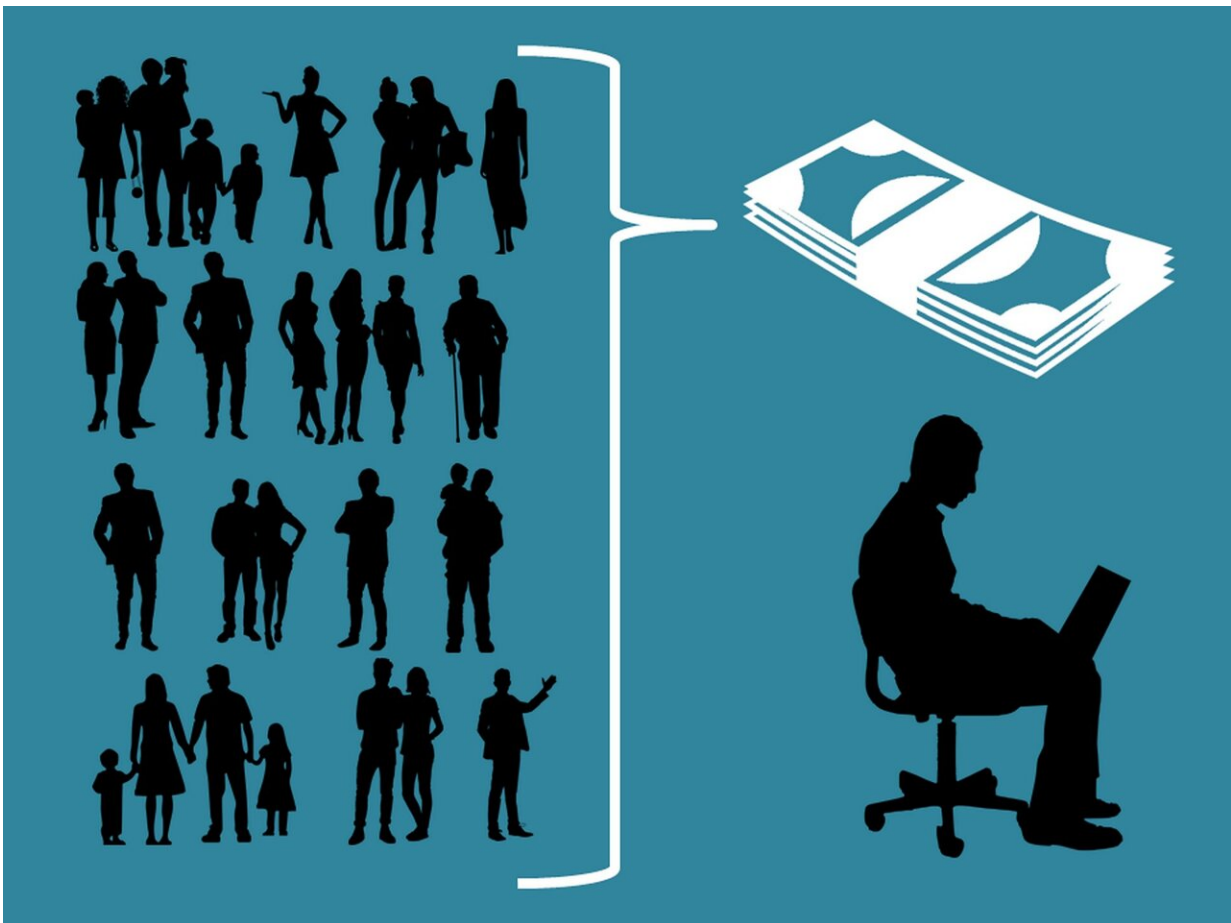


Researcher examines benefits, harms and ethics of online crowdfunding

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Credit: Pixabay/CC0 Public Domain

Would you help a complete stranger in desperate need of money, based

solely on their social media posts? Simon Fraser University professor and bioethicist Jeremy Snyder examines the complex dimensions of this question in his new book, "Appealing to the Crowd: The Ethical, Political, and Practical Dimensions of Donation-Based Crowdfunding" (Oxford University Press, 2023), which highlights how online crowdfunding—while helping to meet immediate needs—also impacts privacy and dignity, worsens inequalities, doesn't solve systemic issues, and most often falls short of its goals.

In recent years, millions of people have given to family, friends, and complete strangers via donation-based [crowdfunding](#), a process where [online platforms](#) and social networks are leveraged to raise money for individuals asking for support. Some of the requests are for fundamentals, such as food, housing or education. Some requests are urgent calls for aid from desperate persons living through financially catastrophic events such as unplanned medical procedures, or climate-disasters—such as floods and wildfires—that have destroyed homes and/or livelihoods.

While it can feel gratifying to help others, Snyder has concerns about how crowdfunding campaigns could undermine the privacy and dignity of individuals in need. "To succeed in crowdfunding, you must convince potential donors that you are deserving of help. [Often,] this means providing a great deal of information including your financial history, medical diagnoses, family dynamics."

Many campaigners will upload photos and video, and provide regular updates in an effort to prove their worthiness for support. Some are asked by platforms to supply banking information and other details, which may be difficult to supply in situations where documentation isn't accessible or has been destroyed. "Privacy and grieving outside of the public eye are not options for people who want to take advantage of the benefits of crowdfunding."

Despite the increased use of crowdfunding platforms, many people fail to secure the aid they need. A 2021 University of Washington [study](#) found that only 12% of campaigns hosted between 2016 and 2020 met their fundraising goals, while 16% received no donations whatsoever.

Snyder observes that factors such as small social networks, limited access to internet, or inability to tell a compelling narrative—due to limited computer or language literacy, or stigma—negatively impact campaigns: "People living at the margins of society and with less ability to get noticed online are at a disadvantage. These biases [within the crowdfunding environment] reflect and exacerbate existing social inequities."

Snyder additionally points out that the individualistic nature of crowdfunding—while potentially helpful for meeting some people's immediate needs—cannot adequately address systemic issues. For example, community rebuilding efforts after large scale wildfires or severe earthquakes involve multiple people, agencies and organizations, and are frequently too large in scope to benefit from crowdfunding.

"Local community and national organizations may be better suited to rebuilding community housing, providing equitable economic opportunities, and addressing [climate change](#)," observes Snyder.

"Appealing to the Crowd" also explores crowdfunding within the historical context of philanthropy and identifies new problems being created by this practice, such as fraud and use of the platforms to spread mis- and dis-information. Snyder presents nine values in the book that can be used to guide donors, campaigners, recipients, platforms and policymakers in their giving so that they can preserve the good that results from crowdfunding while addressing some of its many negative aspects.

"Helping strangers is important, and in many cases, a moral imperative. Crowdfunding, however, is an ethically inferior way to go about it," Snyder concludes.

More information: ["Appealing to the Crowd"](#) is an open access title that is free to read through Oxford University Press and select open access portals.

Provided by Simon Fraser University

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