Community Crowd Funding- A Mean to Social Welfare

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Abstract

India, as a nation-state, completes sixty-nineth year of its independence from foreign yoke. At this juncture, we still find ourselves at the crossroads. We seem to have moved back in time. The noble and lofty ideals that had guided us at the dawn of independence have decipated along the way. We are still fighting over petty matters. The civil liberties enshrined in constitution are under immense threat. The very fabric of social harmony and cohesion is under strain. The word "development" is used to undermine the social, environmental, cultural values and ethos held so dear till a few years back. Social welfare schemes budgets are pruned. The need of the hour is community aided social welfare works. The present paper attempts to analyse the vitality of community crowd funding as a tool to fund socially viable schemes at the level of community. The author suggests some measures for the popularization of community crowd funding for social welfare schemes and encourages mass involvement in funding and implementing viable schemes.

KEYWORDS: community, funding, social, welfare, mass involvement

"Sir Syed Ahmed Khan was the pioneer of Community Crowd Funding among Muslims in pre-digital India."

The term 'community crowd funding' has gained currency in the last 20 years or so especially after the advent of internet for general masses. The concept itself is not new. We have been encouraged through ages by our religious texts to give alms and help poor and needy. Humanitarian gesture of helping others is even religiously institutionalised in Islam as one of the five pillars to which every Muslim must observe in his/her journey of life on earth. When the sacred duty of helping fellow being is performed through digital media, it takes the form of 'Crowd funding'. Community crowd funding refers to, "voluntarily providing money for a cause through digital media, esp. internet".

In the present era, when under the impact of capitalistic liberal democratic system of globalization, liberalization and privatization - government expenditure on social sector funding is shrinking and divide between haves and have- nots is increasing at an alarming rate, community crowd funding has the potential to emerge as an important vehicle to raise funds for social developmental projects and have a cascading impact on the sustainable growth of Indian economy.

ECONOMIC CHASM

The wealth of nations across the world is fast accumulating in fewer and fewer hands. According to Credit Suisse Wealth Report, 2014 the lower half of the world

population has access to only one percent of the global wealth whereas the top 10 percent hold more than 87 percent of the wealth. This exhibits the immense potential for community crowd funding prospects among the monied segment of the society.

In India the story is more glaring. India's richest 10 percent holds 370 times the share of wealth that it's poorest hold. In the last 15 years, India's richest 10 percent have been getting richer, and now hold nearly three-quarters of total wealth. The top 1 per cent whose share in India's wealth was lower than that of world's top 1 percent in the year 2000, have come to acquire close to 50 percent of country's total wealth. No wonder, India is home to world's poorest 10 percent.

'International Monetary Fund' (IMF) reports that the richest in India hold that much porportion of wealth which can eliminate poverty in India twice over. The demographic dividend driving growth has many a success story in business and technological development. For example, online digital commerce handler like Flipkart is reported to have created more than 400 crorepatis in India. Furthermore, overseas Indians have also shown a desire to be part of development of India provided they are assured that their money is invested in desired endeavour. The crux of the matter is to make community crowd funding gain in popularity, thereby promoting one of the most potent weapon of implementing social welfare schemes and projects.

COMMUNITY MINDFULNESS

Muslims in India constitute about 13.5 percent of population. Since independence, the growth of community has shown downward trend which has been documented by various governments' appointed committees and commissions from time to time. Most recent government appointed committee, 'Sachar Committee Report' has documented Muslim community to be most backward in term of education, income, health facilities and general well- being.

The efforts to uplift on the part of the government whether state or centre has left much to be desired. In the present scenario of politics without minorities having gained much traction with not a single muslim candidate in Modi government at centre and attempt to declare 'pluralistic India', a Hindu rastra, the chances of allocating funds for development of weakest of the weak through social welfare schemes is all the more grim. In such a time and clime, it is all the more pertinent to mobilize social funds with the help of social websites.

In terms of state formation, society preceeds state in evolution. Society is superior to state. When the very purpose of state is undermined by ruling dispensation, the communities should show the way to metigate suffering and oppression of masses and lead them to fuller and satisfied way of life. The 'community crowd funding' is the answer to such a benevolent gesture. Social campaign digital media has a relevant role to play. In such a noble and philanthrophic cause, the benefector does not gain in terms of money. However increase in social prestige, level of satisfaction and feeling of gratification propelled people since generations to make scarifice and rise in social stature and die with a satisfaction of having done something for the cause of humanity. Crowd funding not only raises funds for the social cause but helps in engaging the donors in the

attainment of the goal for which fund is being raised. The strenght of community crowd funding is involvement of the masses.

The globalized world has taken people far and wide in search of better prospects and riches of the world. Today the yearning for the motheland and doing something for the country and community is even greater among the Indian diaspora. As the desire to give back to one's homeland intensifies, the energies and funds of fellow community members can be leveraged for social welfare and community development efforts. The ideal way to engage netizens is to involve them proactively in the process of development.

GROWTH OF INTERNET AND PROSPECTS IN INDIA

In India 886 million Indians possess mobile phones which constitute 70 per cent of population. The mobile internet users in India reached 213 million by June 2015 on the back of growing smart phone penetration, according to a report by the internet and mobile association of India (IAMAI) and IMRB International. The number of mobile internet users in rural India is grew to 53 million by June, 2015, urban India continues to account for the larger percentage with 160 million users. That is a healthy growth and sets the stage for introducing community crowd funding in big way.

In India crowd funding has been part and parcel of films, sports, businesses, NGO'etc for quite some time. In the pre- independent India the concept of community participation and funding was used effictively by Lokmanya Tilak in the 1890's when he mobilized funds for Ganesh Puja. He introduced Ganesh Puja pandals to mobilise public opinion and provide a meeting place for struggle for independence. Today the pandal may have been replaced by internet as social platform but social and religious community gatherings can be utilized for mobilizing funds.

Some of the leading arch light in the area of community crowd funding are- Dr. Kurien, the father of milk revolution in India, guided 5 lakh farmers to join hands to fund the movie 'Manthan', the story of farmers of Gujarat and the 'white revolution'. The success story of white revolution exhibited for the first time the power of community funding by the agrarian society. In the sporting arena, community funding effort, in the form of a campaign known as "Need for Champion," was undertaken by India's leading boxer Mary Kom with the help of a leading insurance company and raise 5 lakh for boxing academy. Recently the Muzaffarnagar riot victims consisting of 129 families were successfully rehabilitated in a newly developed neighbourhood "Apna Ghar colony" with financial and technical assistance from a group of non- profit organizations. There are a few other players in the field, but the provision of funds for civil projects is yet to find sponsors.

ISSUES AND CHALLENGES

There are certain factors that have hindered the implementation of socially viable projects in India. These factors should be guarded against by community crowd funding managers if the idea has to have any future in India. They are:

1. Lack of pubic awareness- the socially viable schemes can be successful only when community gets engaged with the project. The community awareness level and resultant enthusiasm needs to be maintained for the long term results. The time to time auditing by the people involved and having stakes in the implementation of the project can go a long way in sustaining level of support.

2. Red- Tapism- the major cause of failure of Government sponsored projects had been red tapism. What takes a month for approval in other developing countries like Singapore, take six months period in India. Such delays are major drain on the energy and enthusiasm level of entreprenure. According to "Doing Business 2015" a report released by the 'World Bank India' is languishing at 142 in a group of 189 countries, on the ease of doing business in India.

3. Policy and Implementation level gap in India keeps underutilized and unutilizesd the fund allocated for social sector spending. The lack of imagination on the part of bureaucrats in utilization of funds in social welfare scheme has retarded the process of development.

4. Long term engagement and fixing of responsibility can promote evaluation of project in the term of gap analysis between desired and achieved impact. The lack of such an approach has been the reason for failure of many a developmental project.

5. Maintenance of philanthropic eco- system encourages the individuals to donate for the betterment of the society. The direct and indirect benefits that individuals get determine the willingness to contribute. Those who are to be directly benefited will be contributing on the regular basis, but those who are to be indirectly benefited from cascading impact for example getting fresh air through planting more trees will make a one time payment only. The idea of community crowd funding is only for projects which involve one time payments.

6. Role of local government is not only giving approval to the civil projects but also removing roadblocks in the implementation of the project and ensuring that funds are used productively. The need for developing higher secondary school for girls in the village vicinity requires availability of land, proper infrastructure development in terms of roads, street lights, drainage system etc. Here the local village panchayat could involve residential societies to help improve the area, including updating of books in the library, organising skill ability course in the village, including computer literacy and opening computer kiosks in villages.

7. Detailed and time bound strategy is yet another pre-requisite for developing credibility and propogating relevance of community crowd funding. However if the campaigner is not able to achieve the target they have to return all the money collected. Hence a proper time-bound strategy should be in place before starting the project. In this regard a care should be taken to engage the services of trained strategists and program managers like distinguished retired consultants and ex CEO's etc.

8. There should be a **qualified digital marketing skill expert** to sell a project to investors. The ability to reach out to right audience is of prime importance. Since most of

the campaigners don't have a deep pocket to hire digital marketers, the crowd funding platform should help in building campaign from the start.

9. India lacks dedication of **fundraising platforms** for community welfare. Governments across the country have failed to enstill any confidence among doners by their 69 years of sustained failure to uplift masses from morass of deprivation. Community leaders who have created names for themselves by their service, sincerity, and dedication can come forward in help build platform for raising funds for community welfare projects.

10. The problem of **reliability and credibility of campaigners** pose greatest problem to community crowd funding with depleting moral values, spread of unscruplus, and uncouth fly by night operators ever willing to stoop to any level to dupe unsuspecting masses by false promises. Here the only saving grace can be when community people themselves involve enmass in a social welfare project under the leadership of successful entrepreneur, religious leader of proven credibility or the involvememnt of community leadership as a whole directly affected by the absence of any civil project.

CONCLUSION

The future of any nation, country or community hinges on the level of sustainable growth which further depends on the success of social welfare works that uplifts, empowers and enables them to lead a fulfilling life- style. Governments after independence have failed in their basic social welfare purpose. One solution can be community crowd funding for social projects. This could be idea of future social development in India in which people themselves take on the challenge and show the path and lead the way forward.

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