

# WAR ON NGOS IN EASTERN EUROPE

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- *Coalition building* •  
*as a possible answer*

## ABSTRACT

*Eastern Europe recently came to the interest of the global human rights community when Hungary introduced a Russia-style foreign agent regulation. The regulation however, is not a standalone act, but part of a wider process of silencing independent voices, especially independent human rights, anti-corruption and democratic organisations. The trend is spreading within the European Union, with Poland following in the footsteps of the Hungarian government. After discussing the characteristics of Eastern European civil society, the article describes coalition building as one form of countering the closing civic space phenomenon. The author builds on her own experience and focuses on two dilemmas that emerged during the coalition building in Hungary: goal-setting and participation.*

## KEYWORDS

Civil society | Coalitions | Eastern Europe | Hungary | Visegrad Four

## 1 • Introduction

“Really? That is a surprise for me.” This is one of the usual reactions by people, even from the global human rights movement, when I tell them about the illiberal state flourishing in the heart of Europe. Eastern European countries, like Poland and Hungary, are members of the European Union (EU) and are thus considered solid democracies. Countries where there are regular, free and fair elections without violent clashes. States that generally respect human rights and maintain institutions to protect them. Places where alternative voices can be heard and criticism of government policies are mostly dealt with on the substance. This picture is increasingly false. Even though the changes are mostly legislative and the attacks legal, a war is starting on dissent in Eastern Europe.

In this article, I will discuss the way in which the global phenomenon of shrinking space for civil society plays out in Eastern Europe. In order to explain why the increasingly hostile government policies towards civil society can be successful, I will explain some of the main characteristics of Eastern European civil society. The understanding of these characteristics is also important to understand why coalition building in Hungary is a possible response to the phenomenon. Finally, the article will consider the main challenges of coalition building and the lessons learnt.

## 2 • What is happening in Eastern Europe?

Hungary adopted a Russian-style foreign agent non-governmental organisation (NGO) law in June 2017.<sup>1</sup> This piece of news has probably reached most in the human rights community; however, this legislation is only one and not the most important episode of the Eastern European NGO crackdown story.

Eastern Europe is a diverse region with smaller and economically less well-off countries and a turbulent history. Despite similarities, there are many factors that divide these countries. Some have already joined the EU, some were at war with each other only 20 years ago. Because of all the differences, I will focus on the so-called Visegrad Four countries, Poland, Slovakia, Czech Republic and Hungary. Although these four countries experienced communist rule for forty years, civil society started to re-emerge well before the authoritarian regimes collapsed. Furthermore, civil society organisations (CSOs) and trade unions played an important role in changing the system. In Hungary, the current prime minister, Viktor Orban, was part of that process and is therefore aware of the power of active citizenship. All four of the countries joined the EU in 2004, thus making the following events relevant for the whole EU.

In Hungary, the story started in August 2013 with the governing party’s spokesperson alleging that leading Hungarian NGOs “are kept for millions of dollars” by the billionaire George Soros and that they are serving foreign interests when “in exchange for the

American money” they are “attacking the Hungarian government”.<sup>2</sup> In the past four years, this rhetoric has changed very little: independent CSOs are regularly portrayed as being unpatriotic, working against the interests of Hungary and Hungarians, receiving payments for attacking Hungary. According to government rhetoric, the interests of the country and its citizens are casually blurred together with the interests of the government. Thus, organisations criticising the anti-democratic measures of the government are labelled as unpatriotic. This rhetoric is easily spread since the majority of the media outlets have become government-friendly. The governing party and its close business allies have taken control over the public media, the second largest commercial TV channel and most of regional newspapers. They founded or have bought weekly magazines, online and daily newspapers. While there are still some media outlets independent from the government, many media outlets have simply become the mouthpieces of the government.<sup>3</sup>

When the migration crisis in Europe started, the rhetoric extended to allege that organisations receiving funding from the Open Society Foundations are participating in the so-called “Soros plan”. The main goal of the alleged plan is to resettle at least one million immigrants in Europe.<sup>4</sup> According to Tárki research institute, the level of xenophobia reached record height in Hungary in 2016. Furthermore, Zavech Research found that Roma are no longer the most rejected minority in Hungary, but Arabs are.<sup>5</sup> Consequently, the allegations about CSOs participating in the “plan to resettle one million immigrants” in Europe resonate well with a significant portion of society. The Hungarian government is not the only one in the region engaging in an anti-Soros campaign<sup>6</sup> and taking strong stance against immigration. In Romania, for instance, anti-corruption protesters were also labelled as being George Soros’s paid protesters. The current government of Poland also shares anti-immigrant sentiments, which has shifted the formerly positive attitudes of Poles towards immigration.<sup>7</sup>

Besides this kind of rhetoric, other measures affecting the independence of civil society can be seen across the region. Restricting access to independent funding for CSOs is one of the recurring themes of the shrinking civic space phenomenon. Both governments in Poland and Hungary are attempting to take control over funding for CSOs. First, Hungary has changed the way in which public funds are administered to NGOs, granting control to the highly-politicised National Cooperation Fund.<sup>8</sup> As a result of this move, organisations working on women’s rights and other human rights issues have reported losing core funding.<sup>9</sup> According to my own discussion with civil society actors, these funds were primarily used for providing free legal aid. In October 2017 Poland established a National Freedom Institute, which took over the responsibility for administering EU cohesion funds and national funds for NGOs.<sup>10</sup> The body’s president, who enjoys broad discretion over how funds are distributed, is appointed by a member of the government. Such moves enable the government to provide funding only to organisations that are more loyal to the government than to their cause, thereby shrinking the space for independent, dissenting voices.

Both governments expressly aim to gain control of the distribution of the Norwegian NGO Fund grants,<sup>11</sup> which are essential for civil society in Hungary and Poland. These funds

are distributed by a consortium of NGOs without governmental oversight. The first-time Hungary made the headlines in relation to the crackdown on NGOs was in 2014 when the government<sup>12</sup> launched a series of Governmental Control Office (GCO) audits against the distributors of the Norwegian NGO Fund and its grantees. The audits were widely criticised for the GCO's lack of jurisdiction. Also in 2014, government officials targeted many NGOs in the media, alleging that they had misused funding. On one occasion two of the distributor organisations' offices were raided and all of the four distributor organisations' tax numbers were temporarily suspended.<sup>13</sup> The investigations did not uncover any misconduct requiring further audits or investigations. Both governments would like to assert veto power over which organisations distribute the Norwegian NGO Fund and are consequently at breaking point with the Norwegian government.

Meanwhile, anti-terrorism and anti-money laundering regulations in Poland and in Slovakia are effectively making it difficult for NGOs to receive funding.<sup>14</sup> The Hungarian government has also cited arguments about anti-money laundering when it introduced the Act on the Transparency of Organisations Receiving Foreign Funds (the so called "anti-NGO Law"). The Act is described by CSOs<sup>15</sup> as being the carbon copy of the infamous Russian foreign agent law prescribing that organisations which receive foreign funding above a certain threshold must register themselves as foreign funded organisations and display the label on their publications. Organisations failing to fulfil the requirements can be sanctioned, including with dissolution. The European Commission launched an infringement procedure because the Act breaches EU law.<sup>16</sup>

Thankfully, organisations in Poland and Slovakia have not yet reported physical attacks on their staff or volunteers. However, there have been reports<sup>17</sup> in both countries about NGOs believing that they are the subject of electronic surveillance by national authorities. Furthermore, Polish women's rights organisations offices were raided<sup>18</sup> and we are aware that Hungarian CSOs received very extensive freedom of information requests by a pro-government journalist. All this shows that life for CSOs in these countries is becoming increasingly more complex.

### 3 • What are the main characteristics of civil society in Eastern Europe?<sup>19</sup>

Aside from the current legal developments in Eastern Europe, the characteristics of civil society must be considered in order to understand what strategies can be taken to fight back. Even though Eastern European countries are members of the EU, their democracies are relatively young. Little more than twenty-five years ago, until the end of the communist rule, participation in public affairs and exercising freedom of expression was seen by governments as undesired meddling in public affairs. Those who engaged in such activities could expect surveillance, questioning and even arrest. Thus, public participation was not seen as an inherent part of its citizens' lives. The heritage of this era is still represented in

the attitudes towards active citizenship and involvement in public affairs. There is also a generally low level of trust in institutions. According to data from 2008, the trust in state institutions and large corporations is low compared to Western European countries. National governments in the region are often deemed corrupt and authoritarian. However, this is not seen as something to change, but rather as something to accept. These attitudes play an important role in explaining the efficacy of the narrative about NGO workers simply carrying out the plan of their “procurer” for significant salaries.

Besides trust, it is a characteristic of Eastern European societies that there is a lower level of participation in civil society than in Western countries. An average of 40.5 per cent of the population reported in 2008<sup>20</sup> that they are members of a CSO and 23.5 per cent said that they carry out volunteer work. These numbers are lower in Hungary and Poland and higher in Slovakia and the Czech Republic. The most common activities carried out by CSOs are education, sport and social services. These activities are related to service provision, which requires strong cooperation with state institutions. They provide direct assistance to citizens and often receive some sort of state funds in exchange. Such organisations are rarely engaged in advocacy activities or narratives about the need to change the establishment. This results in citizens having little knowledge about civil society and that knowledge being mostly related to this one type of organisation. Consequently, the goals and the contributions of other types of NGOs such as watchdog or environmental advocacy organisations, are less familiar to them.

After accession to the EU, state funding gained increased importance for civil society in the Visegrad Four countries, which has proved problematic. This is because the availability of international funding for CSOs (including from the EU itself) tends to reduce once a state accedes to the Union, with the belief that less funding is needed to promote human rights and democracy once it is a member state.<sup>21</sup> With self-sustaining models being weak, many organisations were and are dependent on state funding. This is concerning when in both in Hungary and Poland there is a trend of decreasing public funding and increasing government control over EU funding.<sup>22</sup> In 2010 in Hungary, 43 per cent of available funding for CSOs was public funding. By 2014 this had reduced to only 10 per cent. Dependence on state funding and the increasing state control over EU funding therefore makes organisations vulnerable to political influence. It should be noted however, that there appears to be a slow but steady increase in donations by local individuals and corporations. This claim is supported by my own observations. Despite this new trend, relatively few organisations are capable of maintaining permanent staff as well as project staff influencing their ability to engage with longer term projects such as coalition building.

#### 4 • A possible response from Hungary: coalition forming

As set out above, CSOs in Hungary are facing the crackdown on civic space with limited resources and limited public support. However, two recent attempts at coordination among

a number of Hungarian CSOs provide rich lessons in how to respond to this situation. The final part of this article will examine these lessons, which are relevant to readers who might be considering building a coalition in other contexts.

#### 4.1 - Coalition 1.0 and coalition 2.0

Before 2014, cooperation between CSOs in Hungary was mostly sectorial: human rights organisations acting together on human rights issues, green organisations on environmental issues and so on. However, when the audits of CSOs were launched in 2014, CSOs started to organise across sectors for the first time. After the first few meetings, during the summer of 2014, some Budapest-based organisations with paid staff and a significant track record, brought together a coalition of similar organisations. This became known as civil coalition 1.0, with meetings taking place until the summer of 2015. However, the audits ended during the fall of 2014 and it seemed that CSOs were no longer being targeted. Therefore, by the time the organisations started to meet regularly and had agreed on a plan of action, the urgency was gone. Eventually, the meetings stopped and the coalition disintegrated. However, when more legislative changes for CSOs became apparent in 2017, coalition 2.0 started to formulate. This civil coalition 2.0 has built on the experience of coalition 1.0 and is currently holding regular meetings. Both coalitions grappled with two dilemmas, which, through our experience, can be identified as key to ensuring a successful coalition: goal-setting and participation.

#### 4.2 - Goal setting

Coalition 1.0 struggled with setting its goals since once the audits had happened, there was no longer an urgent crackdown to address. The coalition started to engage in an inward-looking, organisational development process, the necessity of which was acknowledged, yet few organisations had the spare capacity to engage in a long-term process. Another difficulty was that without events and actions, the work associated with the coalition brought few rewards. The lack of common actions also hindered the organisational development process as there was no shared experience based on which values and organisational structures could have been built. The organisational development process was neither a motivating enough goal, nor did we share similar enough language and experience. This lack of a concrete goal was a huge explanation in why the first coalition disintegrated. Consequently, conscious of this important element in coalition building, goal-setting has been on the agenda since the inception of Coalition 2.0.

However, the issue of goal setting remains contentious. For some members of Coalition 2.0, the only issue we had the mandate to address together was the crackdown on CSOs, specifically the proposed law on foreign funding. Meanwhile, other members of the coalition wanted to use this opportunity to address the underlying problems that had led to the government's actions, i.e. our lack of connection with local communities. Despite the debates, it was key that we had a concrete and pressing overarching goal: preventing

the adoption of the law. Even though the law was eventually adopted in June 2017, the legislative process provided the opportunity for organising many actions together. These were important in binding the coalition together. The coalition issued two statements joined by approximately 300 organisations, organised a mass demonstration with about twelve thousand participants, silently occupied a parliamentary committee meeting and also organised a number of smaller street actions.<sup>23</sup> During the intensive first seven months of 2017, organisations met regularly and formulated mutual strategies. This deliberation was a unique experience as the various civil society groups previously had limited contact with each other. During this process, we learnt about other organisations' strategies, tactics and their reasoning and we started to develop a shared language. After the law was adopted, the coalition decided only to work on issues related to shrinking civic space, and to serve as a hub where groups can share their ideas and plan projects together to respond to the phenomenon.

### 4.3 - Participation

The experience of Coalition 1.0 and 2.0 has shown that participation is the other key issue that explains why a coalition is successful or not. For a coalition to work it must be seen as a legitimate representative of civil society and the wider the coalition is, the more citizens can be mobilised. Consequently, the member organisations of both coalitions were concerned from the outset that they could be criticised for only representing a small fraction of like-minded organisations. One element of the participation dilemma is whether organisations are in the position to fully participate and whether their voices will be sufficiently heard. Similarly, coalition membership is a resource-intensive task, as one has to attend meetings, follow the flow of information and answer to the initiatives on the mailing lists, which requires making decisions quickly. While, most highly professionalised organisations can manage these demands, this can be more complicated for smaller organisations. Achieving balanced geographical representation within the coalition is also important. Most of the participating organisations are based in the capital and are aware of the importance of including groups outside of the capital. While coalition 1.0 was operational attending meetings was the only way to participate in the work of coalition and take part in actions. As these were held in Budapest on a weekly and then bi-weekly basis, this coalition provided no tangible way of participation for organisations lacking the capacity or being based outside of the capital.

These difficulties have not been completely resolved, however Coalition 2.0 addressed the issues by offering two-tier participation. The groups based in the capital and with bigger capacity meet weekly to form activities and define goals – this is the strategic committee, comprised of approximately 25 organisations. These organisations are all engaged in actively recruiting smaller organisations to sign joint statements and attend actions. Once these smaller organisations join, they are constantly informed electronically about the process and next activities. Consequently, the first and second statements by Coalition 2.0 were signed by over 230, and over 180 organisations respectively. The mass demonstration was

supported by 100 CSOs. Furthermore, this format enabled 25 organisations with different backgrounds to file a joint complaint to the Constitutional Court demonstrating that the crackdown is a sector-wide concern. The coalition continues to address the participation dilemma and plans civil society meetings in five bigger cities across the country and adopting a process which would allow more organisations to join the strategic committee.

## 5 • Conclusion

This article has shown that the restrictions being placed on civic space in Eastern Europe clearly demand a response. The coalition building that CSOs in Hungary have undertaken is a concrete example of a strategy that has been implemented by activists. Three main lessons can be drawn from our successes and failures, for others to remember when attempting to do the same. Firstly, the strengths and the weaknesses of civil society will be replicated in a coalition building process. Cooperation is key to find and test solutions, including involving and listening to a broad range of groups. Although organisations with bigger capacity are in the power position, they must be aware of their privilege when setting the agenda and organisational rules. Secondly, coalitions work better when there is an urgency, more precisely a pressing external goal. Finally, due to the need for shared experience in formulating values and operational methods, it is critical that an action-oriented approach is taken with shared activities undertaken by members of the coalition.

## NOTES

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