

# A New Way of Funding Our Creative Economy

---

 [theconsciousinvestor.co/blog/funding-our-creative-economy](https://theconsciousinvestor.co/blog/funding-our-creative-economy)



*By Sir Ronald Cohen*

The importance of culture, whose values are transmitted through creative endeavour, is of great significance at a time when our world is threatened by polarising discourse and fake news.

Impact investment is driving new ways of thinking for investors and businesses, shifting decisionmaking away from just making money to also delivering improvement in lives and the planet. Transparency on the impact created by companies will soon resemble the transparency available to us, as consumers, employees and investors, on the profit companies make. This will shift our economies from creating environmental and social problems to delivering solutions to the great challenges we face.

To date, investments flowing into creative industry have been largely unnoticed, in part because they are categorised as community development, small business lending or microfinance, and in part because they have been relatively small. Innovative pay-for-

success instruments like social impact bonds have not yet been implemented in the creative arts.

This report is valuable in focusing attention on new ways of funding our creative economy. Just as charitable service providers have been adjusting to the growing availability of impact investment to supplement the grants they raise, and businesses have begun to seek impact alongside profit, so too must our cultural institutions and creative industries now engage in the global effort to achieve just and sustainable impact economies.

I very much hope that [this collection of essays](#) will stimulate new thinking about how we fund creativity and, in particular, the role that impact investment can play in helping our cultural institutions and our broader creative economy expand their influence and reach. Only then will they be able to play their essential role in creating the kind of world we want to live in.

***This essay was originally published in [Creativity, Culture and Capital: Impact investing in the global creative economy](#) and is republished here on [The Conscious Investor](#) with the permission of Upstart Co-Lab, Nesta, and Fundacion Compromiso. To download the entire essay collection, click [here](#).***

---

*Sir Ronald Cohen, chair of the Global Steering Group for Impact Investment and The Portland Trust, is a pioneering philanthropist, venture capitalist, private equity investor and social innovator. He is a co-founder of Social Finance UK, USA, and Israel; and co-founder Chair of Bridges Fund Management and former co-founding Chair of Big Society Capital. He graduated from Oxford University and holds an MBA from Harvard Business School. He is the author of several books, including *The Second Bounce of the Ball*, and most recently, *IMPACT: Reshaping capitalism to drive real change*.*

---

*At [The Conscious Investor](#), it is our goal to shed light on topics that we find interesting, inspirational, and educational. Therefore, this article is strictly for inspirational and informational purposes only. It is in no way intended to substitute for professional investment advice, professional financial advice, or general counsel. To the extent that an article features the insight, opinions, or advice of an expert or company, the expressed views are those of the cited person or company and do not necessarily represent [The Conscious Investor](#) and its employees or affiliates.*