

CHAPTER 2

Crowdsourcing and Crowdfunding: The Origins of a New System?

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The main purpose of this chapter is to examine the supposedly innovative nature of crowdfunding. We will illustrate how ancient practices, whether widely recognized or consigned to history, have been recuperated by players in the digital world in order to surpass or update them through ‘innovation’, but also to legitimate their own practices and stimulate a movement dependent upon ‘creative’ users, or even a ‘creative class’ (Florida 2014). The chapter will therefore address and challenge crowdfunding’s self-declared ‘revolutionary’ character—the claim that it necessarily represents the future of the financing of culture, since it rests upon collaborative and collective forms of creation, mutual assistance, financing, and participation.

In reference to the work of Michel Foucault, what interests us here is a first attempt at an ‘archaeology’ of crowdfunding. Foucault emphasizes that archaeology is a ‘systematic description of a discourse-object’ (Foucault 1972: 156) which, rather than reducing observed contradictions, instead focuses on the history of ideas, multiplying discontinuities and describing ‘the different *spaces of dissension*’ (Foucault 1972: 170). He adds that archaeology is the ‘interaction of rules that, in a culture, determine the appearance and disappearance of statements, their persistence or their disappearance, their paradoxical existence as *events* and *things*’ (Foucault 2014: 708). The issue here, then, is to understand

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how current platforms have been constructed on multiple ideological grounds, all of them fertile, and how they are marked by ‘object-discourses’ that serve ‘reconfigured’ capitalist logics. For it is clear that the only new thing about crowdfunding is its name. Its participative and financial logics existed long before digital technologies and the Internet.

The first part of this chapter seeks to define the neologisms ‘crowdsourcing’ and ‘crowdfunding’. This is a subject of debate between those who argue that crowdfunding should be seen as a particular type of crowdsourcing, and others who believe it to be something separate. In the second part, we examine the ‘revolutionary’ label often applied to these platforms, showing that, if anything, this refers in fact to the ‘permanent revolution’ proper to capitalism. We then situate the question of crowdfunding in continuity with a certain ideology of the Internet, and show that the origins of the logic of gift and counter-gift are pre-digital. We then question the logic of gift–counter-gift at work in the majority of cultural crowdfunding platforms, and conclude by examining the managerial and competition-led nature of these platforms. Far from generating truly revolutionary practices, they transform participation into an operational tool in the service of more traditional economic aspirations, ones that do nothing to reduce inequality.

Crowdsourcing, Crowdfunding: One and the Same Thing?

To understand crowdfunding’s ideological basis, we must trace the word’s semantic genealogy. Today, crowdfunding often occupies a significant place in the discourse of political, economic, cultural, social, and even citizen players. But it rests on a broader concept, from which it emerged: crowdsourcing.

This neologism designates a set of activities on the part of Internet users (design, production, expertise, valuation, promotion, broadcast, distribution) on specialized web platforms. Basing his own work on that of James Surowiecki (2004)—who defends the idea of the ‘wisdom of crowds’ and the need to develop ‘collective intelligence’, endorsed by the researcher Pierre Levy in the late 1990s—the American journalist Jeff Howe (2006) has, strangely, become an academic reference for understanding the phenomenon. Howe gives a useful definition of crowdsourcing:

Simply defined, crowdsourcing represents the act of a company or institution taking a function once performed by employees and outsourcing it to an undefined (and generally large) network of people in the form of an open call. This can take the form of peer-production (when the job is performed collaboratively), but is also often undertaken by sole individuals. The crucial prerequisite is the use of the open call format and the wide network of potential labourers (Howe 2006).

Through a number of examples (including Amazon's Mechanical Turk, Innocentive, iStockphoto), he observes that new strategies are developing which rely on communities to produce content, resolve problems and 'innovate' through the work of a large number of participating Internet users, who are willingly described as a 'crowd'.

This contemporary resurgence of the term 'crowd' tends to make each of its supposed members' singularities invisible, and to gloss over socio-economic inequality. The fear expressed in early mass media studies of a supposed dissolution of the individual into unstable collectives, each with its own logic, each adding up to more than the sum of their parts, finds its counterpart in Surowiecki's bestselling *The Wisdom of Crowds*. Surowiecki argues that aggregating the information circulating between a weakly cohering set of individuals can yield results (in terms of cognition, coordination and cooperation) that are broadly superior to the performance of any individual member of the group. He writes that, 'in the right circumstances, groups are remarkably intelligent, and are often smarter than the smartest people in them' (Surowiecki 2004: xiii). This implicitly recognizes the importance of systems that allow the activities of these collectives of physically isolated individuals to be harnessed and stimulated. It recognizes, in short, that crowdsourcing and crowdfunding platforms are indeed *dispositifs*¹ or apparatuses for the mobilization of economic players (of labour and of capital). In the article cited above, Howe adds that crowdsourcing should therefore be defined as the outsourcing of tasks to a large number of persons in view of constructing a project or resolving a problem, but from a strategic and economic perspective.

The issue is to put out a call for projects broad enough for a majority of 'workers' to take part. The term 'work' or 'labour' is all-important here, since the appeal is not made by a community, but on the initiative of businesses and/or institutions. As Howe explains in *Crowdsourcing: A Definition* (2006), crowdsourcing therefore cannot be compared to the Harvard economist Yochai Benkler's concept of 'commons-based peer production', characterized by a decentralized collective production that is network-based, modular and open to all. The socio-economic model developed by Benkler (2006) is based on collective and collaborative production by individuals. From this point of view, hierarchical logics seem to disappear in favour of horizontal decision-making. Unlike in capitalist economic strategies, financial compensation and return on investment are either disregarded or relegated to secondary concerns.

Frank Kleemann, Günter Voß and Kerstin Rieder reinforce this opposition: 'The essence of *crowdsourcing* is the intentional mobilization of creative ideas and other forms of labour for commercial exploitation' (Kleemann, Voß and Rieder 2008: 22). The researcher Daren C. Brabham adds that crowdsourcing is 'a hybrid model that blends the transparent and democratizing elements of open source into a feasible model for doing profitable business, all facilitated through the web' (Brabham 2008: 82).

This phenomenon is primarily analyzed in terms of ‘efficiency’, involving the relations between the tasks to be accomplished, the populations concerned and the returns (Corney et al. 2009; Geiger et al. 2011). It is overwhelmingly viewed in terms of productivity (Huberman, Romero and Wu 2009) or ‘open innovation’. Corney et al. (2009) propose that crowdsourcing can be defined in terms of three dimensions. Firstly, they categorize crowdsourcing depending on the nature of the tasks (for instance, creation, value creation, or organization). They then outline a second dimension related to requirements (what individual, collective and expert skills are needed). The third dimension concerns the sort of remuneration offered (whether the work will be voluntary or paid, for instance). The French researchers Schenk and Guittard (2011) use a concept of crowdsourcing which encompasses the conclusions of earlier work, setting their argument in a managerial framework. Doan, Ramakrishnan and Halevy (2011) approach the problematic of crowdsourcing systems on the web from a broader perspective: as well as classifying the nature of the tasks and players that define the system, they also discuss the implicit or explicit nature of the collaborative labour, and its impact on the objectives to be achieved. The net outcome is a multiplication of activities, and dozens of potential definitions of crowdsourcing. According to the Spanish researchers Estellés-Arolas and González-Ladrón-de-Guevara (2012) there are at least thirty-six original definitions, ranging across all disciplines.

This means the term can be applied indistinctly to multiple activities, digital or not. The label has become an ‘umbrella’ term (Geiger et al. 2011; Ridge 2014), an ‘all-encompassing’ and ‘generic’ label (Belleflamme et al. 2011: 3). This often renders it ‘inoperative’ or, from the opposite point of view, makes it flexible enough to apply to multiple activities that are difficult to distinguish or define. In our quantitative study of a sample of French Internet users, only 9% were capable of giving a definition of crowdsourcing and citing specific platforms and projects.

Nonetheless, in many respects these definitions intersect with the concept of convergence developed by the American researcher Henry Jenkins (2006). On the basis of his early research on fans, Jenkins suggests that participative culture marks a point of meeting and convergence between industrial and media strategies, on the one hand, and user-produced content on the other. With the same emphasis on ‘empowerment’ and collective intelligence, Jenkins sees this as enabling a transformation of traditional industrial logic. From that point on, the ‘ascendant innovation’ championed by researchers like Von Hippel (2005), and the ‘anointing’ and ‘cult’ of the amateur described by the French researcher Patrice Flichy (2010), were seen as emancipatory for individual and collective alike. A majority of works and articles follow this common theme of a ‘positivist’ return of the amateur, concentrating on the development of new digital usages, horizontal relations modifying the production and capitalisation cycle and increased cultural democratization. However, some critical assessments stand out, such as the work of former Silicon Valley entrepreneur Andrew Keen

(2007) or that of digital media pioneer Jaron Lanier (2011), who both note new forms of alienation and subjection. For proponents of the 'positivist' position it is 'natural' (in Roland Barthes' mythological sense of naturalization) that this turn toward the Internet user/citizen should be accompanied by a financial commitment, allowing them to realize the projects they are most passionate about.

Crowdfunding thus becomes the financial offshoot of crowdsourcing (Rouzé, Matthews and Vachet 2014; Lebraty and Lobre-Lebraty 2015). The aim is not just to invite 'amateurs' to produce content, but more generally to encourage them to offer financial backing to whatever they are passionate about, supporting projects run by their friends or which they believe in (a phenomenon sometimes called 'love money'). In this way, the financial aspect of the arrangement disappears, and the participative, affective and experiential dimension takes centre stage.

But other researchers claim that, while crowdfunding may be descended from crowdsourcing, it is a distinct phenomenon. According to Belleflamme, Lambert and Schweinbacher (2014), its primary aim is to optimize the flow of information between manufacturers and consumers, particularly by allowing the collection of consumer data, so that crowdfunding platforms can serve as tools for evaluating the quality of goods and services for prospective consumers. Ultimately, they see such platforms as promotional and marketing tools in both business-to-business and business-to-consumer markets: Crowdfunding can be seen as a concept that goes beyond simple fundraising; it is a way of developing industrial activities through the process of financing (Belleflamme, Lambert and Schweinbacher 2014: 586). For others, the difference between crowdfunding and crowdsourcing is related to collaboration: in crowdsourcing, participants influence content; in crowdfunding, they never do.

This brief etymological and epistemic detour allows us to discern the main issues related to crowdfunding platforms. First of all, the protean logic of crowdsourcing is answered by the segmented logic of crowdfunding, as well as the importance of logics of outsourcing and gearing responses to a strategic demand produced by the greatest number. Far from the logic of the 'commons' the term initially flirted with, most players think of crowdfunding in terms of efficiency and the experience of the citizen/social actor. This paves the way for the development of its financial aspect, which combines the outsourcing of content production with the outsourcing of modes of financing, the reduction of risk on the part of consumers/investors, and the development of devolved modes of labour.

Crowdfunding: A Revolution?

Given the above definitions, it is intriguing how often crowdfunding is described as revolutionary. In 2013, the French website Mediapart published

an article titled ‘What Is Crowdfunding and Why is it Revolutionary?’² In the same year, a book appeared with the title *The Crowdfunding Revolution: Social Networking Meets Venture Financing* (Lawton and Marom 2013). A few years later, an article in *Forbes* declared that ‘Santander Joins the Crowdfunding Revolution.’³

Is the financing of projects by supposedly numerous and unknown donors, in a horizontal community-based fashion, really revolutionary? If we look at the dictionary definition of ‘revolutionary’, applying it to crowdfunding platforms implies that they ‘overturn established principles; transform modes of thinking and action and procedures of fabrication’ by allowing collaboration and forms of horizontal participation. The use of the term is not neutral. In the case of crowdfunding, it refers to a wider conception. Texts such as those of CerPHI (Centre d’Étude et de Recherche sur la Philanthropie) [Cazemajou] 2013), with evocative titles like ‘Crowdfunding as an Innovative Technology for Financing and Promoting Business Projects’, emphasize the revolutionary character of these platforms:

It can be argued that crowdfunding [is] an innovative financial service; the main idea is based on cooperation in the form of the collective funding of different kinds of projects to achieve set objectives, implemented through capital formation, which comes in small amounts from a large not previously known number of people on the basis of open competition using Internet technologies. (Hryhoruk and Prystupa 2017)

Berg Grell, Marom and Swart (2015) add that we must embrace this revolutionary character by integrating crowdfunding as a new instrument, whether internal or external, in the service of businesses—an instrument that promotes cohesion, team spirit and competition.

The revolutionary dimension of crowdfunding, then, seems to rest upon the innovative nature of the way in which it generates collective cooperation to finance projects on the basis of open competition. This tells us everything we need to know. All of these terms illustrate the necessity of a ‘permanent revolution.’⁴ But this is not the revolution of the emancipation of the people and the proletariat, reinventing themselves on an egalitarian basis, which Marx and Engels, and later indeed Trotsky proposed, rather, it is that of capitalist exploitation, an economic, ‘open’, ‘innovative’, ‘competitive’ revolution which occurs in a context of cyclical crises.

Crowdfunding: An Old Story Reinvented

As we have seen, discourses about crowdsourcing and crowdfunding both conceptualize and facilitate the creation of economic models that transform existing relations between the sphere of production and that of consumption⁵, formerly

organized on a ‘top-down’ model. This strategic recuperation of horizontal models of action, creation and sharing is legitimated through references to historical forms, which the players of crowdfunding attach themselves to and rely upon. Two mutually reinforcing stories of crowdfunding are told: one about ideology, described above, which is based on the history of a collaborative Internet; and one that identifies it with older practices like fundraising. Whatever the references and examples used, this historicization of the phenomenon raises challenges for the various players involved. It seeks to secure the legitimacy of these practices through their naturalization, but also and above all to promote the ‘pioneering’ contribution and ‘innovative’ character of these digital platforms.

1. A History Legitimated by the Internet

In an article that proposes a ‘brief history of crowdfunding’, the American researchers David Freedman and Matthew Nutting (2015) situate the birth of the crowdfunding system in the US, prior to the emergence of the aforementioned dedicated platforms. They argue that the phenomenon emerged in 2004 on the platform Artistshare with the jazz musician Maria Schneider. Following a call for backers via this platform, Schneider succeeded in raising \$130,000 to produce a new album, which won a Grammy Award in 2005. Crowdfunding was born in the music sector—so often a pioneer in the metamorphosis of the so-called ‘creative’ industries. Kappel (2009) documents the many initiatives in operation, dividing them into two financing models (the ‘betting model’ and the ‘investing model’). Slicethepie (UK) finances bands and musicians on the betting model. Sellaband.com (UK) and Bandstock.com (the Netherlands), both founded in 2006, instead developed the ‘investment’ approach, and are the forerunners of today’s crowdfunding platforms.

We might situate the birth of crowdfunding even earlier, with the innovative initiative of British prog-rock band Marillion, who in 1997 launched a pre-sale of their album on their website, successfully raising \$60,000 to finance a US tour.

Other researchers, including Flannery (2006), locate the birth of crowdfunding in 2006, with the website Kiva. Following Maguire (2013), the French management science researchers Méric, Jardat, Mairesse and Brabet (2016) note that the first use of the term ‘crowdfunding’ goes back to August 2006, on the blog of Michael Sullivan, in reference to his project ‘Fundavlog’: ‘Many things are important factors, but funding from the “crowd” is the base on which all else depends on and is built on. So, crowdfunding is an accurate term to help me explain this core element of Fundavlog.’

In tracing the history of crowdfunding by way of the Internet, the aim is to place it in the ideological lineage of the free and participative, DIY nature of its precursors. This involved a mobilization of the community in the service of furthering knowledge, and a common culture proper to the Internet

(open source movements, the first bulletin board systems, and more broadly speaking the alternative technology movements that appeared over the course of the 1970s).

And yet this genealogy is only partial. These pioneers of information technology were seeking a way of sharing and collaborating based on equal, non-competitive and non-economic exchange. This opposition becomes very visible in debates and legal action concerning piracy, where two opposing visions of the Internet are set against each other.

Numerous studies (Flichy 2007; Cardon 2010; Castells 2001; Fuchs 2008) describe how the emergence of the Internet was the complex result of an encounter between ‘many circles’ (Cardon 2010) and ‘many cultures’ (Castells 2001)⁶, mostly hailing from universities and groups of amateur technology enthusiasts or hackers. In his article ‘Where the Counterculture Met the New Economy’, Fred Turner shows that, alongside innovations by those working in research institutions, the disparate activist groups that emerged directly from the alternative movements of the 1960s and 1970s played a considerable role in the early experiments that led to the development of modern digital communications networks. With none of the desire for control characteristic of the mainstream culture and media industries, these users designed and developed communications systems according to their own needs and personal aspirations, and as a function of the communities they belonged to. The creation of new protocols for exchanging data normalized communications between members of these communities. For example, it was this process that led to the gradual adoption of the standard for email address formatting designed by Ray Tomlinson in 1971, which would lead to the development of email as we now know it.

The main idea guiding the development of these networks (which were not yet interconnected) was collaboration, and the sharing of data—software, algorithms and programming languages—which allowed users to contribute to the development of this nascent world. These networks were structured according to a deliberately decentralized schema.

As the sociologist Philippe Breton has shown (1992), the ‘meritocratic and collective’ ideology which drove hackers and academics borrowed heavily from the ‘cybernetic utopia’ of the physicist and mathematician Norbert Wiener, with its ‘unbridled circulation’ of information. ‘Free software’ emerged at the beginning of the 1980s with the GNU project and the creation of the Free Software Foundation, led by the programmer Richard Stallman. It incontestably represented a concrete incarnation of this combination of decentralization and collaboration.

Far removed from any concerns about financial remuneration, intellectual property, or contractualization, the idea of free software was dependent on source code that was open and could be freely altered, modified and improved. This led to a decentralized conception of knowledge, visible in Wikipedia, the

first collaborative online encyclopedia project. The hacker logic functioned on the model of a gift economy: one gives to the community (a software package, an improvement, a text), and can expect reciprocation (Castells 2001: 63). As a result, legitimacy in the community was established independently of its members' initial socio-economic position.

Participative and communitarian logic is certainly at the heart of these first, emblematic cases of collaborative financing and production mentioned above and, in large part, it also marked the broadening out from these first virtuous circles towards other amateur users. Yet it should be emphasized that—setting aside their subsequent expansion—these initial practices did not rely on denouncing capitalist economics and society, any more than they saw themselves as part of an opposition to them.

As Turner (2005) has shown, it is above all a matter of the productions of groups and individuals who, having temporarily 'retired' from the dominant ways of life (joining neo-rural communities in the 1970s), returned to urban centres over the course of the following decade, and there invented new 'lifestyles' in which information technology practices seemed an asset in terms of both cultural and economic capital. These digital 'pioneers' combined economic neoliberalism and libertarian political convictions, something that may seem surprising from a European, and especially a French point of view. But this was a non-negligible ingredient in the fertility of the Bay Area for IT start-ups (Barbrook and Cameron 1996). From the mid-1990s onward—particularly after Congress rescinded the ban on online commerce (Flichy 2007)—these collaborative uses of the web were increasingly resolutely embedded within a 'new economy' concerned above all with profitability (even if rational valuation was no longer a priority), and which was increasingly coveted both by institutional investors and by oligopolistic players from the culture and communications industries.

2. A History Legitimated by Pre-Digital Collaborative Cultural Financing and Production

The other way in which crowdfunding is legitimated involves situating it in a more distant past, locating its origins in participative funding, whether in terms of simple gift-giving, or a logic of gift-giving and rewards. These models have come in many forms and formats, and have gone by many names, including patronage, *tontine* and fundraising. Their main shared feature is fundraising for projects using collective mobilization and participation.

Religions, for example, have long used this as a major expansion strategy. In the name of 'charity' and 'saving souls', or by imposing taxes, financial and/or material participation on the part of the community (for instance, through bequests and donations) has financed artistic work, the construction of

hundreds of monuments, and aid to the poor. This and many other historical examples could be developed further, but such a question obviously exceeds the scope of this volume. Therefore we have selected just a few examples specifically involving cultural financing.

The emergence of a market for books in Europe in the sixteenth century makes for an interesting starting point. Beginning in this period, two methods of financing emerge which have clearly collaborative elements. Firstly, publishing associations and cooperatives were established, where individuals came together in the form of a mutual fund to share the financial risk associated with printing and distribution, as well as potential profits. This system was more prominent in the French market, but over the course of the following centuries it progressively spread across much of political and activist publishing. Secondly, the same period saw the development of publication by subscription, a model initiated in England in the seventeenth century, and an obvious forerunner of the modern cultural crowdfunding model. The publisher made a prospectus which presented the work, and this was distributed to potential buyers, who could then subscribe to buy a copy and would have their names printed among the list of funders inside the book. Publication depended on the number of subscribers and, in particularly successful cases, the amount raised made it possible to reprint the book for what we would now call the ‘traditional’ market.

We must keep in mind that, at the time, this method of financing through ‘mutualist cooperation’ was not seen as a marginal model, or as a last resort. Instead, we should think of it as one of many coexisting forms of capitalization during this period—one which, in some cases, was distinctive for entirely short-circuiting the professional figure of the expert, evaluative editor still familiar to us now. For example, this system was used to publish most of Jane Austen’s novels, with certain aristocratic subscribers paying a higher price before publication and having their name printed in the finished book. This model also met with great success in the US, even up to the end of the nineteenth century. Mark Twain’s books were initially published exclusively in this way, as the curators of an exhibition at Cornell University Library on Twain note:

The subscription publication industry blossomed in post-Civil War America. Tens of thousands of sales agents, many of them veterans and war widows, canvassed small towns and rural areas armed with a sales prospectus and a ‘book’ containing sample pages and illustrations, and offering multiple binding options to fit every décor and price range. Prospective buyers selected a binding and signed an agreement to pay for the book when it was delivered to their door. (CLU 2010)⁷

This is a model very close to that of those gift–counter-gift platforms that offer different tiers of reward depending on the amount given.

Closer to our own times, let us consider the emblematic case of the independent film *Shadows*, by John Cassavetes, which came out in the US in 1959. The British critic Thomas Jarvis describes the conditions under which it was made:

To retain artistic autonomy Cassavetes had to be creative in raising money and finding equipment for the film. He arranged an interview on Jean Shepherd's *Night People* radio show, and told the DJ about the improvisation and the idea for the movie. When asked how he was going to fund the film, Cassavetes replied; 'if people really want to see a movie about people they should just contribute the money.' After that radio listeners started mailing in money to the station. For the next two years Shepherd would keep listeners up to date with the making of *Shadows*, which he described as 'their film'.⁸

The example is interesting in two respects. It clearly illustrates the continuity of a phenomenon which, from Beethoven's *Missa Solemnis* to the vast number of 'alternative' projects on platforms like RocketHub and KissKissBankBank, promote crowdfunding as a (more or less successful) attempt to escape the apparatuses of economic, political and ideological domination. And the call for financial contributions which Cassavetes made on the late-night radio show played a part in the emergence of specialized media (specialized by age category, subcultural group and so on—something that reaches all the way to today's virtual communities). In this respect, it incarnates one of the modern myths cultural crowdfunding and crowdsourcing depend on: that of the media's capacity to 'translate between the language of professionals and the desires of the public' (Hennion 1993: 305). Jean Shepherd described *Shadows* to her audience, her users, as being 'their' film—a reference to 'their' decision to finance its production. One must also note the importance of similar modes of funding in the field of politics and the press. The French communist newspaper *L'Humanité* has regularly relied on public subscriptions in order to maintain its daily publication, and permanent fundraising has been similarly used by FM radio stations in North America as an alternative or a complement to advertising revenue. These are clearly not novel phenomena, as one might also consider the case of the Bolshevik newspaper *Pravda*, which was set up by Lenin in 1912 and relied then on a network of 40 000 regular reader/donators (Elwood 1972).

Finally, current approaches to crowdfunding are linked to problematics about heritage preservation. The financing of the Statue of Liberty in New York is often cited as an argument that crowdfunding was not born with the Internet. As Pitts (2010) says, 'the pedestal for the Statue of Liberty was funded in 1884 by Joseph Pulitzer through an open call to the American people and funded through micro-donations.' In fact, numerous funding 'campaigns' were needed before the project was completed. Note also that, anticipating methods which are now commonplace on crowdfunding platforms, the French

designer Bartholdi exhibited various already finished pieces (the arm holding the flame, for example), and organized a lottery offering mostly art-related gifts (Moreno 2000).

Beyond these Western practices, we should also note that collective financing for social and cultural projects exists in many other countries in different forms and under various names. Community fundraising campaigns in Africa, called *umgulelo* in Xhosa, have traditionally been held in the form of fixed and regular contributions, under the authority of groups of community leaders who are responsible for sharing out the money to those in need, for funerals and marriages, building houses, and starting businesses. These modalities of gift in Africa and among diasporas also occur in *tontines*—a word derived from the name of the Italian banker Lorenzo Tonti, who in the seventeenth century advised Cardinal Mazarin to use this type of financing. They come in real estate, financial and associative forms, all of which consist in giving a sum on a regular or one-time basis to help fund individual or collective projects in the community.

The forerunners of what we now call cultural crowdsourcing and crowdfunding are many and various, from subscriptions to more or less limited oppositional modes of production, via talent shows and reality TV music shows as fictional representations of ideal collaborative production. However, this does not imply the abandonment of alternatives (in the primary sense) for certain types of content, or in particular economic, cultural, geographical or ideological contexts.

The Logic of Gift–Counter-Gift in Question

It is true that the first crowdfunding platforms were based on the gift. But above all they were based on the gift–counter-gift model. Once again, we must ask whether these ancestral models of exchange just translate existing models into digital form, or whether they have been updated for the digital age and the Internet.

The question of the gift is at the core of the work of French anthropologist Marcel Mauss (2001), who studied Amerindian societies. As Florence Weber suggests in her introduction (2007) to the republication of Mauss's book, many researchers remember only potlatch, an agonistic struggle for prestige, which might lead them to see the logic of gift and counter-gift as a permanent struggle. But this ignores the fact that the same logic is at work in another form: Kula. First studied by Bronisław Malinowski (*Argonauts of the Western Pacific*, 1922 [2002]), Kula involves a peaceful ceremonial exchange, rather than one marked by conflict and the possibility of establishing a social hierarchy in the community.

We may hypothesize that this logic of the gift is objectively at work in many cases of crowdsourcing, where users produce and share content without financial considerations entering into the matter directly. Obvious instances of this can be found in literature, including the wiki-novel project *A Million Penguins*,

initiated by the British publishing house Penguin, which received 11,000 contributions. Such examples come in different forms, involving both authors and readers in interactive games which often end up blurring the boundaries between them. These forms of creation and their subsequent promotion involve not only literature, but also education and information. Following the logic of gift and counter-gift, each participant is alternately creator and user, producer and consumer, regardless of their real social status and legitimacy. As in the primitive societies Mauss studied, only these activities contribute to the construction of the community and the status which each person has within it. Wikipedia is equally emblematic of this. And, while the names of the initial creator and the contributors remain, they are no longer of primary importance. Contributors' names disappear in favour of the content produced, at the same time as the distinction between author and reader, or musician and listener, disappears—with all the associated dangers for the veracity and diversity of the content on offer (Kittu and Kraut 2008).

But this logic is far less certain in the case of crowdfunding. The problematic of gift and counter-gift is prominent once more, but in a very different form to that highlighted by Mauss. The name and figure of the project's creator play a fundamental role in crowdfunding platforms, providing a way of managing and/or creating a sense of proximity. Here, the gift is above all financial. Only the counter-gift recalls the original nature of the principle, since it is given by project creators in the form of 'rewards' allocated according to the amount pledged. Depending on the platform, this remuneration may, for example, come in the form of a free concert, a copy of the album with a dedication (for a musical project), or numbered prints (in the case of photography projects). These cases are more like forms of pre-purchase (Kappel 2009).

The issue for these platforms is to offer an original experience embedded within an economic approach, integrating the process within industrial strategies that ultimately lead to acts of consumption (whether anticipated or not). The processes of intermediation we explore in the next chapter link together creators, platforms and industrial players (from cultural or other sectors). They also make it possible to limit the financial risk inherent to cultural production, while allowing for a better match between the personalized, segmented demands of consumers and the potential diversity offered by creators. Creation and participation can be integrated into industrial strategies in the name of shared experience and registers of 'attention'. The notion of experience here therefore also refers, implicitly, to an experiment (*expérience*) in the scientific sense: provoking a specific phenomenon in order to observe it and draw a set of rules—a 'systematic logic', as Husserl calls it. Such observation led to the establishment of the first platforms with cultural aims, whose purpose was to comprehend the system and extend it to other economic sectors. In this sense, the experiential/experimental logics of collaborative financing and production, the research on motivation cited in the introduction, and algorithms and data, all contribute to the emergence of new strategies of control which we examine further in chapter 3.

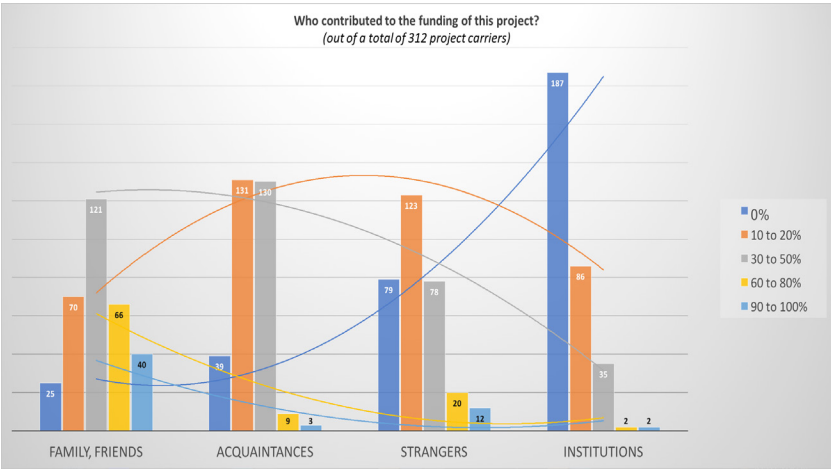


Figure 1: Source: ANR Collab 2017.

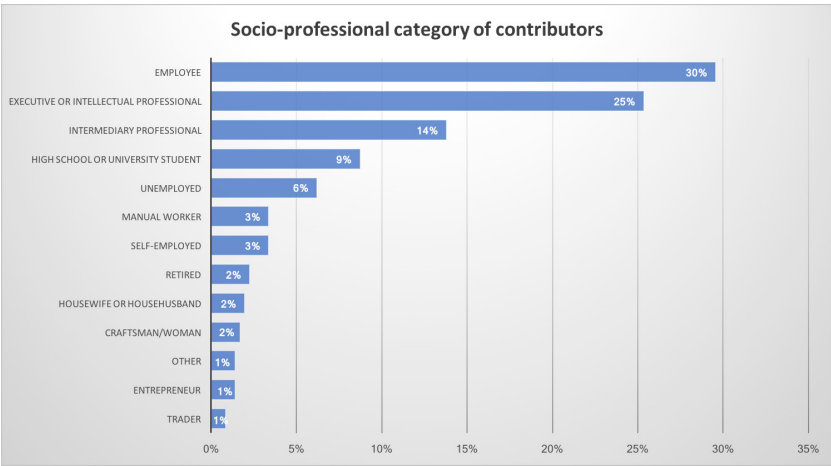


Figure 2: Source: ANR Collab 2017.

Conclusion

The revolution under discussion involves not so much the various modes of gift-giving as the modes of reaching a larger audience, to which the homogenizing and extremely contestable label of the ‘crowd’ is applied; and with altering social organization by making (productive and financial) participation into an original economic tool. As we have seen, the quest for collective financing is nothing new, but with the Internet it opens up a larger space, ‘the crowd’, and becomes integrated into capitalist logics aimed at innovation and open

competition. In this context, the term ‘crowd’—widely criticized in the social sciences and in research on media reception—has been reborn. We are far from Gustave Le Bon’s ‘crowd psychology’ (1926 [1895]), which depicted crowds as indistinct, irrational entities which were dangerous to his own bourgeois vision of society. The modern use of the term implies that the Internet allows one to reach a ‘crowd’ of people. The shortcomings of this globalizing, homogenizing conception of social groups brings to mind the analyses put forward by Raymond Williams in the conclusion of his work *Culture and Society*, regarding the shift of focus from ‘crowds’ to ‘masses’; Williams rightly points out that this semantic shift is ideologically motivated: ‘the term has been capitalised for the purposes of political or cultural exploitation’ (Williams 1960: 319). Not only do these terms attempt to provoke fears and conceal social struggles and inequalities; Williams also asserts: ‘There are in fact no masses; there are only ways of seeing people as masses’ (Ibid.). This comment is just as valid in the case of ‘crowds’.

Interestingly, the reference to ‘crowds’ has been erased in French legislative texts. The *Journal Officiel* (which publishes all official national laws and decrees) validated the translation of crowdfunding by ‘*financement participatif*’ (participative funding), hence hinting at more individualised usages but keeping with a sense of homogenization. The Quebec French usage of the term ‘sociofinancement’ (social funding) is also worth noting. These forms avoid any reference to both communities (or indeed communitarianism), and to the remanence of social inequality. As shown by our quantitative research, launching a project on a crowdfunding site involves the participation of one’s family, acquaintances and—something far more difficult—a number of people one does not know.

Perhaps we should end by emphasizing that, behind this participative ideology, we can glimpse a desire to extend financial participation and innovative competition everywhere and into all everyday relations, putting the collective in the service of individual goals. We also see, in line with the conclusions of Raymond Williams referred to above, an attempt to use the concept of the ‘crowd’ to hide social and class inequalities.

The quantitative data collected during our research (figure 2 opposite) shows that these platforms are mostly invested in and financed by so-called ‘middle’ and ‘higher’ socio-professional categories.⁹ They render social stratification invisible in the name of this ‘creative class’—but there is no way this can hide the inequalities in access, use, and financing that exist on these platforms.

Notes

¹ See endnote 1, p.9.

² <https://blogs.mediapart.fr/mark-white/blog/200613/what-crowdfunding-and-why-it-revolutionary> Accessed 10 September 2018.

- ³ <https://www.forbes.com/sites/davidprosser/2016/10/05/santander-joins-the-crowdfunding-revolution/#51df71894e60> Accessed 10 September 2018.
- ⁴ This remark can be linked to the thesis developed by American historian Joyce Appleby in her work *The Relentless Revolution: A History of Capitalism* (2010). She shows how capitalism pertains not only to the sphere of economics but exists most significantly as a cultural construction, in constant evolution, feeding off its many contradictions.
- ⁵ This logic reminds one of the role and ‘invention’ of communication as a means of ‘fluidifying’ internationalized economic exchanges, from the 19th century onwards, as theorized by Armand Mattelart in his work *La communication-monde* (1992).
- ⁶ Castells uses the term ‘culture’ here in a somewhat restrictive way, pointing to a ‘shared technical universe’ whose practices contribute *in fine* to creating ‘different technical modes of thought’ among users (2001: 58).
- ⁷ <http://rmc.library.cornell.edu/twain/exhibition/subscription>. Accessed 30 March 2019.
- ⁸ <https://www.popoptiq.com/a-look-back-at-john-cassavetes-shadows-a-pioneering-movie-in-the-history-of-american-independent-cinema/>. Accessed 30 March 2019.
- ⁹ Further results of this study can be consulted on the research programme’s website: <https://projetcollab.wordpress.com/2018/02/05/enquete-sur-les-usages-du-crowdsourcing-et-du-crowdfunding/> Accessed March 30 2019.

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