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Development of Crowdfunding in Poland from the Perspectives of Law and Economics

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Abstract

The paper presents the phenomenon of crowdfunding - one of the newest proposals in the field of financing of production of cultural works. Crowdfunding can be defined as “an open call, mostly through the Internet, for the provision of financial resources either in form of donation, or in exchange for some form of reward and/or voting rights” (Belleflamme et al., 2011, p. 7-8). While being quite revolutionary alternative to traditional publishers, record labels and other cultural producers, crowdfunding poses several interesting questions which can be answered from the perspectives of law and economics.

Taking economic justification of intellectual property law as a starting point of the analysis, this paper attempts to show potential advantages and drawbacks of crowdfunding. Since crowdfunding shifts risk of financing production of cultural goods from publisher to consumer, attention is paid to identify possible consequences of these changes. Theoretical analysis is illustrated with empirical data gathered during research on the Polish crowdfunding service – MegaTotal.pl. Apart from that the paper analyses Polish legislation which slows down the development of crowdfunding platforms in Poland.

Citations:

Belleflamme, Paul, Lambert, Thomas and Schwienbacher, Armin, Crowdfunding: Tapping the Right Crowd (May 1, 2011). International Conference of the French Finance Association (AFFI), May 11-13, 2011. Available at SSRN: <http://ssrn.com/abstract=1836873>

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