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## THREE PROVOCATIONS FOR CIVIC CROWDFUNDING

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The rapid rise of crowdfunding in the past five years, most prominently among US-based platforms such as Kickstarter and IndieGoGo, has begun to attract the attention of a wide range of scholars, policymakers and practitioners. As the industry evolves, it is developing a range of specialist sub-genres and platforms, from politics to manufacturing. This paper considers civic crowdfunding – the use of crowdfunding for projects that produce community or quasi-public assets – and argues that its emergence demands a fresh set of questions and approaches.

Scholarly analyses of crowdfunding to date have centered on fields such as investment finance, and Computer-Supported Co-operative Work (CSCW). While these inquiries have begun to build a frameworks for understanding the dynamics of the fundraising process and participants' motivations, there is yet to be substantial work considering the socio-political context and broader implications of crowdfunding. These questions are necessarily more pressing and contested when considering the use of crowdfunding for civic projects. The sub-field of 'civic crowdfunding' as an application of the model is yet to be defined by academic researchers. The use of the term can be traced to 2012, and is used by platforms such as Spacehive and Neighbor.ly (Davies 2014a). This paper uses a mixed-methods case study approach to highlight and analyze critical cases in civic crowdfunding. It draws on quantitative analysis of project fundraising data drawn from four platforms (Citizinvestor, IOBY, Neighbo.ly and Spacehive), participant interviews and discourse analysis of projects' promotional material. In so doing it posits three provocations for the future study of civic crowdfunding.

Firstly, to what extent is civic crowdfunding participatory? It can be a truly organic mechanism that is a new tool available to activists. In Sao Paulo, Brazil, the graffiti artist Mundano raised \$27,000 on the Catarse platform in May 2012 - -- twice the campaign's original target --- to paint the carts of waste pickers, as a means of highlighting their contribution to the city's environmental sustainability and advocating for new labor protections for them. The idea that crowdfunding is a form of participation as well as a funding mechanism is salient since civic crowdfunding has emerged after a decade of experimentation with symbolic money as a representation of agency through participatory budgeting, most prominently in Brazil and New York City. But most crowdfunding platforms do not support the kind of deliberative process that would be expected in a participatory democratic structure: by the time a campaign is published on

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a platform, the idea is expected to be fully formed. Furthermore, since donations vary in size and offer differential agencies, the field is open to the charge that it may become dominated by resourced interests. Several of the largest civic crowdfunding campaigns to date have drawn the majority of their funding not from a high volume, low-donation value crowd, but from wealthier donors. For example, Kansas City's B-Cycle program, partially crowdfunded on Neighbor.ly, drew 99% of its funding from six backers who donated more than \$5,000 each.

Secondly, does civic crowdfunding exacerbate or reduce economic inequality? At the case level, there are clear examples of underserved and privileged communities benefiting from civic crowdfunding in very different ways. In Glyn Coch, South Wales, a community with chronic unemployment and resource challenges, local organizers raised \$49,000 to fill a gap in funding for a new community center, most of which was funded by government grants. By contrast, in October 2013, three wealthy suburban communities in Oakland, CA, raised \$50,000 on the CrowdTilt platform to crowdfund private security patrols. The campaigns, which emerged within a few days of each other, demonstrated the risk of a 'contagion effect' through which resourced communities could use civic crowdfunding campaigns from other localities as templates for building their replacement public services. At the platform level there are more ambiguous indicators with respect to equity. New York and Miami-based platform IOBY is the only platform that explicitly recruits projects from underserved communities. Early findings suggest that IOBY projects occur in neighborhoods with slightly higher poverty rates, but the difference is marginal (Goodspeed and Davies 2014). Citizeninvestor finds in its own data that there is no correlation between the likelihood of a project occurring in a neighborhood and that neighborhood's average household income.

Thirdly, does civic crowdfunding support or undermine the role of public institutions? In many cases the link between civic crowdfunding and weakened institutions is direct: The bankrupt city of Central Falls, Rhode Island, crowdfunded \$20,000 to pay for recycling facilities in Jenks park in November 2013, explicitly citing its financial distress as a motivating factor. Around one in ten projects in the dataset makes reference to shortfalls in public funding, and Brabham has argued that the success of crowdfunding is likely to be a disincentive for public investment in the arts in the future (Davies 2014b, Brabham 2012). Yet on the other hand, civic crowdfunding can also be framed as a mechanism that expands the range of public-private partnerships that are possible, since government can partner with crowdfunded groups. Parklets, a system of allowing individuals and groups to create temporary installations in parking spaces, is one public-private framework that has benefited from crowdfunding. Eleven parklets have been successfully crowdfunded via Kickstarter since April 2012, in Oakland, Philadelphia, San Francisco, Seattle and Vancouver, raising a total of \$100,853. In August 2013, the City of San Francisco launched Living Innovation Zones, a program modeled on parklets that invites proposals for a series of underutilized spaces across the city, and encourages prospective groups to consider crowdfunding. Public-private opportunities that embrace crowdfunding as a potential tool are nascent, but are gaining in popularity.

Each of these three provocations is highly context-specific and as yet the signals from the available data and reported cases are mixed and often conflicting. Nevertheless,

they underscore the importance of approaching civic crowdfunding as a socio-politically located and contested phenomenon, and offer pathways for researchers to begin to critically analyze and define the field. Future research work on civic crowdfunding that considers its institutional and political context is likely to be highly generative across disciplines.

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