

Civic Crowdfunding, Community Assets and the New Economy

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1. The field

2. Models

3. History and Theory

4. Implications

5. Questions

1. The field

Crowdfunding is Everywhere.



The
'civic
era'

2000



2001

2002

PayPal IPO

2003



2004

PayPal launches Merchant Services

2005

2006



2007

Amazon Payments launches

Avaaz, change.org founded

2008



WePay founded

2009



2010

Donors Choose becomes self-financing

2011



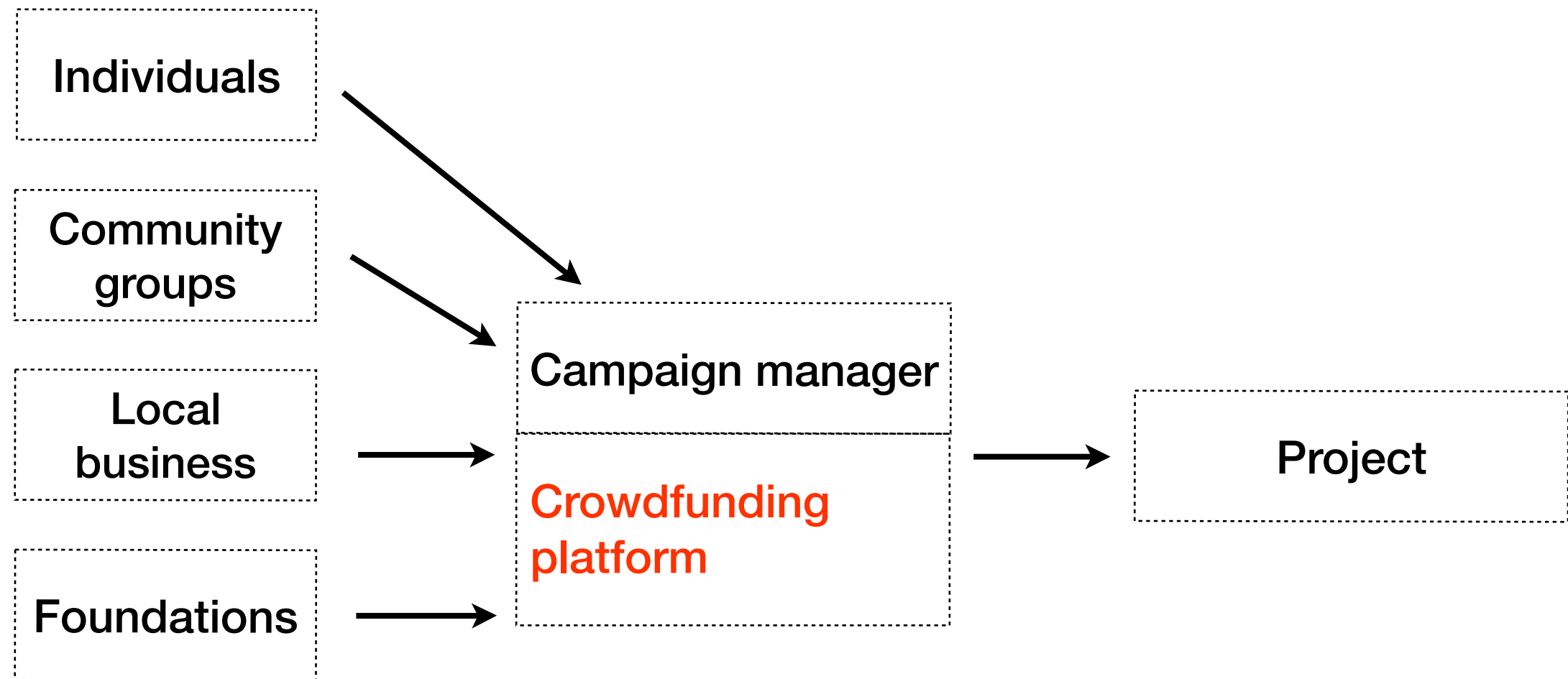
2012



Elevation Dock
raises \$1M

2. Models

The typical crowdfunding model



Pledge system (provision-point mechanism)
4-5% platform fee + 4-5% payment processing fee
Reward structure

What defines crowdfunding?

Urgency and short time frame

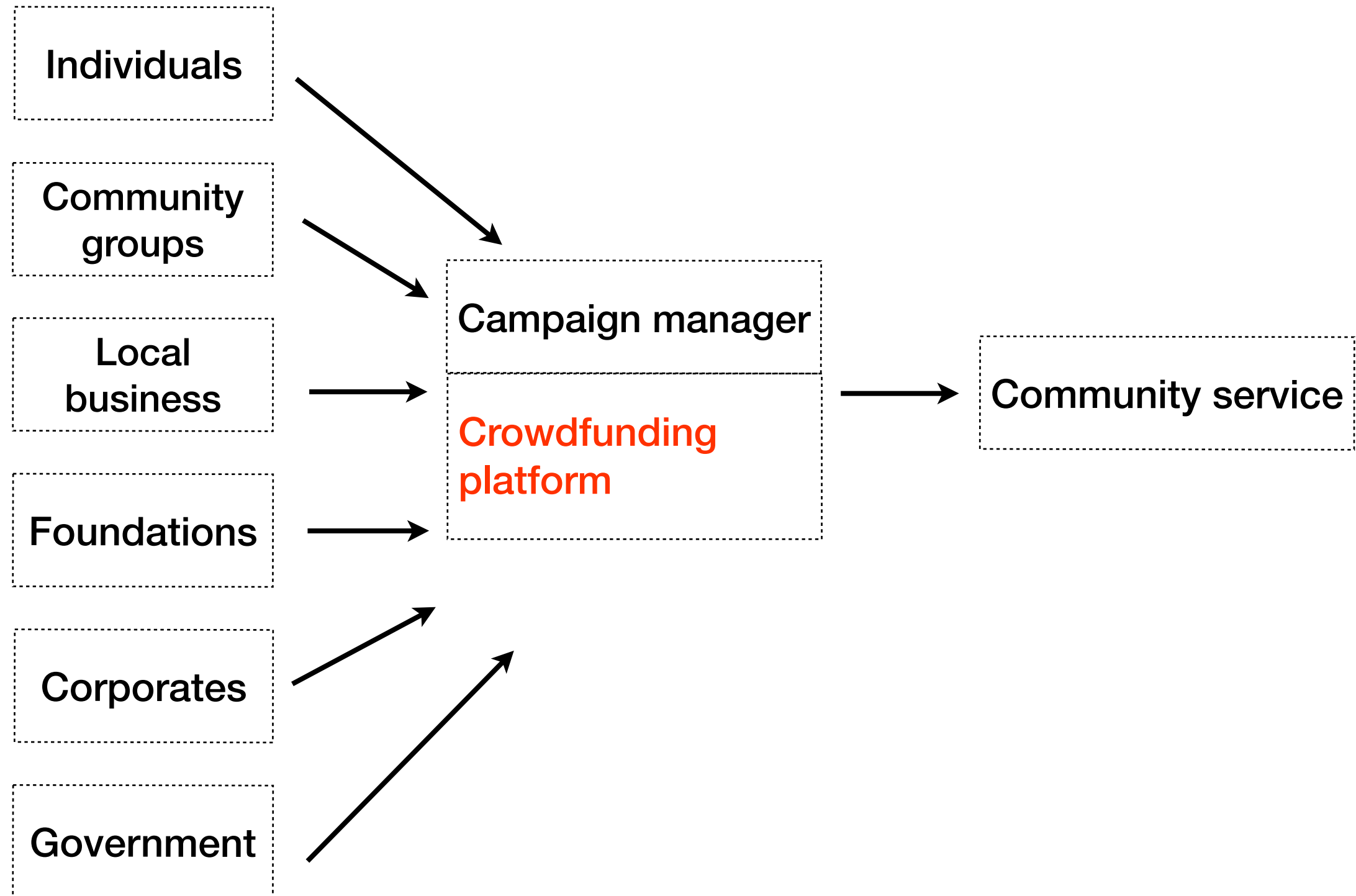
Diverse range of sponsors

Pledges, not donations

Rewards

Symbolic ownership

Crowdfunding + civic projects =



**Civic Crowdfunding = crowdfunding projects that
provide services to
communities**

How civic crowdfunding models differ

Donation

Citizinvestor

Reward

Spacehive

 **neighbor.ly**
Funding for Civic Projects

catarse 

‘Crowdresourcing’

 new york city
*Now in your
backyard!*

Citizinvestor

How civic crowdfunding models differ

Individuals and
community
groups



Officials and
institutions





\$40k



\$492k



RESERVE YOUR SPOT AT THE POOL

on **KICKSTARTER**

\$314k

Civic crowdfunding for civic organizations

Promoter



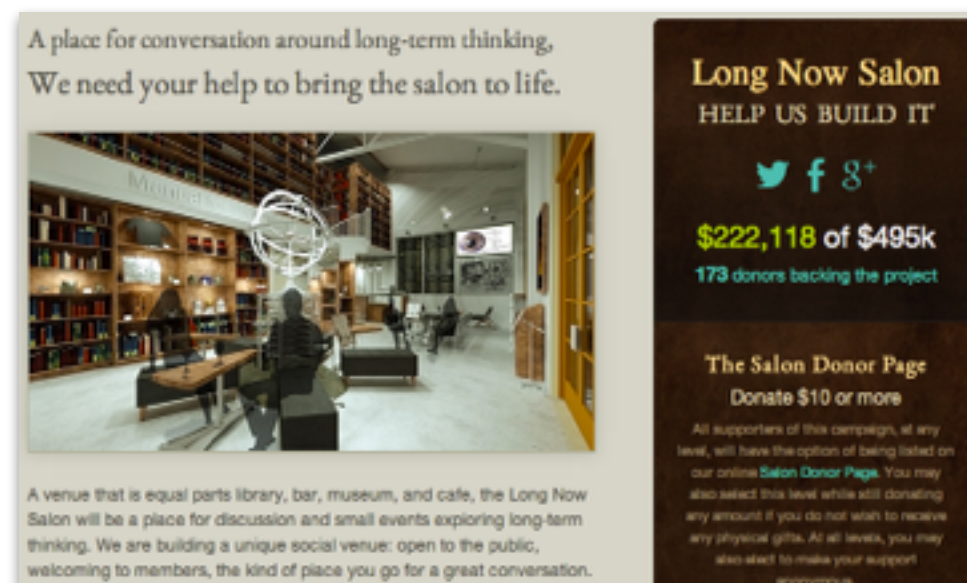
Curator



Facilitator



Platform



3. History and Theory

What's new?

March-August 1885

Raised \$100,000

120,000 donors

Central collection
point

Daily accounts

Populist rhetoric

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is in the rear of

ONE HUNDRED THOUSAND DOLLARS!

TRIUMPHANT COMPLETION OF THE WORLD'S FUND FOR THE LIBERTY PEDESTAL.

Story of the Greatest Popular Subscription Ever Raised in America—How the Repub-
lic Was Saved from Lasting Disgrace—An Event for Patriotic Citizens to Rejoice
Over—A Roll of Honor Bearing the Names of 120,000 Generous Patriots—The
Flags of France and the American Union Floating in Sisterly Sympathy—Over
\$2,300 Received Yesterday—The Grand Total Foots Up \$102,006.39—A Generous
Lady Pays \$130 for the Washington Cent.



Three competing visions

An extension of participatory planning?

- Agency and self-determination
- An input to Participatory Budgeting
- CoOp-style organization

Entrepreneurialism / 'venture labor'

- Democratization of access to capital
- Risk appetite and awareness
- Still a gift exchange?

Decline of public institutions

- Filling a gap / replacing a service
- Libertarian precedent
- Gentrification and access

4. Implications

Can crowdfunding kickstart the New Economy?

Open access to capital

Reduces risk to entrepreneurs

Build on existing community support

More, faster, cheaper (smaller)

Create a community around projects

Reach a new audience

What are the downsides to crowdfunding?

How can we ensure fairness?

Does it favor better-off communities?

How concentrated are the opportunities?

How can projects be sustainable?

Does it set a precedent for disinvestment?

Can we protect transparency and fulfillment?

What are the limits of ownership?

5. Questions

Questions

- How can we promote fairness and equity?
- Where do we draw the line between 'desirable' and 'undesirable' civic projects?
- Should public institutions and governments be involved in crowdfunding? How?



YOU OWN
A PART OF
THIS.

MARK C / DES MOINES, IA ROGER H / HURST, TX ROSEMARY R /
LW / PEMBERTON, NJ ROBERT B / THE WOODLANDS, TX LEO G / S
Y C / MIAMI, FL GARY M / STERLING, MD MELISSA PETER K / METAMORA, OH
HARRIS C / SELLERS, IL GEORGINA G / CHULA VISTA, CA
ARA N / SOUTH ATLANTA, GA JUDITH K / STANFORD, CA MICHAEL M /
LEY, CA JANE B / FLIN, IA RUTH P / FEIN, IL RLES A / NEV
LONG BEACH, CA MICHAEL T / ORO, CA GIN H / CEITH, NIAC, CO
ON, TX IULDER, MARTHA D / CARMEL, CA S / DONIG / LOWELL, MALEY JACK B
GINNY W / PACIFIC, CA TONYA M / SUNRISE, FL
TONIO, TX AR CRISTO P / HEL, CA MELOET
OLA G / CHAR, CA EANG AND OPA GAAC / MONICA D / SEAT
TIM W / DENVER, CO DIANNER / NEWPORT, NH Z / CUR, IA JAYNA
CUTRINA O / PHOENIX, AZ CUNIA P SANTA FE, NM MONROE VERNON F
R SPRINGS, FL R JUDITH B DA LA F RIE HOLLY B / ANN HARBOR, MI
RANK R / BIRMINGHAM, AL PHYLLISH / MINNEAPOLIS, MN ANN O /
EVILAB, NY P / SUANET E / PHOENIX, AZ ANGELA JOANNES / DELRAY BEACH, FL
O, NY RICHARD D / FORT WYANE, NM HARRY P / BOULDER, CO CA HELEN
IL SYLVIA B / VENTURA, CA ROGER J M / DORCHESTER, MA
TALLAHASSEE, FL / LANAROOD, CA PHILADELPHIA, PA
THOMAS S / VIENNA, VA ZAKIYYAH H / DECATUR, GA



Questions

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Thanks.

civiccrowdfunding.com

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