

Cyber Begging

Crowdfunding campaigns are all the rage these days. The new way to get what you want without paying for it. And why not? In 2013 an estimated \$5.1 Billion was crowdfunded online.



[Keith E. Lee](#)

[Apr 20, 2016](#) · 4 min read

There are thousands of campaigns on various websites, such as; Kickstarter, indiegogo, GoFundMe, Crowdrise and GiveForward. And the fund raising campaigns are just as varied as the people behind them. A new business idea; staging a social justice art project; [abolishing slavery](#); the reinstatement of a driver's license; group motorcycle rides and even vacations. Some have specific aims like *In vitro* fertilisation and some are vague like the "emergency fund for women in need." Many appear worthwhile, such as the ones for natural disasters or victims of violent crime. But those can cut both ways: at one time in 2014 there was a GoFundMe campaign for an Atlanta cyclist who was viscerously struck down by an SUV, suffering a severe brain injury, and another to cover legal fees for an accused accomplice in the crime.

Anyone can solicit donations for almost any reason at all, but all ask for the same thing: your money.

But what do you get in return? Some give perks or incentives that campaigners offer in return for contributions. But that's only if the person or entity requesting funding follows through with the project, and there is no guarantee that will happen. A recent CNNMoney investigation found that [84% of Kickstarter projects don't ship on time](#). Sometimes products have failed to materialize after the creators promised more than they could deliver.

The arts funding genre is very popular. And while this seems to have grown out of the "Do It Yourself" movement, this new paradigm seeks to avoid the financing aspect of that in favor of doing it with crowdsourcing. Now any rock band can go to a crowdfunding site and solicit donations for the production of an album. Why, it's the democratization of investment! However, accountability can be an issue.

A few years ago Amanda Palmer set a record when she received \$1.2 million in online donations to put together an album and tour. She was later widely criticized for asking local musicians to [come play the shows for free](#). She claimed that airfare and paying off personal debt left her with no cash to pay touring musicians. This only fed the outrage though as she'd initially only asked for a hundred thousand dollars, and donors started demanding to know where the money went. She reportedly paid the musicians after the backlash.

Traditionally, the merit of someone's output has been the response of the marketplace. And while many don't like that the marketplace establishes winners and losers, failure can be a great thing for anyone in a creative endeavor to experience since it tends to hone our abilities and teach us what works and what doesn't. Without the financial risk of failure in the marketplace I fear there will (continue) to be a rising tide of mediocrity. Back before crowdfunding, or most people even knew there was an Internet, I was in a band that wanted to put out a record. We took the money from the gigs we played and made t-shirts, then we sold those t-shirts to our fans and within a few months we had earned the money to record and market our record. We *earned* the money by giving value for value.

Who needs initiative when solicitation of alms for divorce court costs or online rent parties become commonplace? But then why should this be surprising in a society where many believe health care is a right, and demand the Federal government manage pretty much every aspect of our lives? There was a time when most people would find it disgraceful to ask complete strangers for money. They took pride in being self reliant. Now in an era of vanishing online privacy many people seem willing to flaunt their problems or failures for a buck. Such was the recent campaign of a 23-year-old Chicago-area resident who [sought contributions for an abortion](#) because she has *“no desire to raise a child...is economically unstable and can barely afford to support herself, which means having enough money to pay rent, smoke*

cigarettes, drink rockstar, support her friends in prison, and if she's really busted her [a\$\$], maybe go to a show or two." Crowdfunding was also used to finance the movie *Gosnell*, that purports to detail the atrocities committed by Philadelphia area abortion provider and convicted murderer, Kermit Gosnell.

The authenticity of those seeking financial contributions is a real issue as crowdfunding sites are often community policed, so there is no redress for fraud. It would seem very easy to ask for money for a medical issue or an invention and then use the money for something else. It seems likely that as generous as Americans are with charitable donations the unscrupulous could take advantage of people's sympathy. And indeed, there are many reports of swindlers and scams on the various crowdfunding sites.

Extortionists have been known to seek out already-successful campaigns, claim illegal damages in some manner, and demand money in exchange for silence.

Then there was the [biggest-ever outright scam](#) on Kickstarter last year involving rare Kobe beef that was uncovered by the makers of a [documentary film](#) in the works about crowdfunding (funded on Kickstarter, of course). The fraudsters raised \$120,000 from 3,300 backers in one month before the site pulled the plug. That does not surprise me in the least. I put about as much credibility in a stranger's online request for money as I do the guy asking me for spare change on the subway.

*Originally published in Stomp and Stammer magazine
November 2014.*