

Goteo: Crowdfunding to Build New Commons

If there were to be a formula to describe Goteo, a platform, it could be expressed simply:

Hackivism + crowdfunding + wide social collaboration = the building of new commons

Each of these activities has always existed separately, of course, but it was the vision of Goteo to integrate them into a single open network that is helping commoners build a new Commons Sector in society. With more than 50,000 users and more than 2 million euros raised since 2012, Goteo has help launch more than 400 projects that support the commons, open code and free knowledge. The projects span a rich variety of fields – education, the environment, technology, culture, entrepreneurial startups, journalism and more.¹

Projects like Smart Citizen kit², an open source environmental monitoring platform and hardware for citizens to open and share their own environmental data; Quienmanda³, collaborative mapping and dissemination of political and economic power relations in Spain; Open source gasifier⁴, renewable electricity generation using residual biomass gasification in the Republic of Chad; Nodo Móvil⁵, a replicable, travelling wifi connection unity for communities, social movements and the public space; Spain in Flames⁶, open data visualization of forest fires, their causes and solutions, enhanced with data from investigative reporting; Infinit Loop, a smart solution for wrapping up gifts and geolocating them, produced by social integration NGOs and people with special needs; Foldarap⁷, foldable 3D printer with a P2P distributed production model via a community that helps to scale up kits while sharing the profit with others; The Social Market⁸, cooperation project by the Spanish Alternative and Solidarity Network linking more than 230 companies that work with solidarity economy values, among many others.

Goteo is more than a platform for crowdfunding and collective financing (monetary contributions). It serves as a focal point for distributed collaboration by people who may have physical resources, expertise, infrastructure tools or personal time to contribute to a particular project. Goteo doesn't just engage individuals, it has become a network of local, independent and interconnected communities throughout Spain. These range from one in the Spanish region

¹ <http://www.goteo.org>

² <https://goteo.org/project/smart-citizen-sensores-ciudadanos>

³ <https://goteo.org/project/quien-manda>

⁴ <https://goteo.org/project/gasificador-opensource-en-el-chad>

⁵ <https://goteo.org/project/nodo-movil>

⁶ <https://goteo.org/project/espana-en-llamas>

⁷ <https://goteo.org/project/foldarap-peer-to-peer-edition>

⁸ <https://goteo.org/project/desarrollando-el-mercado-de-economia-solidaria>

of the Basque country, supported by the Basque government, to others in Andalusia and Barcelona, and planned Goteo nodes in Nantes, France, and other regions.

The people who belong to the Goteo network tend to play several different roles at various times. They may introduce a new project that needs support, contribute funds to help launch a project, or collaborate on it so that it can grow.

Goteo had its origins in the Platoniq collective, a Barcelona-based group that was a pioneer in the production and distribution of copyleft culture.⁹ (For more on copyleft, see essays on the General Public License on pp. xx –xx and on Creative Commons licenses on pp. xx –xx). The hackers of Platoniq were passionate about designing tools for citizen empowerment and social innovation. We mostly used open source, peer-to-peer technologies that can be easily adapted and reproduced.

Some of Platoniq's projects became quite famous. Burn Station (2004) was a mobile, self-service system for searching, listening to and copying music and audio files with no charge – all of it legally under a Creative Commons license.¹⁰ This “taking the Internet to the streets” initiative gained worldwide attention. Another project, The Bank of Common Knowledge, was a series of gatherings in different cities that provided open workshops and manuals. Thanks to hundreds of volunteers, people could learn how to install and use a wiki, how to repair domestic technologies, how to set up a free wifi network, how to set up a local consumer group.¹¹ In those and other hackathon-like events Platoniq was also quite active in facilitating the development of civic and culture projects, acting as “process mediums” or “masters of ceremonies” for technology-based projects to help developers and entrepreneurs recruit new collaborators, clarify the problems to be solved, choose the superior body of source code for a project, and develop alliances in moving it forward.

Despite the success of Platoniq's work, it became painfully clear after several years that there was a serious lack of resources to incubate innovative and experimental projects. This need was especially acute for projects based on open source and commons-based principles. Neither public nor private institutions are generally eager to support such projects, and certainly conventional markets see little gain in helping produce innovations that are designed to be copied and shared.

The rise of crowdfunding as a new digital paradigm in 2009 began to open up a new field of possibilities, however. It became evident from such early platforms like Kickstarter that distributed funding from hundreds and even thousands of people could be a feasible base of support. The standard crowdfunding process at the time consisted of a specific fundraising goal,

⁹ <http://www.youcoop.org>

¹⁰ <http://www.burnstation.net>

¹¹ <http://www.bankofcommons.org> <http://youcoop.org/en/bcc>

a deadline for pledges, an “all or nothing” scheme (sufficient pledges to meet the goal or no funding), and a system of individual rewards or perks for backers.

Some of the participants in Platoniq, especially Susana Noguero and Olivier Schulbaum, decided to investigate the possibilities. They found that backers of open source projects were on average more generous than backers of other projects, and that they also contributed more regularly. Platoniq also explored the subtleties of other distributed systems for raising money online – the microcredits approach used by Kiva; alliances with local organizations in smaller countries; platforms for lending money to entrepreneurs. In the end, we decided that it was time to invent a new platform for funding innovations that contribute to open knowledge and the commons.

Since we couldn't identify any single project or tool designed to support the logic of sharing, collaborating and social impact, we decided to invent one – Goteo. From the start it was a collaborative endeavor. Before programming a single line of code, we entered into a lengthy period of co-design in which we consulted with communities of practice, cultural agitators, open source practitioners, designers, academics and others. We asked the potential users to help visualize the new crowdfunding platform and suggest features that could better meet their own needs and experiences.

Goteo was launched at the end of 2011 as the first crowdfunding platform expressly for open and commons-oriented projects. Its design embodied the following values, in order of importance:

Collective return: Aside from individual rewards for backers, any initiative using Goteo must contribute to the Commons in terms of its final outputs and processes. For example, projects must use licenses that allow copying, sharing, modification and free use of part or the whole of each created work.

Trustworthy management model: The legal organization that manages Goteo is a nonprofit Foundation, Fundación Fuentes Abiertas, which is officially recognized as a public-interest organization. This management model offers also tax-deductible benefits for both co-financers and promoters.

Fostering transparency: Each project must give specific details about where the money collected will go. Coupled with a two-rounds scheme of fundraising, this requirement means that even very successful campaigns disclose the actual use of money obtained, including extra money beyond the stated goal. Furthermore, Goteo and project promoters both sign a legal agreement that guarantees that the work described in the crowdfunding campaigns – products, services, activities, archives, etc. – are actually produced.

Distributed collaboration: Beyond monetary contributions to projects via Goteo, people are invited to collaborate in the development of projects by offering services, material resources and infrastructure. They can also participate in specific microtasks needed.

Training: Goteo has advised and trained more than 2,000 people from many domains through dozens of workshops – a commitment that both disseminates our knowledge while building Goteo’s social following and economic sustainability.

Community of local nodes: Goteo is not a centralized hub, but more of a community of communities – a network of local, independent, intercoordinated nodes that serve to localize projects and give them context. The first one started in the Spanish region of the Basque country, supported by Basque government, and a second later began in Andalusia. New ones will soon be launched in Barcelona and in Nantes, France.

Public/Private match-funding: Goteo is a pioneer in recruiting public/private capital investors to help develop open culture projects through a bottom-up process in a “Cloudfunding capital” process: each euro a project receives from a person is matched by another euro from institutions within a social investment fund.

Open source: The core software code of the Goteo website is freely available under a General Public License 3.0 license via GitHub, which ensures that it can be used and improved via open source principles.

Goteo’s organizational design principles and values mean that its internal crowdfunding processes are more rule-based than others. It takes us more work to ensure that proposed projects comply with basic criteria of openness and commons principles; that projects are actually produced as promised; and that the collective rewards are delivered and made accessible.

But with tens of thousands of users and a 70 percent rate of success for all proposed projects (where the majority of crowdfunding platforms rarely reach a 40%), Goteo is convinced that it is headed in the right direction. Its success has validated new standards of openness in crowdfunding, and it has attracted some of the most compelling innovators in the field. Although it is difficult to measure, Goteo has also contributed significantly to projects in free culture, open source code and the commons that might otherwise never materialize.

Goteo aspires to somehow “close the circle” with its previous experiences with Platoniq by developing new forms of peer-to-peer co-creation, crowd-incubation and development for projects in the stages *before* and *after* crowdfunding. That will have to wait for a while as Goteo expands its first priority, to finance and consolidate the Commons Sector.