

## **Hacking Crowdfunding Towards a New Commons**

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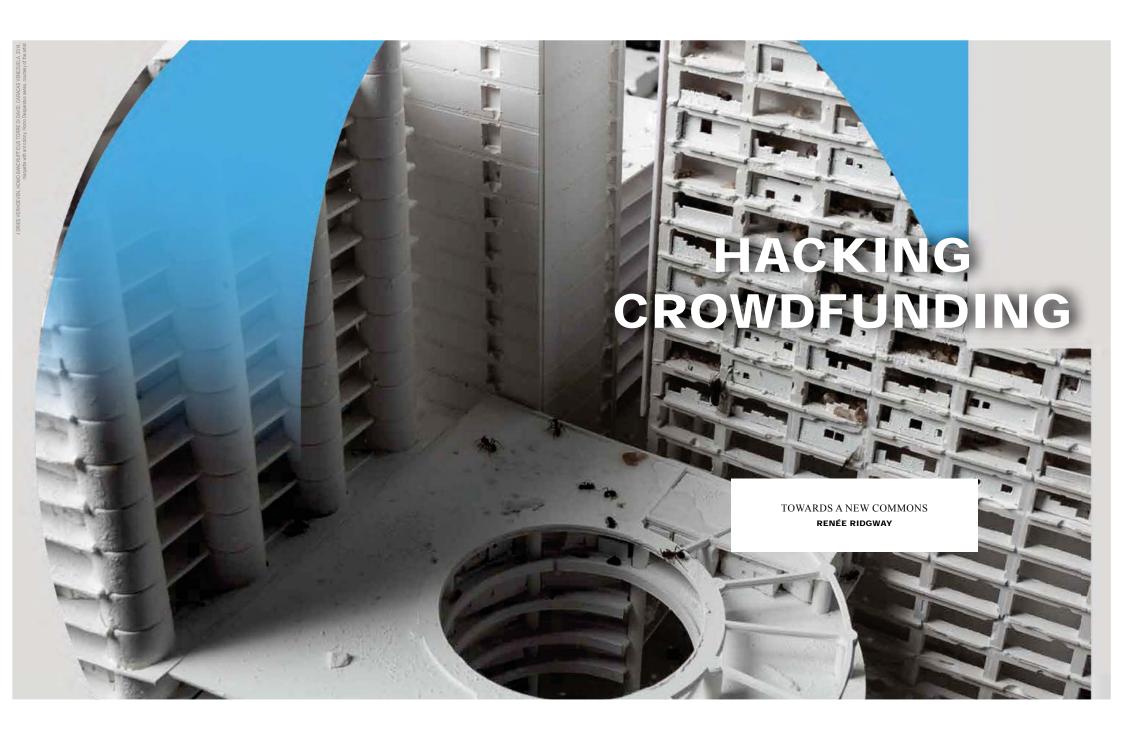












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ess than a decade ago, the social welfare states of Europe provided health care for everyone—plus substantial funding for culture, both generated from tax revenue. Many artists and cultural practitioners had the opportunity to apply for grants or further supplement their work through patronage, sponsorship, commercial revenue, or employment. However, contemporary cultural discourse has now shifted and takes its cues from neoliberal policies of management, adopting an 'everything for the market' attitude. This has led to a pan-European assimilation of a US inspired laissez-faire approach to culture, and subsequently transformed cultural practices into the burgeoning imagination of the 'creative industries'. This is evidenced through the withdrawal of state financial support for culture whilst emergent online, networked platforms increasingly facilitate private donations. For example, electronic money transfers using digital technologies have enabled micro-finance networks that restructure the funding support and patronage previously available to cultural practitioners from more traditional means. These have ensured an even quicker transfer of the private wealth of citizens to individuals within the cultural sector, such as with the phenomenon of 'crowdfunding'.

Crowdfunding is currently celebrated as the alpha and omega of the arts, one accompanied by a pronounced entrepreneurial rhetoric, in both the cultural and public sectors whilst many governments around the world increasingly cut budgets for these sectors promoting instead private sponsor partnerships and citizen patronage. The phenomenon of crowdfunding continues to flourish. In 2014 the industry raised \$16.2 billion worldwide, and the prediction for 2015 is expected to double to \$34.4 billion globally.2 In 2014, the US crowdfunding behemoth Kickstarter passed the one billion dollar milestone of funds raised.3 Already, in 2013 Kickstarter surpassed the amount allocated in the US by the National Endowment of the Arts (NEA)—unsurprising in a country where private money has almost always provided more support than governmental institutions for the arts. 4 A recurrent question is whether these types of 'private micro-donation' really combat budget cuts and austerity measures, or if they actually encourage reduced funding from the public sectortraditionally financed with taxpayers' money.5 Either way, with public resources for the arts dwindling worldwide and individual patronage becoming the norm, digital platforms are enabling private transactions due to the technological advancements of payment systems and the widespread dissemination of crowdfunding campaigns on social media.

भ्रष्टाचार खल्मा करो।

ZERO RUPEES

A Zero Rupee note in Hindi, front view, from the

organization 5th Pillar.

1 A welfare state is the concept of government in which the state plays a key role in the protection and promotion of the economic and social well-being of its citizens. It is based on the principles of equality of opportunity, equitable distribution of wealth, and public responsibility for those unable to avail themselves of the minimal provisions for a good life. The general term may cover a variety of forms of economic and social organization. See: Online. Available HTTP: https://en.wikipedia.org/wiki/Welfare\_state (accessed 10 September 2015). In this article I am in particular referring to the recent history of the Netherlands, where I live and work. However, since 2010 many welfare states of Europe implemented austerity measures because of the 'financial crisis' leading to drastic cuts for health.

education, public transportation and culture along with the destabilization of the euro. Yet the governments have bailed out many banks and have even nationalized them.

- 2 'While rewards- and equity-based campaigns typically get the most headlines, it is lending-based crowdfunding that dominates the industry: in 2014, it raised \$11.08 billion dollars.' See: Online. Available HTTP: http://www. crowdsourcing.org/editorial/global-crowdfundingmarket-to-reach-344b-in-2015-predicts-massolutions-2015cf-industry-report/45376 (accessed 10 Sontombor 2015)
- 3 Kickstarter. 'Stats'. Online. Available HTTP: https://www.kickstarter.com/help/stats (accessed 10 September 2015).
- 4 Renée Ridgway, 'Crowdfunding-Monetizing the Crowd', n.e.w.s. (2 March 2014), Online. Available HTTP: http://northeastwestsouth.net/ crowdfunding-monetizing-crowd (accessed 10 September 2015).
- 5 With regard to public funding for the arts. Kickstarter helieves that it can be 'wielded as a tool for public agencies to show that there is an incredible appetite for creative works in the public sphere.' They see the 'enormous public outpouring a support for creative projects on Kickstarter sites and others as fodder for fighting for increased government support in the arts and culture sectors, as there is obviously an enormous appetite for creative engagement demonstrated through the explosive growth in this form of funding.' Stephanie Pereira, director art programme at Kickstarter. E-mail (24 October 2012). Why would this private financial support of the general public encourage sustainability or incite increased governmental funding for 'creative projects'? Rather it shows that as long as people, patrons and backers donate their surplus to crowdfunding campaigns there is less of a need for public monies to finance cultural production. The question remains then whether these backers are able and willing to support each other in terms of financial reciprocity. Renée Ridgway, 'Crowdfunding-Monetizing the Crowd', n.e.w.s. (2 March 2014). Online. Available HTTP: http://northeastwestsouth.net/crowdfunding-monetizing-crowd (accessed 10 September 2015).

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# A NEW MODEL FOR THE DISTRIBUTION OF WEALTH?

Crowdfunding platforms are becoming increasingly global in their reach, harvesting money from people all over the world. The availability of free Application Programming Interface technology (API) has made it even easier for groups of people to charge and collect money for any activity. There are manifold types of crowdfunding: donation, p2p lending, equity-based, patient, reward and civic crowdfunding. Donation based crowdfunding is simply contributing monetarily to a cause, following the classical model of charity, or philanthropic giving-which can usually be used as tax write-offs.6 Many citizens have lost trust in the banks, which is why certain high-net-worth individuals make money available online through p2p lending crowdfunding.7 This type of lending comes out of an 'anti-bank' movement, one in which the various platforms attempt to undercut the interest rates of the banks to a public that wishes to borrow less from banks and more from high net-worth individuals. Equity-based incentives offer a long-term investment in a start-up, a business venture, a project or even just an idea. Instead of the financial obligations of paying back loans with interest, with equity-based crowdfunding, entrepreneurs have lower risk by raising money from non-accredited investors-considered a 'democratizing investment'.8 Patient crowdfunding—small investments by a large number of people over time-turns, for example, vacant municipal properties into sustainable community resources.9





distributed nature of funding facilitated by global technology networks offers a promise of support and subsidy that is disproportionately larger than the available corpus of anonymous private donations. Moreover, new models of micro patronage for the distribution of private wealth in support of the cultural sector, are faced with a fundamental paradox: in order to seek financial support the cultural practitioner has to become a source of support for other stakeholders in the network, as suggested by Dmytri Kleiner:

The focus within the cultural sector is reward-based

in which non-financial rewards, or 'perks' such as

artistic artefacts, are manufactured in exchange for

monetary contributions. For many, civic crowd-

funding is understood as a form of 'commoning', where people pull together to get things done be-

cause they cannot depend on the state to organize

or resolve issues. These civic crowdfunding cam-

paigns can be for private, educational, community,

or charity projects. Additionally, these campaigns

can serve the social good and as such, are also

What all of these platforms share is their use of

digital technologies that unite global networks,

connecting projects with people and even monetary

support in order to realize those projects. Instead of

a few patrons donating large sums of money, micro

patronage facilitates many patrons contributing

small amounts through the internet. However, the

mushrooming worldwide.

As such, it can never grow beyond the level of the retained income workers can sustainably divert from consumption, at the expense of workers' savings. This means, that crowdfunding cannot directly have a significant effect on the social distribution of wealth unless what it funds is itself something that itself directly challenges political or economic power.<sup>10</sup>

- 6 See: Online. Available HTTP: https://www. indiegogo.com/projects/greek-bailout-fund#/story (accessed 10 September 2015).
- 7 See: Online. Available HTTP: http://www. zopa.com/ (accessed 10 September 2015).
- 8 See: Online. Available HTTP: https://www. crowdcube.com/ (accessed 10 September 2015).
- 9 See: Online. Available HTTP: http://www. shareable.net/blog/new-york-coop-creates-permanently-affordable-commercial-real-estate? (accessed 10 September 2015).
- 10 Dmytri Kleiner (2012). Online. Available
  HTTP: http://www.mail-archive.com/nettime-l@
  mail.kein.org/msg01335.html (accessed 10
  September 2015).

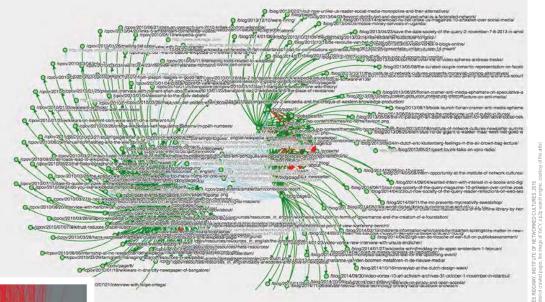
12 Joshua Clover, 'Amanda Palmer's Accidental Experiment with Real Communism', *The New Yorker* (2 October 2012). Online. Available HTTPhttp://www.newyorker.com/culture/culture-desk/ amanda-palmers-accidental-experiment-with-real-communism (accessed 10 September 2015).

13 Ben Beaumont-Thomas, Niell Young's Pono Becomes Third Most Successful Kirckstarter Ever Wilth \$6.2m', *The Guardian* (16 April 2014). Online. Available HTTP: http://www.lheguardian. com/music/2014/april folinell-young-pono-kickstarter (accessed 10 September 2015).

14 Kickstarter, The Newest Hottest Spike Lee Joint'. Online. Available HTTP: https://www. kickstarter.com/projects/spikelee/the-newesthottest-spike-lee-joint (accessed 10 September 2015).

# REWARD CROWDFUNDING AS ERSATZ FOR STATE SUBSIDY

In the cultural sector, reward crowdfunding is being promoted to artists, filmmakers, designers and other creative practitioners as a replacement for public money. Most of these crowdfunding initiatives offer rewards, or perks for monetary contributions. Whether these are deemed 'purchases' is still controversial, however legislation for taxation is being formulated. 11 Rewards vary from campaign to campaign, which usually have an 'all-or-nothing' model meaning that the campaigner has to obtain the full amount and reach the goal, otherwise the funds need to be returned to donors. In contrast, the 'keep-it-all' model lets the campaigner or promoter retain whatever is raised in the campaign. Reward crowdfunding is gaining popularity and has financed campaigns by famous musicians asking for support for their tours.12 Another notable project financed through reward crowdfunding is Neil Young's Pono music player that delivers full quality, uncompressed sound. 13 Director Spike Lee, is yet another high profile beneficiary with many fans willingly donating small-and largesums of money to 'make it all happen'. 14 These rewards, sometimes in the form of pre-sale products, vary in range but are connected through the interest group, just as campaigns for design gadgets that are cool have a community of users who want hip commodities. 15 Continuing this trend, acclaimed artists are crowdfunding to invest in eponymous real estate ventures for long-durational performance art, collaborating with leading architects.16 Whilst a prestigious art fair is teaming up with Kickstarter to support non-profit visual arts organizations through a 'rigorous selection process' involving a handpicked jury. 17



Workers in the creative industries are now all being asked to crowdfund, both instead of—and in addition to—applying for state or governmental public funding because these sources of public money are rapidly vanishing. \*Orowdfunding is now firmly part of cultural policy and as 'match funding', is positively encouraged. \*Orowdfunding in Europe is seen as an ersatz, serving as a replacement for former state responsibility regarding many types of cultural endeavour. A significant issue is that taxpayers effectively pay twice: first with the taxes that are distributed by governments through diminishing support for culture, health care and education. Taxpayers then distribute their 'surplus income' through crowdfunding initiatives. Reward crowdfunding is thus coined as the 'democratization of cultural patronage', promoting the illusion of democracy and participation by allowing the funder to choose where money is spent, instead of submitting to governmental control and authority. \*Ording to this obfuscation is the percentage the platform takes from the funds raised, and another factor often overlooked is the invisible labour that goes into every crowdfunding campaign.

Everywhere'. Online. Available HTTP: https:// www.kickstarter.com/projects/863853574/ touch-board-interactivily-everywhere/description (accessed 10 September 2015). 16 Kickstarter, 'Marina Abramovic Institute: The Founders'. Online. Available HTTP: https:// www.kickstarter.com/projects/malhudson/marina-abramovic-institute-the-founders/description (accessed 10 September 2015).

> 17 The initiative can be found at: Online. Available HTTP: https://www.artbasel.com/about/ projects/detail/-1 (accessed 10 September 2015).

> Renée Rideway HACKING CROWDFUNDING

15 Kickstarter, 'Pebble: E-paper Watch for

iPhone and Android'. Online. Available HTTP: https://www.kickstarter.com/projects/597507018/

pebble-e-paper-watch-for-iphone-and-android/

See also: Kickstarter, 'Touch Board: Interactivity

description (accessed 10 September 2015).

18 In the European Union millions of euros earmarked for culture are even being distributed to certain organisations in the Netherlands so that they can organize seminars to teach cultural practitioners how to crowdfund! See: Onlien. Available HTTP: http://www.cultuur-ondermen.nl/ product/publicatie-show-me-the-money (accessed 10 September 2015). In the US, Kickstarter has now started working with 'private foundations, arts councils, and city governments to wrap their minds around what Kickstarter can mean to them as a "complement" for their ongoing efforts. 'Stephanie Pereira, director at programme at Kickstarter. E-mail (24 October 2012).

19 For example, in the Netherlands, VoordeKunst is now partnered with the Mondriaan Funds. Therefore it will positively contribute to the evaluation if applicants prove via Voordekunst that there is support for their project. Online. Available HTTP: http://www.mondriaanfonds.nl/aanwraag/voordekunst/ accessed 10 September 2015).

20 See EENC (European Expert Network on Culture) Report, David Röhler and Karsten Wenzlaff, 'Crowdfunding Schemes in Europe' (September 2011). Online. Available HTTP: http://www.eenc.info/wp-content/uploads/2012/11/ DR%c3%Böhler-KWenzlaff-Crowdfunding-Schemes-in-Europe.pdf (accessed 10 September 2015).

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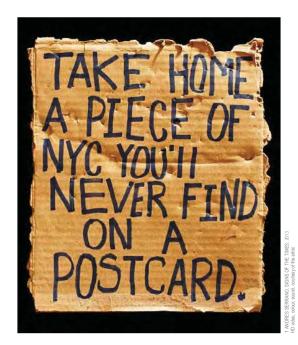
BROOKLYN, NEW YORK CITY Fig. 11. 1936

ADDED UP BLOCK BY BLOCK, IT COST \$359 MILLION DOLLARS TO IMPRISON PEOPLE FROM BROOKLYN IN 2003, FACILITATING A MASS MIGRATION TO PRISONS IN UPSTATE NEW YORK.

### HIDDEN, AFFECTIVE LABOUR

Pervasive rhetorics of success that surround reward crowdfunding platforms mask the fact that the financial amounts raised not only fail to take into account the free labour involved but further does not even cover all of the costs incurred. First, there is the labour involved in organizing the campaign on the crowdfunding platform itself: making the introductory video, sending out emails, posting on all social media sites and lest we forget, emailing reminders. Other labour includes managing software developers, service providers, help desk support, etc. and the production of the rewards (for example photographs, limited edition of prints, artworks) along with the cost of postage to the contributors or patrons. The time, energy and labour involved in running the campaign (some campaigners even outsource the work to professional PR firms)—not to mention the numerous updates and 'thank-you' emails afterwards—all add up to the indebtedness to others of successful campaigns.

Reward crowdfunding makes affective and unpaid labour invisible by reducing the process to questions of meeting various thresholds. Although everyone gets to feel good revelling in the fact that they are participating in a 'creative project', these 'enjoyable' activities are also shamelessly exploited. Tapping into the kindness and generosity of other people includes using the 'users' of the internet—including those who are 'campaigning' as well as the 'backers' themselves, those who decide how and where they distribute their surplus in the form of contributions. Frequently disregarded then, is the affective labour actioned by families, friends, neighbours and colleagues, all of whom have potentially been solicited and coerced: 'With crowdfunding, much like the ego-centricity of social media, we are asked to gather cash from the network, which is the same as gathering "friends" and being "liked". '24'



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ANGELICAMESITI, CITIZENS BAND, 2012
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21 John Hopkins (2012). Online. Available HTTP: http://www. mail-archive.com/nettime-l@mail.kein.org/msg01310.html (accessed 10 September 2015).

- 22 According to Kickstarter 2013 statistics, the average crowdfunding campaigns are between \$1000 and \$10,000, and 'rewards' or 'perks' are offered in return, the type dependant on the amount of the donation. Assuming one would support eight projects a month at \$50 per each project, one would pay out \$400 a month. If one were to pay out \$4800 a year for two years one would spend \$9600 on others' projects. Suppose one wants to put a project on Kickstarter and one is asking \$9600 from all contacts, colleagues. neighbours, friends and family. Could one trust those who one supported to contribute in return? Would all (192 people) also pay \$50 for one's own project?
- 23 This information is well hidden and not publicized. The 75 percent to 25 percent proportion was announced by VoordeKunst on 22 January 2013, and Kickstarter shows similar stats (albeit cryptically) in their 'Best of Kickstarter 2012'. See: Online, Available HTTP: http://www.kickstarter. com/year/2012 (accessed 10 September 2015)
- 24 Renée Ridgway, 'Monetizing the Crowds', Open! Platform for Art. Culture and the Public Domain (2 November 2013) Online Available HTTP: http://www.onlineonen.org/columns/monetizing-the-crowds (accessed 10 September 2015).
- 25 See: Online. Available HTTP: https://goteo. org (accessed 10 September 2015).
- 26 'Goteo, from Crowdfunding to Crowdvocacy: Here Come the Civic Makers', Issue.com. Online. Available HTTP: http://issuu.com/goteo.org/ docs/goteo-from\_crowdfunding\_to\_crowdvoc# (accessed 10 September 2015).
- 27 Felix Stadler, 'Crowdfunding the Commons: Goteo org Interview: Shareable (13, June 2012). Online. Available HTTP: http://www.shareable. net/blog/crowdfunding-the-commons-goteoorg-interview (accessed 10 September 2015)

### **NETWORK COMMODIFICATION**

The financial remuneration of artistic projects via crowdfunding initiatives is a growing phenomenon. Cuts elsewhere mean that artists increasingly feel under pressure to ask their colleagues to support their artistic endeavours (financially, and not just with a 'like'). It is routine for a cultural practitioner to receive two or three emails or updates a week, on various social media platforms, all asking for financial donations to support individual projects.22 Are these social networks strong enough—and their contacts close enough—to ensure that they would pay each other back? Statistics show that of the money that is contributed to crowdfunding campaigns 75 percent comes from an already known network and only 25 percent from random or unknown contributors.23 This begs the question whether, in this reciprocal relationship: would someone be able to divide up not only personal time but also personal wealth in order to produce their own works as well as supporting others' artistic projects? The results of these exchanges question whether the social bonds would be stronger because of the mutual support and, if money were part of the equation, would it then deepen the relationships with others? It is as if one needs to stay in contact (like the mafia) in order to be 'paid back', yet does this reciprocation happen virtually, as with the monetary transaction? Seemingly, networks then represent an ultimate goal of crowdfunding platforms, as the monetization of social relations becomes one of the most salient outcomes with regard to reward-based crowdfunding.24

### GOTEO: CROWDFUNDING THE COMMONS

Why then, if individual surplus is transferred to 'friends' in the network as gifts or in return for perks or tokens on reward crowdfunding platforms, could not the network in turn be able to apply this increasing demand to donations for the pre-financing of-not only art projects (reward crowdfunding)—but also the development of 'public' or 'civic' infrastructures? By looking at crowdfunding campaigns where communal good is supported by the community, for the community and of the community, we come across some examples of alternative-or civic platforms. This is the premise of Spanish site Goteo.25 Goteo is described as: 'A social network for co-financing and collaborating with creative projects that further the common good. 26 Goteo means drip in Spanish, and its aims are social, cultural, scientific, educational, journalistic, technological, or ecological-contributing to the development of society, free knowledge, and open source endeavour. In other words, it follows the principle that 'those who use the platform to raise money should control the platform, collectively, and share in the benefits generated.' 27

Based on local and ideological proximity, enabling more reliable and effective bridges between producers and consumers. Goteo attempts to offer sustainability, shared authorship, and common goods. Simultaneously, it seeks to foster self-development of creative and innovative initiatives—which in turn improve society and enrich common resources.28 The social factor plays a considerable role, with citizens taking on the responsibilities of solving the demands of dissemination and production in projects that transform society through communal action and collaboration in a social economy.29 Promoting media activism, openness, civil rights, and sustainability with regard to ecology, Goteo has a comprehensive agenda that 'involves public state and private agents, rather than becoming another means to concentrate wealth without any social end.'30 With a motto of positive change with open and free knowledge, Goteo desires to empower citizens

to create value for themselves-a value that goes beyond the purely financial. At Goteo, backers are also asked to engage in non-monetary modes of participation, whether that is in actual hands-on services, contacts, translations into other languages, or by distribution. Therefore, it is about developing interactive social skills, on a peer-to-peer basis. For example, 'RepRap (Replicating Rapid-prototyper) is a 3D-printer which can print some of its own parts.'31 Nodo Móvil is a mobile Wi-Fi connection unit for social movements that enables connections in urban space, utilizing citizens' networks with users receiving connectivity in return 32 Concentual projects include CrowdfundPaRato which describes itself as 'collective funding for the first citizen lawsuit against banks.'33 Tuderechoasaber (Your Right to Know) is an online platform for creating and accessing freedom of information requests from Spanish public institutions.34 At Goteo it is not art for authorship's sake. Rather the emphasis lies in its sociality, incorporating activist practices and creativity into the platform in order to explore more 'radical approaches to alternative cultural economies.'35 Goteo celebrated its third birthday in November 2014, and since July 2015 €2,797,495 had already been accumulated through the platform, including match funding from various partners from all over Spain.

The main task of the platform is to create a stable, trustworthy and efficient procedural environment that promotes transparency, training, and knowledge production. By promoting the growth of the commons, along with supporting training and mixed forms of funding there is a (re)distribution of resources. Goteo aims to:

Remix some patterns of corporate social responsibility so they approach open communities and its values, even for selfish or competitive the project. The foundation first signs a contract interests, turning that into a 'reverse logic', which can start to modify internally the way companies and corporations affect our daily lives.36

Enabled by a supportive community, the commons are taken up into the production process bringing economic value, through a micro task infrastructure. Goteo deems this type of contribution 'altruistic', which can mean giving without necessarily expecting a return. Many of those signed up to Goteo are thus users in the greatest sense of the word but also producers and contributors. By increasingly invigorating the sharing of users' interests within its own network. Goteo on the one hand, contributes to the social benefit of projects for the common good, whilst on the other hand developing entrepreneurship by mobilizing the support of potential co-financiers with their micro-investments. Instead of just making products, communities, collectives and networks are being produced. As Goteo continues to draw on its ever-increasing network for support, the question remains whether the network (social relations) in this type of 'hacking the commons' is monitized and if so, in which ways and to what extent

- 28 For Goteo it is necessary to have a clear understanding between the campaign (promoter) and on what. In the contract it is stipulated that the promoter needs to declare the description of the project and its objectives. Goteo has now a four percent (was eight percent) service fee and this money is invested back into the collective that the Foundation is committed (obligated) to share with society. The Case of Goteo-From Crowdfunding to Cloudfunding to Expand Resources for the Commons'. Online. Available HTTP: https://goteo.org/blog/3317 (accessed 10 September 2015). For more recent developments, see: Online, Available HTTP: https:// goteo.org/blog/5088?lang=en (accessed 10 September 2015). For the latest statistics, see: Online, Available HTTP: https://stats.goteo.org/ home/es (accessed 10 September 2015).
- 29 There needs to be transparency about the monetary resources that are requested with each HTTP; https://goteo.org/project/crowdfundparato/ campaign and to specify in advance the type of free or open license whereby such collective returns will be made accessible', as learning how to deal with patents is not part of Goteo's ethical criteria. Instead, training people how to be open is, along with recognizing the social value within with the promoter, who has to generate a delivery (European Cultural Foundation) hub grant and an within a period of one year, which serves as a guarantee for the backers. Once the campaign is accepted by the foundation, there is a workflow generated between the beneficiaries and promoters. 'In the first week the promoter needs to reach 20 percent. If they don't reach this amount the campaign most likely won't take off. This 20 percent is usually the immediate network of the promoter who have been approached for financial support.' Collective returns form the basis and that means implicitly to follow up with a good execution of the project, maintaining momentum to 'keep the ball in the air.' Maria G. Perulero (Goteo). Interview (12 September 2014)

- 30 Goteo, 'The Case of Goteo: From Crowdfunding to Cloudfunding to Expand Resources for the and the foundation—how the money will be spent Commons'. Online. Available HTTP: https://goteo. org/blog/3317 (accessed 10 September 2015).
  - 31 Goteo, 'Foldaran, Peer-to-Peer Edition' Online, Available HTTP: https://goteo.org/project/ foldarap-peer-to-peer-edition/ (accessed 10
  - 32 Guifi see Online Available HTTP: http:// guifi.net/ (accessed 10 September 2015).
  - 33 This campaign concerns the case of Rodrigo Pate who microprocented Rankia at their IDO promising growth and prosperity on 20 July 2011 with shares trading at €3,75. With the help of a PR campaign he was able to convince taxpavers to invest their savings, but then the shares collansed to only one euro ten months later and the gap grew. '#Crowdfundparato'. Online. Available (accessed 10 Sentember 2015)
  - 34 Goteo, 'Tuderechoasaber'. Online. Available HTTP: https://goteo.org/project/tuderechoasaber es?lann=en (accessed 10 Sentember 2015)
  - 35. Goteo has been awarded in 2014 an ECE 'Award of Distinction-Digital Communities' at Ars Flectronica in Linz.
  - 36 Goteo, 'The Case of Goteo: From Crowdfunding to Cloudfunding to Expand Resources for the Commons', Online, Available HTTP: https://goteo org/blog/3317 (accessed 10 September 2015).

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### HACKING CROWDFUNDING

Although many crowdfunding initiatives facilitate more socially engaged models for the common good and mass distribution in a collective sense, this kind of platform capitalism (a.k.a. 'sharing economy') is incorporating more private surplus from individuals because people are coerced to participate in them for a variety of reasons.<sup>37</sup> For some, 'crowdfunding is something like the anarchist's welfare state, providing in a solidary way. It's everyone providing money for each one [and] it's replacing the old idea of public services.'38 Others perceive crowdfunding as a misplaced neologism, disguising previous state policies of distributing tax monies by placing the obligation back on the citizen through 'nudging' and 'volunteerism'. In this way crowdfunding may eventually replace the public sector's responsibility of providing education, healthcare, welfare, infrastructure, transport and culture to its taxpaying citizens. Nowadays the taxpayer pays tax and is asked to support crowdfunding campaigns, whether they are for bailouts, friends' creative endeavours, new technologies that enhance our lives, or civic projects. Instead of protecting individuals from this form of exposure, thus ensuring production is affordable socially and accessible, the crowdfunding model encourages financial risk carried by individuals rather than through state-support.

With technology enabling more nodes in the social media networks to interconnect, transmission between commons, communities and communes is growing exponentially, whether through monetary payments or in-kind exchanges. This transparency and participation within civic crowdfunding projects engenders self-organizing communities that echo indigenous practices of shared resources. There is a sense of collectivity: people produce things together that they value themselves, not just for individualistic profit.

By now, almost all large scale co-operative movements have their own technical working groups that configure and extend the infrastructure of co-operation, resource sharing, financing and, to a lesser extent, are also already manufacturing or customising these to their own needs.<sup>39</sup>

These infrastructures have been developed for collective agency making technologies, knowledge, and culture open to everyone by enabling access to freely create, modify, and distribute. Like many civic crowdfunding campaigns, the shift from exchange value to use value is marked by the means of production, or 'commons-based peer production'.

These collective initiatives of civic crowdfunding are no longer organized by way of commodity exchange in the market, but through social production in the commons. Instead of creating profits for investors, with its transformation of social value (created between users) into commercial value (created by and on behalf of the owners of the platforms), there is, instead, a culture of solidarity. 40 A tension now exists between private appropriation on these commons and the social production facilitated by internet communities. In order to successfully 'hack' crowdfunding then, would not 'putting the social character of production at the centre and private appropriation to the periphery of the system' be the goal? 41 How this could be envisioned and whether this is truly sustainable remains to be seen.

37 Sascha Lobo, 'S.P.O.N. - Die Mensch-Maschine: Auf dem Weg in die Dumpinghölle', Der Spiegel Online. Available HTTP: http://www. spiegel.deinetzwelt/netzpolitik/sascha-lobo-sharing-economy-wie-bei-uber-ist-platfform-kapitalismus-a-989584 html (accessed 10 September 2015).

38 Brian Holmes, "Consequences of quantitative easing". Money Labs (27 March 2014). Online. Available HTTP: http://networkcultures.org/money/abi/2014/03/27/brian-holmes-consequences-of-quantitative-easing/ (accessed 10 September 2013).

39 Felix Stadler, *Digital Solidarity* (Mute Publishing Ltd, 2013), 27.

40 Ibid., 47.

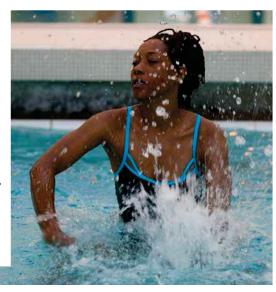
41 Ibid., 57.





Moreover, the informational and co-operative activities of ad-hoc sharing dependent upon use value and need, which provide material production (shared tools, open source software, 3D printing) and monetizing support with civic crowdfunding projects are all based on individual surplus-where those participating make a living somewhere else, and thus have other means of support. Although the private distribution of wealth is on the rise, it becomes progressively more difficult to create a surplus for those who work precariously due to the financialization of debt, lack of an increase in wages and the progressively free-lance nature of work. Perhaps with an even newer spirit of capitalism, 'flexibility and individuality have been changed into political projects, new forms of sociability.'42

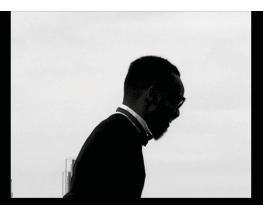
Is it not true that a society, which produces more than it needs, is defined by how it uses that surplus? Instead of surplus being invested back into forthcoming reward crowdfunding projects, with the campaigner retaining the 'relations of production' along with sharing the spotlight with the crowdfunding platform, perhaps the surplus will be distributed through a culture of solidarity?



42 Ibid., 2



1 → ANGELICAMESTT, CTIZENS BAND, 2012 4-channel HD Video installation, 169, colour, sound, 21 min, 25 se countesy of the artist and Arna Schwartz Galery



# I AM CAPITAL

