Urban Re-Industrialization

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Chapter 7

Crowdsourced Urbanism?
The Maker Revolution and the Creative City 2.0

Doreen Jakob

Cutting the ribbon at the opening of the new Shapeway factory, New York City Mayor Michael Bloomberg proclaims that the 3-D printing company will form ‘a critical bridge between the tech and manufacturing centers […] and] help us bring the city’s industrial sector directly into the twenty-first century’.¹ He announces: ‘this is the future of our city’.² According to Anderson, today’s maker movement is the newest, third industrial revolution.³ Rifkin argues that ‘like every other economic revolution that preceded it, The Third Industrial [Revolution] will recast many of our assumptions about how the world works’.⁴ Thus what future and what city does the maker movement create? This book questions whether urban re-industrialization can be

² Ibid.
imagined as a progressive socio-political and economical project leading to an inclusive and democratic society based on cooperation and symbiosis. Many of the conference’s presentations offered examples of how to envision urban re-industrialization. In this short chapter, however, I argue that urban re-industrialization as part of a third industrial revolution is not a distant futuristic concept but a reality in the making. Driven by the maker movement, green energy, crowdsourcing and crowdfunding, the third industrial revolution comes along dressed in the flowing robes of collaboration, participation, democratized manufacturing and ‘distributed capitalism’. It iterates the promises of the ‘Creative City’. Yet unlike its predecessor, it showcases tangible, three-dimensional products instead of intangible soft location factors, crowd financing instead of public-private-partnerships. The Creative City 2.0 features applicability and dispersion. However, its practical and distributive appeal simultaneously allows for additional and more effective ways to hide its entrepreneurial and non-democratic nature. The Creative City characterizes a form and process of urbanization in which creativity stands at the forefront. However, more commonly it is seen as a set of policy and planning mechanisms that, once applied, result in a Creative City. According to Landry, the Creative City ‘describes a new method of strategic urban planning and examines how people can think, plan and act creatively in the city. It explores how we can make our cities more livable and vital by harnessing people’s imagination and talent’. Landry and Bianchini advocate for a more holistic understanding of crea-

8 Ibid.
9 Landry, The Creative City, xii.
tivity that also includes social and political reform in addition to artistic and technological innovation. In many ways, their ideas answer positively to the conference organizers’ question of imagining urban re-industrialization ‘beyond the current model of a neoliberal city’. In practice, however, the real ‘creativity’ of the Creative City model tends to be its ability to reframe and repackage an entrepreneurial model of urban governance and development geared towards attracting highly mobile capital and professional elites with environments to live and work in, as well as to consume and invest in, that are lively yet safe, diverse yet controlled, artistic yet profit-driven. While much of the past Creative City and Creative Class\textsuperscript{11} debates centered on individualized lifestyles, now comes a second generation of Creative City-making policies that focuses on shared production: the Creative City 2.0. Formerly lacking democratic participation, the Creative City 2.0 features ‘democracy’ and ‘participation’ in the form of crowdsourced and crowdfunded urbanism. Often called ‘Kickstarter urbanism’,\textsuperscript{12} in reference to one of the most prominent crowdfunding companies, Kickstarter, crowdfunding provides an effective appearance of collaborative decision-making. Overall, there are more than 450 crowdfunding platforms worldwide that supported over 100,000 projects in 2012.\textsuperscript{13} Kickstarter was founded in 2009 in New York City and soon became the ‘world’s largest funding platform for creative projects’ with more than 4.4 million people having funded over 44,000 creative projects with more than US$685 million. The company provides an online fundraising platform that simultaneously functions as a marketing as well as opinion-polling tool. It is often praised by members of the maker community as a ‘game


changer’ for the development of prototypes and first manufacturing runs of design products. Yet, the Kickstarter versus National Endowment for the Arts (NEA) debate illustrates the company’s success is not without perils and criticism. As I have pointed out elsewhere, arts and cultural funding in the United States is much more diverse and dispersed, and characterized by much lesser relative government support compared to many European countries. Hence, the possibility of Kickstarter funding being equal to or surpassing the NEA not only shows the strength of the former but also the weakness of the latter. The main issue, however, is not numbers but the idea that companies like Kickstarter represent a ‘people’s N.E.A.’

Crowdfunding as currently practiced is not democratic. It creates an illusion of democracy. Kickstarter staff review all submitted projects favoring ‘creators who think through the rewards for backers, get the word out and engage an audience. In other words, the process doesn’t shape the aesthetic. It is the aesthetic’. Curatorial emphasis is not on the final product but on how well its creators will market and sell their fundraising campaign.

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14 Anderson, *Makers*.
15 The NEA is the US government’s federal arts and cultural funding body.
19 Ibid.
This is most problematic for urban and neighborhood development projects. As Lange writes, with Kickstarter urban development loses out to industrial design:

You wouldn’t Kickstart a replacement bus line for Brooklyn, but you might Kickstart an app to tell you when the bus on another, less convenient line might come. You can’t Kickstart affordable housing, but the really cool tent for the discussion thereof. […] [W]orthy goals have to be dressed up in complex geometries for Kickstarter. […] [However, t]he park is going to require a lot more doing than $5 and ‘Great idea!’

Many urban development projects are not only more expensive than the production of a music album or a new video game; they also require a much larger timeframe from the initial idea to completion. They are place-specific and fixed, and hence much more dependent on local support and less able to generate the broad, worldwide support needed for large capital projects. Moreover, successfully securing funding does not automatically mean that projects will pass local zoning regulations and permits. Once a project is approved and on-site development starts, ‘what happens when the project runs over budget, as many capital projects do? Are donors obligated to chip in for overages?’

Once it is completed, ‘who is responsible for it? Who bears responsibility in 60 years? Whereas consumer products can be recycled or discarded, it’s not as simple to do the same with pieces of the city’.

Companies like Kickstarter do not own the final products that are fundraised for on their websites, nor do the funders. Kickstarter collects a 5% fee on successfully funded projects. Supporters receive numerous gifts depending on how much money they pledge. Now Fundrise, a new urban development project…

20 Lange, ‘Against Kickstarter Urbanism’.
22 Boyer and Hill, Brickstarter, 27.
company, is setting an example to change that system so that the funding crowds can become real estate investors and collect returns. Aiming to reform urban financing, Fundrise’s founders believe they have found a way that is ‘really potentially a radical transformation of urban planning, of development, of investment, of local government’. The company utilizes Regulation A of the US Securities and Exchange Commission that permits small offerings to unaccredited investors, as well as the April 2012 Jumpstart Our Business Startups (JOBS) Act that eases various securities regulations. Fundrise has received much attention within the past few months, including a presentation in front of the US House subcommittee on finance innovation in June 2013, and is hailed by supporters as a way to democratize finance and ‘remak[e] the very places where we live’.

Yet the praise for democratization is treacherous. Surely, companies like Kickstarter and Fundrise enable project financing that moves beyond the wealthy patron and foreign real estate investor, respectively. They provide opportunities for more people to finance interesting projects. But more is not everybody, equally, democratically. Kickstarter’s focus on selling ideas and designing enticing marketing campaigns makes humble yet realizable neighborhood development projects bid—and often lose—against pretentious yet less attainable ideas. Fundrise’s projects are not about investing in basic services in disadvan-

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24 Ibid.
25 For instance, Lange provides examples of two urban development projects in the very same neighborhood: the LowLine, a 1.5 acre abandoned trolley terminal to be turned into an underground park, and the effort to fund a new Ping-Pong table for an existing (aboveground) neighborhood park. The first raised US$155,000, while the latter failed to secure the US$4,200 needed. Yet, the Ping-Pong table could have been set up and useable in relatively short time; the LowLine Kickstarter financed none but a test of the skylights that would filter the daylight underground. ‘The consumable dream was years and bureaucracies away’: Lange, ‘Against Kickstarter Urbanism’.
taged neighborhoods, and the renderings and promotion videos of their H Street, Washington, DC projects feature white, young professionals and advertise the street’s ‘thriving social scene’. Overall, the current most prominent crowdfunding models operate on a form of participation that is nothing more than diffused monetary investments.

The third industrial revolution is, according to Rifkin, characterized by democratized manufacturing and distributed capitalism. It is a revolution driven by urbanized making. Yet, urban re-industrialization, unlike its predecessor, cannot have a foundation of heavy machinery and gigantic factories employing hundreds of workers making thousands of products. Instead, technologies like 3D printing could theoretically enable everybody to host their very own ‘factory’ on their bedside table and produce ‘one of a kind’ creations. Beyond the individual, the maker revolution could feature crowdsourcing and crowdfunding. Yet, this type of play with ‘distributed capitalism’ never questions the principles of capitalism. Crowdfunded urban development projects feature a further spectacularization and monetization of neighborhood development. Contemporary urban re-industrialization in this form is neither a progressive socio-political and economical project, nor does it lead to an inclusive and democratic society based on cooperation and symbiosis. The Creative City 2.0 as envisaged in this construct is a profit-generating machine dressed up in the noble concepts of democracy and participation.

26 See https://fundrise.com/investments.
27 Rifkin, ‘The Third Industrial Revolution’.
28 Anderson, Makers.
29 Rifkin, ‘The Third Industrial Revolution’.