 'Dynamic capability and diversification' in *From Knowledge Management to Strategic Competence: Assessing Technological, Market and Organisational Innovation. Series on Technology Management*, 19(3) (2012)
- Reidy B. K., Schutt, B., Abramson, D., Durski, A., Ellis, E., Casale, L and Throsby, D., *Understanding the Impact of Digital Developments in Theatre on Audiences, Production and Distribution*, Arts Council England and UK Theatre, London (2016)
- Voss, Z.G. and Voss, G.B., 'Exploring the impact of organizational values and strategic orientation on performance in not-for-profit professional theatre', *International Journal of Arts Management*, 3 (1) (2000), 62-76



**Cimeon Ellerton** is co-founder of Social Convention, a culture lab and creative innovation consultancy in East London. He recently completed an MSc in Business Innovation with International Technology Management, where his dissertation investigated digital innovation in the performing arts. Trained as a composer and music technologist (Guildhall School of Music & Drama and Trinity Laban), he founded the London Breakbeat Orchestra, the UK's first EDM orchestra, collaborating with Goldie and performing with international DJs Swedish House Mafia. As Chief Product Officer at The Audience Agency, Cimeon built Audience Finder, a groundbreaking marketing and business intelligence tool aggregating audience data from across the UK. His work in arts policy and cultural programme management includes delivering the Cultural Olympiad in the London Borough of Lewisham and many other arts and community festivals.



# CAMINNOS: Pathways that unite culture and innovation

**Alejandro Trujillo**  
CEO & Co-Founder, CAMINNOS

A project creating NFTs from the work of artisans in the Gran Chaco region of South America seeks to bring native art to global audiences.

Jessica and her mother walk side by side, collecting Carandillo palm for their daily work. Silently, in the mountains of the Gran Chaco, they make use of the sun to dry the fibre, shred it and begin to weave each thread to make crafts: baskets and ornamental pieces; art from native hands, with history, culture and generations of experience in the mountains locked inside it. As they walk back home, Jessica dares to ask aloud, 'Mom, don't they see us?'

At an altitude of 3,600 metres in the Andes, in the city of La Paz, Mirna, a calligrapher and digital illustrator with a unique talent for graphic art draws images of women wearing the typical skirts of their land, as a way of telling their stories, their cultural expressions and their desires. She dreams of one day taking her images of the 'cholitas' – women who represent the fortitude of her beloved Bolivia – to mainstream international galleries. But, suddenly, a doubt arises in her mind: 'Is there anyone who will want to display my art?'

Meanwhile, thousands of kilometres to the north, Susana rests after a day of work, sitting in front of the fireplace in the home that protects her from the winter. Her busy day of meetings with her colleagues from the Art Committee ended at the Seattle Convention Center, a 139,000m<sup>2</sup> facility in the Seattle metropolitan area that has tasked her with looking for artwork to decorate its luxurious spaces. She thinks, with some optimism, how much she would like to show art from her Bolivian homeland, reflecting her Latin identity in that impressive gallery. She pauses in doubt: 'How could I bring artwork from my hometown here, given all the costs and logistical difficulties?'

At the end of the day, in the silence of their different realities – in the Chaco, in La Paz and in Seattle – the same question echoes in the thoughts of Jessica, Mirna and Susana: 'Don't they see us?'

In 2021, organisations committed to the development of the Gran Chaco, including the IDB LAB, Fundación Avina, WTT World-Transforming Technologies,

Fundación Gran Chaco, Grupo SUNU and NATIVA, launched an open call, #ChacoInnova. The aim was to respond to the urgent situation of more than 2,000 artisans in the region, prevented from selling their works by the isolation of their communities and by rural-city migration – a situation aggravated by the global pandemic. CAMINNOS, a social innovation laboratory located in Bolivia, responded to the invitation, presenting its latest project, IMPACT NFT, which seeks to use disruptive technology to bring value and promote the native art of rural communities.

IMPACT NFT was selected to promote the development of the American Chaco through innovative commercial solutions. CAMINNOS set up a project in which craftswomen like Jessica can meet face to face with digital

artists like Mirna and art curators like Susana, so that together, in a process of co-creation, they can take the essence of the work of Chaco artisans and transform it into digital art, registered and verified for authenticity through Blockchain technology. This project will allow digital art pieces to reach crypto art galleries, in which, transformed into non-fungible tokens (NFTs), they can be marketed on a large scale in a global market without borders that transacted US\$17 billion in 2021 alone. The NFT art

pieces created were launched as Gran Chaco IMPACT NFT, the first collection of digital native art of Gran Chaco, allowing the region's culture to spread internationally and form part of the important economic context of blockchain and cryptocurrencies.

Today, the IMPACT NFT project has a constellation of collaborators: six digital artists from Argentina, Colombia, Spain and Bolivia; a dozen art curators with notable track records in culture, art and finance; a network of NGOs to coordinate and connect the project; and the protagonists: over 5,000 native artists who create art and fight for the preservation of their culture.

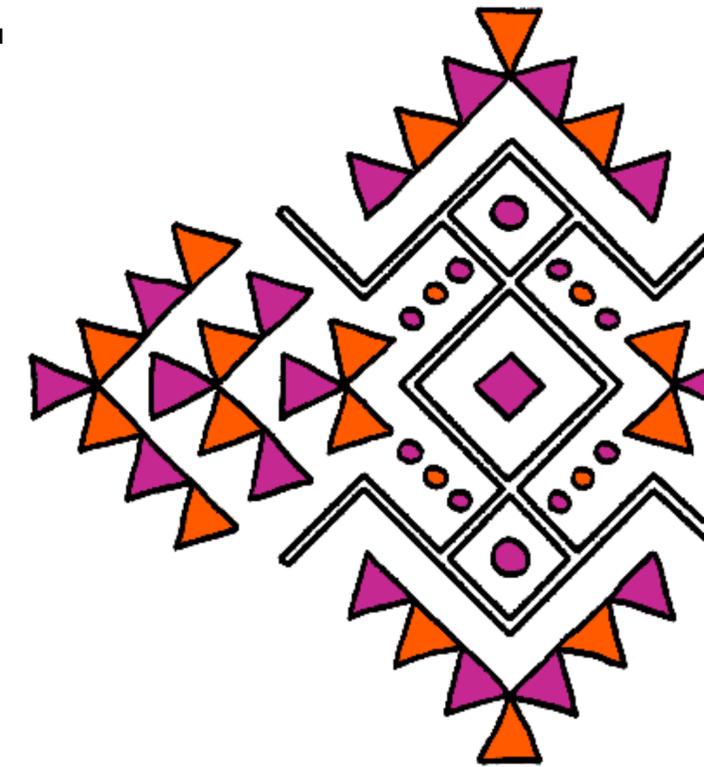
In April 2022, the project achieved a notable milestone. A recognised collector from Silicon Valley,

**IMPACT NFT is the only digital art experience in the world that allows creators, digital artists, collectors and curators to co-create native art together**

owner of some of the most popular collectibles in the NFT market, such as the Bored Ape Yacht Club, NBA Top Shots, VeeFriends and other relevant projects, joined IMPACT NFT with the intention of acquiring the the first NFT of the collection, and launching an alliance within CAMINNOS and the Blockchain organisation (DAO, or decentralised autonomous organisation) he founded, NFTY DREAMS, to replicate the project in other regions across the globe. Our immersive experience enables collectors to travel to the Chaco to meet the artisans, visit their community, produce art in their villages and generate social impact, all by acquiring an NFT.

The project seeks to position the native art of Gran Chaco in international art markets, through real-life experiences and virtual events that showcase the region's culture and traditions. At the same time, there is a focus on training female native artists of the region in digital illustration techniques, decentralised finance, NFT art and blockchain technology, and on supplying the communities with digital equipment to transform the native art pieces into digital art and to tokenise it, with the objective of addressing the limitations and barriers – reinforced by the pandemic – that make it difficult for native artists to market their creations.

IMPACT NFT is the only digital art experience in the world that allows creators, digital artists, collectors and curators to co-create native art together and share intercultural experiences that generate true impact through the protection and promotion of the culture of rural communities. As a social entrepreneurship organisation, we create *camin(n)os*: paths that unite culture and innovation, so women know that they are not invisible but are seen as an example of strength and resilience, that their work is fundamental to the growth of communities, and that their art preserves the beauty of our culture.



**Alejandro Trujillo** is the CEO and co-founder of CAMINNOS. He is an Ashoka Fellow and has received numerous awards for his work in rural development, digital inclusion, and blockchain technology applied to ESG monitoring and cultural projects. These include the IFAD-UN Rural Youth Innovation Award. He holds an LLM from the University of Michigan-Ann Arbor and is licensed to practice law in Bolivia.



## Afterword

**Elizabeth Galbut & Pocket Sun**  
Co-Founders & Managing Partners,  
SoGal Ventures

When faced with confusing, chaotic and increasingly polarised times, it is even more important to find strength through action. Conscious investment of capital is the most powerful tool to reach the future you desire – while simultaneously generating both outsized returns and deep impact.

**Startups are our hope.** The entrepreneurial journey almost always begins with a problem the entrepreneur personally experienced and now desperately wants to build a solution to solve. For many, the pain of inequalities and injustices is the fuel that powers them to build – for themselves, their families, their communities, and for the world they wish to create. Resources – most importantly, capital – give voice to those with much to say but without existing platforms to be heard.

For over three decades, women-led businesses have barely received more than 2% of venture capital financing. In 2022, women-founded teams are on track to receive a historically low proportion of venture financing: just 1.8%. At the same time, women are disproportionately represented in the creative industries: in the US, up to 35% of women-owned businesses are in the creative economy.

**Where money flows, those voices grow.** Recent events, if anything, are a sign that we each need to take more courageous and grand actions if we truly wish to have an equitable and inclusive future. History does not always move forward in a linear fashion. When aspects of society get worse before they get better, we must harness the pain to fuel us. We must deploy capital to traditionally undercapitalised founders. We must create space for all people to be included and valued. Investing consciously is the only logical path forward.

**Impact investing isn't new or unproven.** In fact, investing with impact can be the competitive advantage that generates outsized returns. Since 2015, SoGal Ventures has been investing towards a better, more inclusive future by allocating capital to diverse founding teams on a mission to revolutionise how the next generations live, work and stay healthy.

Our first SoGal Ventures Fund invested in 42 companies. Over half of these companies are in the creative economy – and 100% of the portfolio is led by diverse

founding teams. From sustainable clothing, science-based baby toys for brain development, custom breast prosthetics for breast cancer survivors, a culturally relevant and sustainable winemaker and affordable healthcare services to the first Latina-owned haircare company to launch at Sephora, our portfolio startups rapidly scaled while at the same time reinventing the industries they operate in. SoGal's portfolio demonstrates an idea that resonates through the 100 essays in the *Creativity, Culture & Capital* collection: creative people solve problems.

Collectively, SoGal's portfolio companies, all located outside of Silicon Valley, grew to be valued at over US\$7.8 billion in five years, generated over US\$1.2 billion of revenue in 2021 and created over 2,176 new jobs for our economy. With 67% net internal rate of return (IRR) and 4.4x since inception in 2017, SoGal's first US\$15 million fund demonstrated that even modest pools of capital, when deployed consciously, can generate outsized top-decile returns and deep impact.

The way we  
spend our money,  
the people we  
support and the  
investments we  
select influence  
how our collective  
future evolves

**If not you, who?** Our individual and collective power is held in our wallets and decisions. The way we spend our money, the people we support and the investments we select influence how our collective future evolves. Ask yourself: is your capital aligned to your values? Are you investing in the future you wish to see? The time is now to be conscious and courageous.



**Elizabeth Galbut** is a second-time general partner with a stellar investment track record, whose expertise is in healthcare, strategy and entrepreneurial finance. In 2015, she co-founded A-Level Capital, a successful student-led venture capital firm powered by Johns Hopkins students. Previously, Elizabeth was a strategy & operations consultant at Deloitte Consulting, focusing on large healthcare clients. She is an honoree in the 2018 Forbes 30 Under 30 in Venture Capital list. Elizabeth holds a MBA/MA Design Leadership Dual degree from Johns Hopkins University and Maryland Institute college of Art. She is also a proud alumnus of Georgetown University and London School of Economics.



**Pocket Sun** is a visionary leader with global influence, who has extensive experience working with startups and corporations across the US and Asia. She holds a Master of Science degree in Entrepreneurship and Innovation from University of Southern California, and founded SoGal while at grad school. Pocket has been on the cover of Forbes Asia magazine as a 30 Under 30 in Venture Capital, selected as a LinkedIn Top 10 Voice in VC & Entrepreneurship, and featured by the BBC, CNBC, Fortune and Bloomberg, among others. She is regularly invited to speak at the most prestigious conferences around the world, including Microsoft CEO Summit, Fortune's Most Powerful Women Summit and TEDx.

# This collection of 100 essays was brought to you by:



**Fran Sanderson**  
Director, Arts & Culture  
Programmes and  
Investments, Nesta



**Laura Callanan**  
Founding Partner,  
Upstart Co-Lab



**Carolina Biquard**  
Executive Director,  
Fundación Compromiso



**Bárbara Russi**  
Director, Fundación  
Compromiso



**Sarah Lang**  
Content manager



**Sarah East**  
Copyeditor



**Josefina de Ridder**  
Copyeditor



**Jeannine Emmery**  
Translator



**Paula Silva Díaz**  
Translator



**Rachael Bull**  
Project manager



**Louisa Shanks**  
Project manager



**Jenny Jacoby**  
Project manager



Partners

---

**nesta**

Arts & Culture  
Finance  
by **nesta**

 **Compromiso**

**Upstart** Co-Lab  
CREATIVITY INVESTMENT IMPACT

Design and website by **We Are Why**

---

**W**