Civil Society in Central Europe: Threats and Ways Forward

Nataliya Novakova

ReThink.CEE Fellowship
Summary

In recent years, the sustainability of nongovernmental organizations (NGOs) in Central Europe has been negatively affected by a number of factors. One is the decrease of funding and the overly complex rules for access to the majority of the available streams. Another possibly more impactful challenge is the rise of populist governments that question democratic pluralism and persecute NGOs whose opinions do not correspond with the views of mainstream politicians.

These governments are attempting to constrain the operation of civil society, defining which activities are acceptable and which are not. This is done in several ways: through media campaigns and legal regulations denying NGOs the right to work on particular topics such as migration or reproductive health; through cutting off funding for types of NGO work that do not fit government policy; through conducting checks and raids on offices of NGOs that are perceived as disloyal; or simply by supporting organisations that do not challenge the policies of the government and/or have corrupt links with decisionmakers.

As a result of these challenges, many NGOs were forced to discontinue their operations or to close down previously important field of work. However, after the initial shock, NGOs started adjusting and regrouping, introducing innovative approaches to their work and reconsidering their operational models. Many of the vulnerabilities of NGOs derive from their alienation from wider social groups and from operating in silos. It often happened that many groups pursued their advocacy agendas developing stronger ties with diplomats and international organizations, rather than with the own society, which made it easier for their critics to challenge the reason d’être of the NGOs. The responses NGOs have come up with are centred on professional communication and outreach to explain their work to wider audiences in their countries; building stronger ties with their constituencies through volunteering, donations, and other forms of engagement; and developing horizontal solidarity networks inside the NGO community to maximize available resources through coordinated activity.

These new approaches are still far from mainstream. Many organizations in the region are so constrained in their resources that they hardly have the capacity to innovate. Many are proficient in donor relations, but do not know how to build relations with wide sections of society, be it for raising funds or for engaging in the common work to reach particular social goals. For successful transformation, NGOs need strong leadership and resources including human capital and some financial reserves.

The donor community can support NGOs’ transition to new models of operation by providing resources and assistance to help them build up knowledge. The governments of EU countries should also contribute to the enforcement of the rule of law and democratic principles in the countries of Central Europe, which will create a more conducive environment for NGO activity.
**Introduction**

Recent political events in Central Europe have changed the environment for civil society. Several governments have become increasingly hostile toward independent voices and critics, and they have launched policies favoring particular segments of civil society and alienating others. This is being done through public outreach, including defamation campaigns, politicizing civic activity by labelling certain issues as an exclusive responsibility of the government, and altering funding mechanisms to limit access to resources for groups that oppose government narratives.

This paper looks at the strategies non-governmental organizations (NGOs) employ to respond to this kind of hostile environment and to strengthen their sustainability. Those strategies include strengthened communications and outreach to wider groups in society, building ties with different constituencies through crowdfunding and engaging volunteers and supporters, social entrepreneurship, coalition building, and greater transparency. The paper also reviews donor policies for supporting civil society in the region, examining which practices can facilitate and further strengthen the ongoing transformation of NGOs.

The new approaches of NGOs are progressive and will in the long term increase the sustainability of civil society, root them better in their communities, and render them more independent of external actors. Donors and funders can contribute to this transformation by helping NGOs build the competencies they need to apply new strategies and by changing funding schemes to provide resources to kick-start new, more sustainable models of NGO functioning.

**Obstacles to Civil Society Sustainability**

Civil society is a broad term that is often defined negatively—that is, as all movements, activists, organizations, informal groups, and the likes that do not represent the private or public sectors. Civil society has been a focus of interest of social thinkers including Adam Smith, Georg Hegel, Karl Marx, and Antonio Gramsci, who looked into the role informal social groups play in shaping values and political opinions. Jurgen Habermas included informal groups in public spaces like coffee-house discussion circles in civil society, emphasizing the communicative role played by such entities. Jean Cohen and Andrew Arato defined civil society as a sphere of interaction between the economy and the state, which includes ties on the level of families, associations and social movements, emphasizing the role of civil society in the development of democracy. Especially from the point of view of theorists of participatory democracy, civil society is important as a community of active citizens who control government through action, provision of public opinion, and debate on important social matters. Civil society groups may have any kind of political affiliation and values from the right wing to the center to the left; unlike political parties, however, it does not take part in the direct contest for political power. Often organizations, associations, and groups working not for profit to address a particular social issue are called NGOs. This paper primarily focuses on such groups in Central Europe, leaving outside of its scope the family level of civil society as well as non-formalized groups or movements.

The sustainability of civil society depends on a complex range of factors. The authors of the Civil Society Organization Sustainability Index point to operational capacity (including advocacy, communication, and project implementation) and to the external environment as the main components of sustainability.\(^1\) The International NGO Training and Research Center provides a longer list of components upon which sustainability depends, including legitimacy, resourcing, leadership, mission and values, space, and context.\(^2\)

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1. FHI 360, *2019 Civil Society Organization Sustainability Index For Central And Eastern Europe and Asia*, September 2019

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In Central Europe, the environment for civil society—particularly liberal-oriented organizations—has substantially changed during the last decade, influencing the overall sustainability of NGOs. In this period, civil society survived two external shocks that seriously impacted its sustainability. The first was related to the accession of the countries of the region to the European Union and went almost unnoticed beyond narrow professional circles. Accession brought about a drastic change in the funding landscape for NGOs. In the 1990s, the growth of civil society in the region was facilitated by generous international development assistance from the United States and the EU as well as from private international philanthropic institutions. After EU enlargement, these funding streams changed drastically with development assistance being phased out and most of the private foundations scaling back their support.

**During the last decade, civil society survived two external shocks that seriously impacted its sustainability.**

The role of the EU as funder also changed. The support it provides to civil society in the region has been depoliticized. This means that funds were available for service provision (such as in social work and healthcare), but not for activities that could be considered political. This had most direct implications for human-rights NGOs. For instance, the Polish Helsinki Committee had to phase out its human-rights education activities because of a lack of funding. In Bulgaria, many human-rights groups providing services in the country’s different regions had to discontinue their work. According to one study, the crisis related to EU accession has been the strongest in Romania and Bulgaria, where many COSs closed down.3

The second external shock to the sustainability of Central Europe’s NGOs was the rise of populist and right-wing governments as well as the proliferation of corruption in the region. The changing political landscape in several countries has had multiple adverse effects. In many countries, governments launched attacks on civil society to silence critical voices coming from NGOs, especially on issues the two sides were ideologically divided. These governments launched attempts to constrain the operation of civil society in several ways, defining which activities are acceptable and which are not. This was done in several ways:

**Media campaigns and defamation.** Public attacks on NGOs are mostly carried out by populist governments in an attempt to delegitimize critical voices. In almost all countries of the region, the migration crisis was one of the major events during which NGOs seemed to be in the epicenter of criticism, as they were protecting humanitarian and human rights while governments chose to spread fear and push migrants out. Another widespread motive behind anti-NGO campaigns is the allegation that they represent foreign donors and thus are acting against the interest of local people. This narrative is most developed in Hungary where NGOs were accused of acting in the service of mysterious and malicious external forces, most often the American billionaire and philanthropist George Soros. In Czechia, NGOs were depicted as burdens on the state budget and squandering public money. In Romania, much as in Hungary, NGOs were portrayed as predators serving foreign interests while in Bulgaria they came under the heaviest attack in relation to the ratification of the Istanbul convention on preventing and combating violence against women and domestic violence and accused of conspiring against “traditional values” and promoting “gender ideology.”

**Legal regulations denying NGOs the right to work on particular topics.** To date this tactic has only been used in Hungary, where the government introduced legislation effectively criminalizing the provision of legal aid to asylum seekers and migrants, and restricting the work NGOs can do on migration.4 Moreover, an additional tax was introduced for NGOs

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3 ERSTE Stiftung Studies, *Civil Society in Central and Eastern Europe: Challenges and Opportunities*, 2017

that receive foreign funding to work on topics considered undesirable by the government. To date these legal norms have not been enforced and they are being challenged in the European Court of Justice. However, they have played a role in deterring civil society from acting and diverted NGOs’ resources away from their program activities to defending themselves and finding a way of operating in the new reality.

Controlling which kind of projects and activities receive government funding. For instance, in Hungary, in the majority of cases NGOs are only eligible to take part in bids for funding in partnership with local governments, churches, or state institutions, which effectively puts them in a dependent position and excludes those that oppose the government. In July 2019, Prime Minister Viktor Orbán stated that money from the EU budget should not support NGOs “which are acting against the will of the majority,” meaning that support should not be provided to NGOs that oppose the policy of his government. A similar approach is taken by the government of Poland. For instance, the National Fund for Environmental Protection requires that, as a precondition for an award, applicants must submit a positive recommendation from the Ministry of Environment and Chief Inspector of Environmental Protection, which puts NGOs in a dependent position and cuts off disloyal ones.

Checks and raids on offices of NGOs that are perceived as disloyal. In Poland in 2017 a number of human-rights NGOs reported repeated checks by various government authorities of their offices and operations, as well as surveillance of their employees. In Hungary NGOs have also reported surveillance. For instance, the Eötvös Károly Policy Institute reported in June 2016 that had been found in its offices an electronic device attached to telephone and internet cables, and suitable for data transmission. In 2016 members of parliament also requested checks on NGOs by the National Security Committee and the security services. In the case of Ökotárs Foundation, which was administering a fund for Hungarian NGOs, not only audits were carried out, but a raid on the offices also took place and criminal proceedings were launched. The government lost the case in the court but the damage to the foundation was done.

Deregistration of NGOs or threats thereof. For instance, in 2019 in Bulgaria, a right-wing party in the governing coalition asked the prosecutor general to cancel the registration of the Bulgarian Helsinki Committee for alleged interference in the work of the judiciary. The “interference” consisted of providing training courses for judges on human-rights issues and the committee’s work with the European Court of Justice. The real reason for the request, according to the committee’s executive director, was in the fact that the work of the organization, especially on the rights of minorities, did not correspond to the party’s vision of Bulgaria.

Supporting NGOs that do not challenge government policies and/or have corrupt links with decision-makers. This can be observed in Hungary and Poland as a part of state policy, but the threat of a distinction being drawn between political and apolitical NGOs is present in other countries of the region as well. For instance, in Czechia Lubomir Volny, from the far-right Freedom and Direct Democracy Party, which has 20 seats in parliament, has said: “We differentiate between publicly beneficial NGOs engaged in supporting sporting activities, culture, helping seniors and such, and NGOs with a political agenda.” In many countries (such as Hungary, Czechia, and Poland) state investment in civil society is growing from year to year. However, in Poland most public funding is distributed to NGOs promoting values aligned with government policy or affiliated

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5 Miniszterelnok.hu, Prime Minister Viktor Orbán on the Kossuth Radio Program “Good Morning Hungary,” July 12, 2019.
6 FHI 360, 2019 Civil Society Organization Sustainability Index For Central And Eastern Europe and Asia, September 2019.
7 CSP, Polish authorities reduce the space for the activities of NGOs including human rights organizations in the country, April 24, 2018.
8 Hungarian Civil Liberties Union, Timeline of Governmental attacks against Hungarian NGO Sphere, February 22, 2017.
9 Interview with Krassimir Kanev, December 17, 2019.
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with the Catholic Church. The groups supported include those campaigning against abortion and lesbian, gay, bisexual, transgender, and questioning (LGBTQ) rights and on radical right-wing issues. In Hungary, the government simply channels funds to organizations providing social services that are loyal and apolitical. In Bulgaria, even the small volume of public funds allocated to NGOs often ends up in the hands of people connected to the government. 11

These processes affect NGOs in multiple ways. Veronica Mora, director of the Ókotárs Foundation, says that in the case of Hungary the biggest consequence is a chilling effect: “Many organizations, especially in the countryside, are now afraid to speak up, afraid to make themselves heard, fearing repercussions and repressions from local powers.” 12 In defending values attacked by populist governments, NGOs unwillingly enter the political area and often become associated with the political opposition. After the local elections in Hungary in 2019, which were overwhelmingly won by the opposition, newly formed local councils made moves toward reversing the policies of the central government. Several municipalities, including that of Budapest, held meetings with NGOs and issued statements of support, promising protection and constructive cooperation. But this step, though welcome, creates a strong link between civil society and opposition politicians. Nevertheless, such politicization of NGOs might be inevitable in societies undergoing deep internal conflicts. As Benjamin Roll from the Czech civic movement Million Moments for Democracy states: “The only solution to our problems will be a political one in the future years to come.” 13 As a civic movement, the organization is not going to participate in the election, but it formulates its current goal as making sure that traditional democratic parties win in the next parliamentary elections, scheduled for 2021.

How NGOs Are Adapting

A turbulent political environment and the challenges mentioned above have forced civil society to face existential questions. Amid sharpened political debate and faced with allegations about their probity, NGOs have needed to prove their value to broader society and create stronger channels for communication with their constituencies. The response of civil society has been far from uniform. Many established organizations with decades of history behind them were not yet ready for radical changes in their ways of working. However, it seems that many groups in the region have started experimenting with new approaches. Broadly, their approaches are characterized by three common features:

- Professional and proactive communication strategies
- New relations with constituencies based on engaging them in NGO activities, transparent reporting, and soliciting direct financial support; and
- Recognition of the value of collective action.

New Communications Models

Civil society first reacted to attacks from governments by attempting to explain and defend themselves. In Poland and Czechia, similar communications campaigns were rolled out aiming at informing society about NGOs’ valuable work and the positive changes they were bringing about. In Poland, the campaign had an additional objective: to unite and show solidarity with embattled NGOs in different regions of the country. Under the slogan “Social organizations. It works.,” a campaign was launched involving publishing texts and videos on social media united under the hashtag #todziala. The campaign materials featured NGO projects and their positive outcomes for a particular group of beneficiaries or for society as a whole. The videos seemed to be most popular on

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Facebook, where each post garnered tens of thousands of views. A similar campaign was implemented in Czechia: “Strengthening Czechia/Posilujeme Česko.” This produced a series of quite popular videos, each of which have had more than 1,000 views on YouTube with some viewed as many as 20,000 times.

But there is not enough data to evaluate the effectiveness of such campaigns. Numbers of views (even if they are larger than the average number of responses to NGO social-media posts) do not allow a conclusion on how people were affected by a video, whether their views changed, or whether they will remember the NGO featured. However, such joint campaigns helped raise the spirits of embattled NGOs and became an important step in building solidarity within civil society, and they facilitated the creation of channels for joint actions.

More visible results were reached when NGOs started applying modern communication techniques to their day-to-day work. The change comes with the understanding that communication is not something that can be done on the side by an intern or a team member who does not have the relevant background. It needs serious investment. Many of the NGOs interviewed for this paper attributed their communication successes to investments in human resources (they hired managers with a background in professional, often for-profit public relations) and/or in the serious redesign of communication strategies. As Nikoleta Gabrovksa, the executive director of the Single Step Foundation in Bulgaria puts it,

NGOs start to realize that they need to communicate better and not only toward their target group, but toward the society at large and it is getting better. NGOs will need to reinvent the formats in which they are presenting work to people and in which they are gathering people because these boring seminars and conferences will not work.14

Prompted by different circumstances, the most efficient communications efforts seem to have had one thing in common: NGOs left their professional silos and started collaborating with influencers, media figures, bloggers, and television stars.

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In one notable example, thanks to engagement by popular singers and the amplification of campaign messages by all the liberal civil society groups, in 2018 in Romania a referendum on the definition of the family in the constitution, which threatened to block further progress in acknowledging the rights of diverse families and partnerships in the country, unexpectedly turned out to be an overwhelming victory for liberal civil society. The referendum was initiated by the group of conservative NGOs Coaliția pentru Familie (Coalition for Family) and backed by the influential Orthodox Church. Thus, expectations were strong that the population would vote for the changes to the constitution. However, when only 21 percent of the population turned up to cast their votes, the government had to announce that the referendum had failed, since it had missed the 30 percent turnout threshold below which referendums are invalid. This unexpected result can be attributed to powerful campaigning by a broad coalition of NGOs calling for a boycott of the referendum.

It often happens that LGBTQ NGOs work in silos, unsupported even by human-rights groups that are preoccupied with broader issues. But in this case all liberal civil society groups managed to unite around one issue. A unified message spread via multiple communication channels reached a broad audience. The activists engaged prominent media figures, including the popular winner of the TV show “Romanians Have Talent,” Emil Renge, to spread the campaign’s message and argue in favor of the boycott.

This engagement was very effective—civil society received not just support statements from the influencers during high-rating television shows, but also pop songs were composed with lyrics including lines about the referendum and the boycott.

Campaigning through the engagement of media figures and creative events has proved to be efficient and feasible not only for big coalitions but also for individual NGOs as well. Krakow Smog Alert grew in five years from a local environment initiative into a national movement with chapters in almost all regions and cities of Poland. From the very beginning it engaged opinion leaders and focused on creative events that attracted media attention. The deteriorating quality of air in Krakow is a problem known well beyond the municipality. Heavy smog suffocating the city in winter impacts its inhabitants, international students, and tourists. A group of local activists decided to address the issue. The problem resonated so much with the community that, after activists launched online campaigning, they started receiving proposals for assistance from citizens, local opinion leaders, and media personalities. This collective effort resulted in a very visible campaign, which helped the group to achieve its first breakthrough, a ban on solid-fuel heating in Krakow that was passed in 2015. Krakow Smog Alert’s Magdalena Kozłowska says:

We were approached by many Kracovians, by medical doctors, by artists, by people who were running companies. They all helped us. We had a big campaign calling on people to sign a petition to ban solid fuel in Krakow. So, through 2013, we were acting more in the public space. Of course, we were meeting with the politicians, but this was not so visible for the public. Our first actions were very much in the public space, calling on people to take action, to sign the petition, and when the time of voting came, we took people to the streets. There was a march, and there were 1,500 people. It was a funeral march for clean air so everything was very photogenic and the media really liked it.15

Once established as a national movement, Polish Smog Alert kept working hard to find creative ways of engaging with the media to amplify its message. One highlight was a campaign entitled “See what you breathe. Change it,” initially developed by the professional design and communications agency Think Happy Everyday and adapted for Poland. The campaign included installations of giant lungs in the center of Polish cities. These gradually turned grey as days passed and air was pumped through them. This visualized pollution and demonstrated its effects on the inside of the human body. The campaign received significant media attention with major outlets writing about the problem of air pollution.

It was not just in that single case that a professional approach to communications yielded results. Marta Lempart from Polish Women’s Strike attributes the initial success of the movement to investment in branding and positioning. She says:

We were new to this [activism and protest movements], and we did not have connections. We just had very good visual identification and a very clear message. A very good Polish artist drew the symbol of the strike and it spread, together with the black color and the hashtags.16

NGOs are often seen purely as organizations that criticize governments. This perception is reinforced by their tendency to build their communications strategies on negation: “stop violation of human rights,” “block corrupt practices,” etc. Some communications experts working with civil society have started

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15 Civic Space Watch, Interview with Krakow Smog Alert – Advocating for the right to clean air vis a vis state inaction, December 18, 2019.
pioneering approaches focused on positive narratives instead, such as proposing new policies rather than merely criticizing an existing one. One such expert, Thomas Coombes, speaks of “hope-based communication”: instead of reacting to someone else’s frames and actions, this offers a simple formula for telling stories about policies and advocacy positions by showing how they will work.17

The idea of value framing is getting more and more traction among experts. It can be seen in successful campaigns by NGOs in the region. For instance, women’s movements in Poland campaigning to stop an anti-abortion draft law in 2016 employed framing that aimed to generalize and normalize abortion as a common aspect of reproductive health, and they sought empathy and solidarity. One study found that they managed to achieve wide resonance and mass mobilization thanks to the framing of abortion as a situation that can happen to any woman, not just to those belonging to some particular category. They showed that the abortion ban would affect the health and lives of all women of reproductive age, as well as the wellbeing of their families.18

During the coronavirus pandemic, the Civil Liberties Union for Europe highlighted the fact that civil society was concerned by the curtailing of rights that resulted, communicating their concern at the way a conflict was being allowed to emerge between health and human rights. It developed a guide to help NGOs across Europe frame human rights in a positive manner and not set them in opposition to health needs. It remains to be seen how many NGOs in central Europe will adopt this approach.

**Engagement with Constituencies**

Another emerging trait of NGO operations is a resolve to build stronger relations with constituencies, including by relying on individual donations to support activities. This has been reinforced by the realization that NGOs not rooted in communities are particularly vulnerable to government attacks. In Hungary, the NGOs that were primarily targeted by the government were expert organizations without a broad support network, and which lacked social networks, members, or volunteers. Peter Nizak, a consultant with Open Society Foundations, says that the crisis provoked by the government’s attack on NGOs and their donors caused a strategic shift in human-rights organizations, forcing them to reconsider their strategies and to add new projects responding to the needs of the broader population. One of the examples is the Hungarian Civil Liberties Union, which widened its engagement with the topic of healthcare and patients’ rights.19

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Even if the shift to crowdfunding started mostly as a response to government smear campaigns that portrayed NGOs as representatives of foreign interests, and also as an attempt to survive after severe funding cuts, the need to raise funds from citizens became transformative for the region’s NGOs. It affected them not only in the sphere of financial management, but also in the way they communicated as well as in the level of transparency about their activities and the costs attached to them.

For example, one can see the name of each individual donor and the amount transferred in the publicly available accounts of the Czech movement Million Moments for Democracy (MMD)), which started in 2018 as an informal union of several activists concerned with threats to democracy in Czechia and demanding the resignation of Prime Minister Andrej Babiš. Now it is perhaps the most outspoken pro-democracy movement in the country with a wide network of activist groups in each municipality.

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17 [Hope Based Communications](https://www.hlom.org/), undated.
19 Interview with Peter Nizak, January 22, 2020.
According to its 2018 annual report, the organization’s income consisted entirely of individual donations and amounted to CZK 3.8 million (around €140,386). Challenging the government and its policies, the MMD became the main target of defamation campaigns, which meant that transparency of funding became an essential element of its security and sustainability strategy. An ability to demonstrate that citizens are supporting them gives the movement legitimacy and the right to claim that it represents society at large. The decision to rely on crowdfunding is not just an attempt to protect the movement from government-inspired smear campaigns. It is related also to the desire of its founders to activate society, facilitate the engagement of citizens in the community, and contribute to the democratic development of the country. Benjamin Roll, co-founder of the MMD, says:

We must work for the long term and do grassroots activity and not just big events. We want to help create a healthy, active civil society, which is very important for democracy. What is more important is the atmosphere in society. If more and more people will find a moment for democracy—they will do something proactive in their city, little steps—it will change something in society, in the way of thinking, it will have an impact and politicians will have to react.

It might well be that such a change is on the way. In 2019 social projects won the first and second places in the marketing category of the Czech internet award Křišťálová Lupa 2019. First place was given to the MMD for successful outreach and engagement with a wide audience around the country, and the second to Dennik N, the first Czech digital daily newspaper built primarily on payments by individual citizens.

The Dennik N team chose a crowdfunding model because they thought it was the only way to ensure balanced reporting uninfluenced by wealthy sponsors from the political or business worlds. In a record-setting crowdfunding campaign, Dennik N collected CZK 7 million from 5,400 people who became subscribers. It was more than was needed to launch a website and a print newspaper. Dennik N was inspired by a similar project in Slovakia. In 2014 after the attempt by the Penta financial group to enter the ownership structure of the publisher of the SME Daily, the team of journalists quit and started an independent publication, also called Denník N. It is the first Slovak daily whose operation is based primarily on money from readers. It has been profitable since 2017 and can operate independently. The shareholders contributed to the company only once at its start. And in 2018 the Slovak Dennik N could afford to support its Czech counterpart by providing an initial investment in return for 25.5 percent of shares.

Every three months, Slovak Dennik N informs its readers about the finance and management operations of the editorial office, the number of subscribers, and plans for the upcoming period. The editorial office emphasizes openness, credibility, and accountability to its supporters as cornerstones of its work.

Similar trends can be observed in Hungary. The investigative journalism portal Atlatszo collects more and more donations from individuals each year. The independent journalism portal Direkt36 raised more funds in 2019 from individual donations than from foundations and other institutional donors. According to its annual report, contributions from 1,845 supporters made this possible.

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20 A Million Moments for Democracy, undated.
22 Dennik N, Diary N – To Understand the World Better, undated.
23 Petr Michl, Czech Crowdfunding Record: The New Daily Collected 7 million Crowns for the Start, Focus, October 17, 2018.
24 Dennik N, About Diary N, August 1, 2019.
25 Atlatszo, Support independent, power-proofing journalism - give your 1 percent to Transparent!, undated.
Transparency and accountability to constituencies is necessary for NGOs that use crowdfunding. Understanding the new operational realities did not go smoothly for everyone. After the right-wing populist Law and Justice (PiS) party came to power in Poland, civil society united around the Committee for the Defense of Democracy, which organized protest rallies. The committee had already been awarded the European Citizens’ Prize by the European Parliament for defending fundamental rights and democracy when its leader Mateusz Kijowski was found guilty of misappropriation of funds. The organization survived this crisis, having suspended Kijowski’s membership and changed its leadership, but the damage done by the misappropriation of funds collected from the community was substantial, because it undermined the trust people had that the money they donate to an NGO would be spent responsibly and for a good cause. This means civil society has to set far higher standards of probity for itself.

**Successful crowdfunding requires a certain level of awareness in society and a readiness to contribute to the development of democracy.**

Poland’s civil society has been able to come up with the most systematic approach to engaging with constituencies in the region so far. The leaders of human-rights NGOs were thinking about securing non-partisan funding for their activities long before the PiS came to power. One of their first experiments was to ask for the introduction of the possibility of citizens’ writing off 1 percent of their personal income tax to support the activities of NGOs. “But it did not go as we imagined,” says Danuta Przywara of the Polish Helsinki Committee. Charitable NGOs started opening individual accounts to collect donations for health or educational assistance for children from disadvantaged backgrounds. These cases sounded more appealing and urgent to the population than abstract policy and advocacy work, and they attracted most of the donations. Having realized this, civil society leaders decided to create a unified fund to collect contributions from the population. The idea was that, if the fund was represented by the most respected people in society, it would attract the attention of citizens who would support the cause. The idea worked. The board of the Civic Fund is composed of people who helped create the most important constitutional law-enforcement bodies immediately after the regime change in 1989: the Ombudsman, the Supreme Court, and the Constitutional Court. Without any advertisement and just relying on the reputation of these people, the fund managed to accumulate €127,000 in 2018. It now successfully implements several programs supporting independent watchdogs and human-rights NGOs. It also carries out targeted interventions aimed at overcoming polarization and protecting democracy in Poland.

Successful crowdfunding, however, requires a certain level of awareness in society and a readiness to contribute to the development of democracy. This is not a given in all the countries of the region. Overall trust in NGOs is higher than in national governments, with trust highest in the countries where civil society faces the strongest attacks: Hungary and Poland. In a survey carried out in 2017–2018 by four think tanks from the Visegrad countries, on a scale where 1 is the highest trust level and 4 the lowest, NGOs scored 2.9 in Czechia and Slovakia, 2.3 in Poland, and 2.4 in Hungary, whereas the governments had scored 3.1 in Hungary, Czechia, and Slovakia, and 3.0 in Poland. Almost 60 percent of Poles and 58 percent of Hungarians said they had some trust in NGOs. Polish and Hungarian citizens also value the role of NGOs in the

27 Do Rzeczy, Kijowski Left the CODE Because They Wanted to Throw Him Away, July 27, 2017.
28 Interview with Danuta Przywara, December 9, 2019.
29 NGO.PL, Wygnański, Civic Fund – First Hand, January 8, 2018.
30 Filip Pazderski, Poland, CSO Legislation in the EaP and Adapting the V4 Experience Developing the Capacity of Civil Society, October 14, 2019.
development of democracy more than citizens of other Central European countries. According to Eurobarometer, in 2018, 84 percent of respondents in Poland, 77 percent in Hungary, 69 percent in Bulgaria, 63 percent in Romania, 62 percent in Slovakia, and 60 percent in Czechia said that civil society has an important role to play in promoting and protecting democracy. The numbers for Romania, Czechia, and Slovakia are almost the lowest in the EU (only in Estonia is lower with 57 percent), whereas those for Poland and Hungary are above than the EU27 average.31

According to research conducted in Poland, Czechia, Slovakia, and Hungary, however, there is a substantial difference between citizens’ interest in a particular social issue and engagement in the work of NGOs addressing that issue. (See Table 1.) For instance, 86 percent of people in those four countries said they were interested in social and health issues, but only 23 percent said they were actively engaged with NGOs working on those issues. For 8 percent of those engaged, this was through financial support, for 9 percent through volunteering, and for 5 percent through both.32 The breakdown was similar in the other spheres of social activity, suggesting that NGOs have huge room for growth, reaching out, and engaging supporters.

NGOs apply various strategies to increase the public’s engagement with their work. Apart from the communications efforts described above, social entrepreneurship appears to be one of the most promising ideas. For example, in Bulgaria, where trust in NGOs is among the lowest in the region (22 percent in 2018)33 and the population is not as engaged with civic activism as in Poland or Czechia, NGOs work to develop social enterprises to ensure the sustainability of their operations. Many have introduced paid services where possible for education activities or in case of think tanks taking consultancies or producing paid research, or else selling merchandise. In most cases, however, this can only supplement income received from institutional funders, or provide the minimum needed to sustain the most important activities but not to develop the organization. However, the NGOs keep learning and innovating. Single Step works to support, motivate, and empower lesbian, gay, bisexual, trans, and intersex (LGBTI) youth, their families, friends, and allies in Bulgaria through the process of their recognizing, coming out, and affirming their sexual orientation and gender identity. At the beginning, like other NGOs, it tried to support its activities by selling things like branded t-shirts and hoodies, but this did not bring the necessary revenue. It then decided to do what had not been done before in the country: it bought a building and launched a multifunctional event space. All the profits are reinvested to provide services to the LGBTI community.

Nikoleta Gabrovska, executive director of Single Step, says that the new model had required quite big changes from her team. They had to establish a foundation and a for-profit company to manage the property and income-generating activities. Special staff had to be hired to manage event spaces. But the model provides Single Step with the opportunity to develop and scale up the services it provides to the community. Thanks to its innovation, Single Step has the resources needed to promote tolerance and inclusion in a society torn by populists and right-wing politicians in government.34

Collective Action
Another strategy civil society is deploying to respond to current challenges is coalition-building. Collective action has been somewhat neglected in the region

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34 Interview with Nikoleta Gabrovska, January 15, 2020.
Table 1. Degree and Forms of engagement of the general population in the NGO work

<table>
<thead>
<tr>
<th>Issue Categories</th>
<th>Disinterested people</th>
<th>Degree of involvement of interested people %</th>
<th>Forms of active engagement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Onlookers</td>
<td>Actively engaged</td>
<td>Only financial support</td>
</tr>
<tr>
<td>Social and health issues</td>
<td>14</td>
<td>63</td>
<td>23</td>
</tr>
<tr>
<td>Ecological and environmental issues</td>
<td>16</td>
<td>59</td>
<td>26</td>
</tr>
<tr>
<td>Human rights issues, gender equality, anti-discrimination</td>
<td>21</td>
<td>66</td>
<td>12</td>
</tr>
<tr>
<td>History, art and culture</td>
<td>25</td>
<td>56</td>
<td>19</td>
</tr>
<tr>
<td>Promoting a fair and transparent society, anti-corruption activity</td>
<td>24</td>
<td>66</td>
<td>9</td>
</tr>
<tr>
<td>Community associations and clubs</td>
<td>30</td>
<td>47</td>
<td>23</td>
</tr>
<tr>
<td>Humanitarian issues, immigration issues</td>
<td>41</td>
<td>48</td>
<td>12</td>
</tr>
<tr>
<td>Religious Issues</td>
<td>61</td>
<td>26</td>
<td>13</td>
</tr>
</tbody>
</table>

Source: Citizenship empowerment: potential for civic participation in V4 research, August 2017
for decades. NGOs were working in silos, developing individual initiatives, and often not coordinating other organizations.

Attacked by governments, however, NGOs quickly understood that they were more vulnerable singly than together. Different attempts to coordinate or launch joint activities started appearing, as in the above-mentioned joint campaigning by NGOs in Poland, Romania, and Czechia.

In Hungary, where liberal civil society was under severe pressure, NGOs united and developed the Civilizáció coalition. The attacks on civil society in Hungary uncovered a problem that had gone unnoticed before—NGOs did not talk and coordinate with each other. What was possible in times of stability was a weakness when attacks on NGOs began. Veronica Mora, one of the masterminds behind Civilizáció describes it as an informal union of major NGOs with the aim of standing up for one another. The coalition works on building bridges between NGOs working in different communities, primarily trying to engage with activist groups in remote localities. Together they work on promoting the image of civil society, primarily through social media.

**NGOs quickly understood that they were more vulnerable singly than together.**

Civilizáció also works on capacity development for its members and rolls out fundraising campaigns. According to Mora, expansion outside the capital into the provinces and communication are the most important activities. Government pressure had a strong chilling effect on activists in small municipalities, who feel exposed and threatened. The coalition works to create support networks for them. Civilizáció chose the strategy of promoting civil society as such, without putting forward particular names of organizations or persons. Its members are now working on a communication strategy to find ways of attracting people's attention. The coalition is guided by three pillars: constituency—laying down deep roots in society, communities—encouraging active citizenship and participation in public debate, and communication—telling civil society's story and gaining support.

Stefánia Kapronczay, executive director of the Hungarian Civil Liberties Union, points out that the main challenges in building such a coalition were goal-setting and participation. Different members had different goals and visions. It was only joint work on the long campaign against the foreign funding law (even though the law was still adopted) that united members and made them understand each other's needs. This transformed Civilizáció in a hub united by a joint goal and mutual support. Participation meant resources in terms of human capital and the creation of efficient communication channels. The coalition had to overcome the capacities divide between big members that could allocate staff time for work on its projects and small organizations with much fewer resources. Since the goal was to unite NGOs throughout the country, it had to learn to communicate so that organizations outside Budapest did not feel excluded. The statements of the coalition in 2017 signed by 300 Hungarian NGOs show that Civilizáció has been successful in building a community.

A similar initiative is developing in Bulgaria. The coalition Ravni BG was founded by 30 NGOs in 2018 in response to pressure and a smear campaign related to the issue of ratification of the Istanbul Convention on preventing and combating violence against women and domestic violence. As in the case of Hungary, embattled NGOs felt the need to coordinate their work to resist the pressure on them and fight back in the public debate. The coalition is working on providing resources to its members, building capacity, and carrying out joint communication campaigns. Ravni BG was planning the campaign “Ot Nas Zavisí” (it depends on us) to emphasize the need for citizen engagement in public matters, but this had to be postponed due to the coronavirus pandemic. But, according to Svetlana Mihaylova, director of strategic partner-

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ships for the Bulgarian Fund for Women, the organization that coordinates Ravni BG, the pandemic only made evident how useful it is to have working mechanisms for cooperation between NGOs. This allowed the members of the coalition to quickly react to the new challenges and work together to address them.\textsuperscript{36}

In Czechia, NGOs have developed several working coalitions. One that is famous for its effectiveness is Reconstruction of the State, which is focused on anti-corruption. It unites 11 NGOs dealing with transparency and good governance. Since 2013, it has secured the adoption of five important anti-corruption laws. Members of the coalition believe that they managed to achieve such results thanks to a unified and coordinated effort by all the members. There also Czech initiatives that similarly to those in Hungary and Bulgaria focus on protection of the civic space. The think tank Glopolis is developing a new coalition, NeoN, which is mean to work on the common challenges faced by the civic space (such as limiting NGO independence, access to public funding, foreign funding, or lobbying regulations), which are generally not addressed by individual organizations. NeoN is also working on strengthening NGOs’ outreach to the public. It is expected that by acting through a coalition NGOs will boost their capacity for outreach and engagement with a wider section of society, which will allow them to mobilize much broader support in case of a possible breach of democratic principles.\textsuperscript{37}

**Factors Influencing NGO Transformation**

These approaches are paving the way for the future development of civil society in the region, but they are still far from being mainstream. One of their key characteristics is meaningful engagement with constituencies, which gives NGOs stronger legitimacy and protects them from government persecution or changes in donor priorities. Despite the benefits of such a model, though, transitioning to it is not easy. The challenges are multiple, and they include factors related to the environment in which NGOs operate and to internal organizational issues.

**Path Dependence**

The funds attracted from national and municipal public budgets as well as foreign funding have remained the main source of income for the NGOs for decades. In Poland, according to the Klon/Jawor Foundation, 39 percent of the funding NGOs received in 2018 was from local budgets and 15 percent from foreign governments.\textsuperscript{38} According to the Civil Society Sustainability Index, 41 percent of funds attracted by Hungarian NGOs in 2018 came from public sources and 23 percent from private ones, including international donors.\textsuperscript{39} And, according to the EU-Russia Civil Society Forum, in 2017 the income of Czech NGOs was also dominated by state funds (€690 million income from the state budgets versus €135 million from business.) while since 2007 the government has been the most important funder for the NGOs in Romania.\textsuperscript{40}

There is a developed infrastructure of training and learning to support NGOs in their bids public funds, whether national or international. The methodology to do is also clear for civil society, whereas crowdfunding is a new terrain requiring specialized knowledge and skills. To change its operating model, an NGO needs strong leadership and shared vision, which is not always present. For as long as it is possible for them to receive funds from donors, many NGOs are hesitant to experiment. Donor funding, even though it often requires communications components, creates fewer incentives than crowdfunding does for NGOs to

\textsuperscript{36} Civitates, \textit{United in support of democracy and human rights in Bulgaria}, 23 April 2020

\textsuperscript{37} Civitates, \textit{Civic organisations to stand up together for democracy}, 6 February 2020

\textsuperscript{38} Beata Charycka, Marta Gumkowska, \textit{2018 Kondycja organizacji pozarządowych}, Stowarzyszenie Klon/Jawor, 2019

\textsuperscript{39} FHI 360, \textit{2019 Civil Society Organization Sustainability Index For Central And Eastern Europe and Asia}, September 2019

\textsuperscript{40} EU-Russia Civil Society Forum, \textit{2018 Report on the State of Civil Society in the EU and Russia}, 2019
build links with their constituencies since, because the donor remains the key stakeholder shaping the future of an NGO.

**Inadequate Human Resources**
The transition to modern communication and marketing (fundraising) requires new skills and the ability to recruit well trained personnel. In this NGOs compete with businesses and the public sector while having the lowest salaries and lacking non-financial incentives for recruiting and retaining staff. The data from all countries of the region shows varying levels of dissatisfaction among NGOs employees with their income and the lack of paid jobs in the sector. In Bulgaria, most NGO employees have a university degree and speak English; however, salaries are far below the average in the public sector and 62 percent of active NGOs consider that their employees are under-paid.\(^{41}\) In Romania, on average an NGO had only two paid employees in 2015 while 68 percent of all organizations had none.\(^ {42}\) The average salary in NGOs in Poland in 2018 was PLN 3,000 while the national average was PLN 4,695. Moreover, the average income in the Polish NGO sector has not changed for several years, while average income in the country has been steadily growing.\(^ {43}\)

The reasons why working for an NGO is less attractive than in other sectors are broader than just one of income. According to the Klon/Jawor Foundation, several factors making Polish NGOs unattractive to work for. In particular, NGOs very rarely employ staff on long-term labor contracts, and they use instead term “civil” contracts, which leads to reduced labor-rights protection as well as to employees having less confidence in their future since such contract can be easily terminated. Civil contracts are used in other sectors of the economy too, but there they account for 8 percent of the total, whereas in the NGO sector this form of employment dominates. The Klon/Yawor Foundation found that most organizations require extra time from employees and do not systematically pay for it. Overtime work is required in 56 percent of NGOs, of which 27 percent sometimes pay for it and 26 percent never does. This contributes to very widespread burnout in the sector. NGO employees are also often frustrated by the lack of opportunities for promotion and little use of non-financial methods of motivation by employers. Phenomena like mobbing and discrimination are present in the sector.\(^ {44}\)

There is no similar research on the conditions of NGO employees in other countries of the region, but—based on interviews—it is evident that similar trends are present there too. All these factors make it hard for NGOs to recruit and retain qualified staff.

**Lack of Financial Resources to Invest in Change**
To start reforms in an organization one needs initial resources to support the transition. However, multiple studies show that NGOs in the region have a shortage of resources.\(^ {45}\) Governments have not become a source of support for civil society development. Financing of civil society is either deprioritized (as in Romania or Bulgaria) or is not transparent and discriminatory to some NGOs based on their type of activity or values (as in Poland and Hungary.) In these circumstances private foundations and the EU have been the main sources of funding. However, their funding is still dominated by the project approach, which provides NGOs with the resources for activities who scope is

\(^{41}\) EU-Russia Civil Society Forum, *2017 Report on the State of Civil Society in the EU and Russia*, 2018

\(^{42}\) Civil Society Development Foundation, *Romania 2017 The non-governmental sector -Profile, tendencies, challenges*, undated

\(^{43}\) Beata Charycka, Marta Gumkowska, *2018 Kondycja organizacji pozarządowych*, Stowarzyszenie Klon/Jawor, Warsaw, 2019

\(^{44}\) Stowarzyszenie Klon/Jawor, *ZATRUDnienie. Problemy personelu organizacji pozarządowych z perspektywy pracowniczej*, 2020

very narrowly defined. For instance, the main format for collaboration between civil society and the European Commission is based on calls for proposals and the submission of bids for time-limited projects. This puts NGOs in the position of a subcontractor or service provider receiving grants to perform specific tasks. The funding from private foundations might be more flexible and less bureaucratized, but it is still dominated by the project approach as well.

This approach builds a vertical relationship and does not provide an opportunity for NGOs to build a strategy or vision based on needs on the ground. Obviously, such a way of funding does not support their transition to new models of operations. Devoting resources to bureaucratic procedures and having budgets with funds strictly tied to activities do not provide NGOs with the necessary room for experimentation; they have neither the time nor the capacity for experimenting with new ways of operating. To start efficient fundraising or to improve communication and campaigning, NGOs need to invest in a revision of their strategy and hire new dedicated personnel, which is impossible to achieve when the organization is functioning on short-term funding allocated for a very specific list of activities. It is clear that there is a need for additional flexible funding mechanisms for the region.

**Political and Cultural Obstacles to Private Giving**

Corporate donations could provide the resources necessary for civil society to develop. In all of the countries in the region, business helps fund civil society, but the contribution varies. In Bulgaria, the level of company donations between 2015 and 2017, the last year for which data is available, fluctuated between BGN 38 million and BGN 46 million. In Czechia in 2018 business donated CZK 2.9 billion (down from CZK 4.25 billion in 2015).\(^\text{46}\) One of the significant limiting factor for corporate giving is political sensitivity. In Hungary and Poland, for example, Business needs to maintain a good relationship with the government, which makes it reluctant to support politically sensitive issues. According to the 2018 Civil Society Organizations Sustainability Index, local businesses in Poland were more cautious about supporting activities to which local authorities might object in an election year. Those few Polish companies that continue to support NGOs that no longer receive government funding do so without publicity. State-owned companies only supported NGOs that are supportive of the government.\(^\text{47}\) This trend however has some exceptions. According to Nikoleta Gabrovska of the Single Step Foundation, many businesses support Bulgaria Pride despite the government propaganda against LGBTQI issues.\(^\text{48}\) It also seems that many domestic business owners engaged in philanthropy need to be educated about the need of support to civil society and to work for the defense of democracy at home, as currently they prefer engaging with aid to developing countries abroad.

**Conclusions and Recommendations**

The difficult situation in which civil society in Central Europe find itself, thanks to the growing populism or even authoritarianism of governments, is a serious challenge to the future smooth operations of NGOs. Working with very limited resources, the majority of them do not have the capacity for a serious remodeling and finding innovative ways of ensuring a sustainable future. Successful examples of new communications strategies or engagement with constituencies are often found among NGOs working in the capital cities, or among those that had developed organizational structures before the crisis hit. Even coalitions are formed and led primarily by the larger, better resourced NGOs.

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\(^\text{47}\) Ibid.

\(^\text{48}\) Interview with Nikoleta Gabrovska, January 15, 2020.
At the same time, it is evident that change in the sector is badly needed. The work of NGOs will only be relevant and effective if it is rooted in local communities. The ability to raise funds for operations from citizens is one of the indicators that a NGO is able to communicate well and convince wider society that the work it is doing is useful and necessary. And this must be the basis of any wider sustainability strategy, because it is much harder for a government, or any other entity, to challenge an organization that truly enjoys public support.

In the short term, additional support to civil society in the region is needed, especially for the countries where the government is limiting the access of independent NGOs to resources.

Therefore, to support further transformation of civil society and address the challenges to its sustainability, the international community can contribute in the following ways.

First, the EU can reinforce accountability for the rule-of-law violations in member states and ensure that governments create favorable environment for civil society, including the lack of the persecution and equal treatment of all NGOs regardless of their political position.

Donors can facilitate the transition by encouraging NGOs to experiment with new models of activity and provide capacity-development opportunities to facilitate new thinking and types of operations. More opportunities can be created for NGOs to receive organizational support rather than project-based funds. This would provide them with the resources to adjust their strategies, hire professional communication and fundraising specialists, strategize, and find new ways of working. Such support can be accompanied by clear messaging from donors encouraging NGO partners to use available resources for implementing new models of engagement with communities and upgrading communications, campaigning, and fundraising capacities.

In the short term, additional support to civil society in the region is needed, especially for the countries where the government is limiting the access of independent NGOs to resources. More flexible funding schemes should be created. These initiatives should not be heavily bureaucratic and should ideally be capable of providing flexible funding to respond to emerging needs on the ground quickly and effectively.
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**About the Author(s)**
Nataliya Novakova is Eurasia program specialist at Open Society Foundations. She holds an MPA degree from Central European University and a PhD in political science from Taras Shevchenko Kyiv National University. She specializes in civil society development and support as well as in human rights and democracy. She has more than a decade of experience working as a project manager and advocacy specialist in several international development, human rights, and humanitarian initiatives.

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