



Citizen-to-Citizen: Funding, Sharing, and Generating Ideas

*By Shannon Dixon, Research Associate
with Janis Foster Richardson, Executive Director*

In communities all over America everyday people are renewing their involvement in their cities, towns, and neighborhoods. Perhaps Americans are turning to each other more because there is less change in their pockets or perhaps we have grown weary of the institutional approach often employed by government and non-profits. Maybe the professionalization of democracy (described by Eric Lui as the “welter of lobbyists, regulators, consultants, bankrollers, wonks-for-hire, and ‘smart-ALECs’ (that) has crowded amateurs out of the daily work of self-government at every level”) has us concerned about our country’s very foundation. Whatever the cause, the results are intriguing.

Deeper community involvement is showing up in many places from neighbors working with neighbors in community gardens, to everyday people starting organizations to make their communities more livable, to large movements like Occupy Wall Street. Everyday people are not only involved as volunteers, but rather as active citizens taking charge of what they are passionate about. Thus, the traditional entry points for community betterment – town hall meetings and foundation grants – are more often being bypassed. Instead, people are more frequently coming together outside of a formal structure, or they are transforming the processes inside of our traditional institutions to be citizen-led.

This is central to our work at Grassroots Grantmakers, as for over 25 years our work has been to strengthen and connect funders who strengthen and connect residents where they live. Because our network sprang from a special initiative of the Charles Stewart Mott Foundation that involved 25 community foundations making small grants in neighborhoods, we have been rather funder-centric. That is, our focus has been on supporting place-based citizen action by supporting the funders of those actions. However in the last several years, we have noticed organizations and people showing up at our table that resource citizen action but don’t fit the traditional funder mold. This has invigorated us to widen our reach, to see funders as an important ingredient of community change, but also to otherwise resource action by everyday people.

Our premise is that the citizen sector is best understood as a distinct yet essential contributor to community resiliency, vitality, and social justice for all. The more that everyday people connect with each other for mutual aid and collective action, the more inclined they will be to initiate and act in the future. Productive engagement between institutional actors (funders, nonprofits, and government) and everyday people increase in environments where people have experience working together and see themselves as creative problem-solvers. Better access to resources will stimulate more citizen-led associational activity and invite more citizens to connect with others and move an idea into action. By resources, we mean anything that groups need in order to do what they want to do – including money, time, skills, information, connections, space, and experience.

Therefore, the work of Grassroots Grantmakers is to initiate knowledge creation and to collect and actively share existing knowledge about how to appropriately resource citizen action. We do this through place-based learning convenings, webinars, learning circles, web-based resources, one-on-one assistance, educational and thought provoking publications, and special partnerships for learning and action with like-minded organizations and networks.

With that in mind, we explore here novel and innovative ways that citizens are sharing and bartering with each other, generating ideas together, and self-funding their collective actions (so called *new giving*). We lift up the good work of others; people who are entering as amateurs into our foundation of democracy. We lift these up in hopes of inspiring more, with the recognition that experimentation leads to innovation.

Highlighting Novel and Innovative Models for Self-Resourced Community Action

Much of the activity in the citizen sector is led by groups without formal non-profit structure. We often describe the actors in this sector as groups of three or more unrelated people working together. Citizen-led groups find power through joining forces with people who have personal motivations and energy to create change. Their processes are more about group deliberation and accessing personal assets and less about following policies and procedures. They are concerned more with taking action at the moment when the energy is boundless and less with sustaining an organization with the constant need for funding for overhead (think insurance, staffing, technology, and office space). Because of this, formal 501c3 status - with its three-year budgets, board of directors, annual 990 filings, and paid staff – often don't make sense. Therefore, funding citizen-led, grassroots efforts is outside of the operating norms of many foundations.

How does a foundation fund an individual or a group to act on an idea when there is no formal non-profit to award a grant? Yes, some innovative foundations have blazed a path doing just that and those foundations have found their home in our Grassroots Grantmakers' network. But those foundations aren't plentiful and aren't found in every region of our country. So citizens have taken two primary paths – working together to “crowd source” their funding and idea

development, and working in non-traditional ways with our trailblazing foundations. Much concerning the latter path can be found on our website - www.grassrootsgrantmakers.org.

Citizen sector resources developed through crowd sourcing can be categorized three ways – financial, materials and time, and ideas. Such sharing has been happening for generations – think common tool sheds, babysitting co-ops, and association membership dues that go to pay for improvements in shared spaces. But through technology and new formats for in-person interactions, citizens have shaken up our long-standing ideas of how we help one another and improve our communities.

THINK WITH ME.

People have long been forming associations to dialog, plan, and act together. As Alexis de Tocqueville observed:

“Americans of all ages, all conditions, all minds constantly unite. Not only do they have commercial and industrial associations in which all take part, but they also have a thousand other kinds: religious, moral, grave, futile, very general and very particular, immense and very small; Americans use associations to fet fetes, to found seminaries, to build inns, to raise churches, to distribute books, to send missionaries to the antipodes; in this manner they create hospitals, prisons, schools. Finally, if it is a question of bringing to light a truth or developing a sentiment with the support of a great example, they associate. Everywhere that, at the head of a new undertaking, you see the government in France and a great lord in England, count on it that you will perceive an association in the United States.”

Let’s talk about modern day examples. Our propensity to associate continues with social media platforms such as Twitter, Facebook and Tumblr, making sharing ideas amongst friends, colleagues, and like-minded organizations quick and easy, particularly with Twitter hash tags and Facebook groups. Such platforms also physically connect people who don’t know each other, but who profess similar interests through organized events, such as Tumblr Meetups and Tweetups.

While social media allows us to find people far and near who share our interests, other platforms are geared more toward idea generation (or “ideation”). Launched with a focus on New Orleans and now in over 20 cities, the website Neighborland allows people to promote ideas to improve their neighborhoods, to gather support and hear comments on the ideas, and to update each other the status of projects.

Events like Pecha Kucha, during which each presenter has just over six minutes to talk through 20 slides, allow people to bring their ideas and knowledge to an in-the-flesh audience. The

organization Pecha Kucha 20x20 boasts over 500 cities worldwide that have hosted Pecha Kucha events.

More and more government entities appear to see the value of group thinking. Perhaps the most surprising version of this is participatory budgeting. The Participatory Budgeting Project is a non-profit focused on this work that has worked with “10,000 people and 500 organizations in deciding how to spend \$10 millionⁱ.” Civic participation takes a broader form with Citizen Participation Programs in hundreds of cities like New Orleans, Atlanta, and Charleston, some in operation for over 30 years. Although models vary, many have participation structures at the neighborhood and district/city-wide levelⁱⁱ. Additionally, other non-profit organizations such as Deliberative Democracy Consortium, Everyday Democracy, and the National Coalition for Dialogue and Deliberation work to increase and authenticate public dialogue and deliberation and are excellent resources for research and on-the-ground work. For more on this topic see “The Promise and Challenge of Neighborhood Democracy: Lessons from The Intersection of Government and Community” by Matt Leighningerⁱⁱⁱ.

FUND WITH ME.

Web platforms such as ioby, Kickstarter, and Indiegogo have given these old fashioned mechanisms a new space, allowing individuals and organizations to promote their projects (anything from films to renovating community spaces) via the website to seek investors. The results are cash infusions, not to mention the side benefits of exposure for the projects and organizations. Some of these platforms are designed to crowd source funding for specific purposes. ioby is focused on environmental projects, but uses that term broadly, providing a platform for the funding of place-making projects as well. Kickstarter is for “creative” projects, while Indiegogo, with the tag line “The world's funding platform. Go fund yourself.” is open to anyone with an idea and access to a computer.

One step removed from the individual, quite a few communities have developed mechanisms for a different kind of fundraiser – events where the entrance fees goes to funding projects that the attendees select. For example, in Memphis, TN, a grassroots organization called Crosstown Arts (crosstownarts.org) holds MemFEAST several times each year. Community members purchase tickets for about \$35 each, which buys you a dinner and a vote. While attendees eat, pre-selected persons pitch their projects (painting murals with the help of school children or seed-bombing vacant lots or a collaborative dance performance). At the end, the attendees cast votes for the project they would like to fund. One project leaves there with the proceeds from the door (a micro grant) and a promise to carry out the project within the year. To see how other cities are doing it, look up Sunday Soup Chicago and Detroit Soup.

Giving Circles are yet another way of individuals pooling funds for projects. A 2007 report commissioned by the Forum of Regional Association of Grantmakers found there are more than 400 Giving Circles in the U.S. and that those circles continue to grow in the number of donors

and the amount they give. Giving Circles are organized in various ways, some initiated by citizens and some by foundations (for example, see Future Fund by the Charlottesville Area Community Foundation) and are generally defined as individuals pooling their funds and collectively deciding how to spend those dollars in their communities. The report found that giving circle members are more knowledgeable about and connected to their communities, as they learn and problem solve together^{iv}.

Groups of citizens organize to support local businesses with cash mobs, wherein large groups meet at a locally owned and independently operated stores to spend money and have fun. According to the Cleveland, Ohio grassroots organization *Cash Mobs*, cash mobs began in 2011 in Buffalo, NY, quickly followed by a Cleveland version in in 2012. Cash Mobs' blog keeps a running list of cash mobs, which are now found in nearly every state. They recommend three basic rules: spend \$20 dollars, meet three new people, and have fun.

TRADE WITH ME.

Citizens are finding each other to trade what they have for what they need with sites such as NeighborGoods. Associational groups sign up willing members and the sharing takes off from there as neighbors list things they are willing to lend, sell, or rent to other neighbors.

Concentrated on the trading of time and talents, Time Banks are circles of place-based people who list their skills (babysitting, elder care, lawn care, etc.) on a website. People in your circle can then ask you to carry out your service for them by spending "time bucks" to *buy* your service. The organization Time Banks USA is dedicated to furthering these connections. These types of connections are being termed as the "collaborative consumption movement." In fact, for a time there was an organization dedicated to monthly chats about this – Collaborative Chats.

Noting the need to recreate regional economies that can weather national and global hardships, some communities, such as Ithaca, New York and the Berkshire region of Massachusetts, have created local currency in various denominations that is bought by citizens and accepted by their regional businesses and banks.

Why This Should Matter To Funders

Everyday people working together to move their ideas into action – fantastic, but how is that relevant to funders? How should funders respond to this seemingly organic movement?

- Crowdsourced funding sites (like ioby.org) or local giving circles can be powerful tools for helping grantees raise additional funds, particularly when those grantees are less likely to receive grants from traditional funding sources.
- Platforms (virtual and physical) for ideation ("think with me") can connect traditional

non-profit to groups of everyday people active in their community, grounding programs with additional intelligence about that community and offering opportunities for non-profits to *partner* with the community on programming (resulting in more doing *with* rather than *for*).

- As asserted by Robert Putnam in his much discussed work *Bowling Alone* and in subsequent writings, Americans are less socially and politically engaged now than 30 years ago. However, are these new forms of connection shifting that trend? For funders that prioritize civic engagement, this topic has relevance. Often this work is being done by informal groups of citizens. Sometimes this work needs an infusion of cash, and funders can certainly provide that ingredient. Members of the Grassroots Grantmakers' network have experience funding informal groups (non 501c3) and our white paper details how (forthcoming to www.grassrootsgrantmakers.org).
- For funders that fund neighborhood groups now, there appear to be implications for how these forms of connection further that work. How can neighborhood groups use these tools to further mutual aid and delight and create more welcoming places to live?
- Furthermore for funders that fund neighborhood work, how can these tools and other citizen-initiated resourcing mechanisms be to connect, grow and amplify citizen-led efforts across a city, region or rural community?

ⁱ <http://www.participatorybudgeting.org/>

ⁱⁱ <http://nolacpp.wordpress.com/cpp-models-in-other-cities/>

ⁱⁱⁱ Leighninger, Matt (2008) Retrieved June 22, 2012, from <http://www.grassrootsgrantmakers.org/2011/07/the-promise-and-opportunity-of-neighborhood-democracy-lessons-from-the-intersection-of-government-and-community/>

^{iv} Bearman, Jessica (2007). More Giving Together: An Updated Study on the Continuing Growth and Powerful Impact of Giving Circles and Shared Giving. Retrieved August 24, 2012, from <http://www.givingforum.org>

[/s_forum/bin.asp?DID=5316](http://www.givingforum.org/s_forum/bin.asp?DID=5316)