

# Can Crowdfunding Come to the Rescue of Culture and Arts? Evidence from Romania

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## ABSTRACT

Financing culture and arts is a difficult task to achieve, especially due to the fact that the revenues obtained from such activities may not be enough to cover the costs. This has been claimed to be true for certain cultural activities or events, such as concerts, and is named Baumol's cost disease. Although other forms of cultural and artistic activity can entirely rely upon the revenues earned, many types of artistic creation depend on public financing or sponsorship. With the advent and democratisation of Internet-based technologies, crowdfunding has become a convenient tool to raise funds in order to finance cultural activities. The aim of this paper is to investigate to what extent cultural and artistic projects are likely to receive financing through crowdfunding. The study is based on the main Romanian crowdfunding platforms and analyses the success rate of crowdfunding projects in culture and arts.

## KEY WORDS

Crowdfunding, philanthropy, sponsorship, costs, culture and arts

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