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Euro puppets: The European Commission's remaking of civil society

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IEA Discussion Paper No. 45

EURO PUPPETS

The European Commission's remaking
of civil society

By Christopher Snowden
February 2013



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About the author

Christopher Snowden is an author, journalist and researcher who focuses on lifestyle freedoms, prohibition and dodgy statistics. He is director of Lifestyle Economics at the Institute of Economic Affairs, writes for *City AM*, *Spiked* and *EA*, and regularly appears on TV and radio discussing social and economic issues. He wrote *Velvet Glove, Iron Fist: A History of AntiSmoking* (2009) and *The Spirit Level Delusion* (2010). His most recent book is *The Art of Suppression: Pleasure, Panic and Prohibition Since 1800* (2011) which looks at the prohibition of alcohol, drugs and tobacco. Born in North Yorkshire, he now lives with his wife and daughter in Sussex.

Summary

- With public confidence in the European project waning, the idea of initiating a 'civil dialogue' with the public emerged in the mid-1990s as a way of bolstering the EU's democratic legitimacy.
- Citizens have not been consulted directly, however. Instead they have been ventriloquised through 'sock puppet' charities, think tanks and other 'civil society' groups which have been hand-picked and financed by the European Commission (EC). These organisations typically lobby for closer European integration, bigger EU budgets and more EU regulation.
- The composition of 'civil society' at the EU level is largely dictated by which groups the Commission chooses to fund. There has been a bias towards centre-left organisations, with a particular emphasis on those promoting policies that are unpopular with the public, such as increasing foreign aid, restricting lifestyle freedoms and further centralising power within EU institutions.
- The EC's favoured civil society organisations are also marked by a homogeneous worldview and similarity of jargon. The literature and websites of these groups suffocate the reader with vague rhetoric about 'stakeholders', 'sustainability', 'social justice', 'capacity building', 'fundamental rights', 'diversity', 'equity' and 'active citizenship'.
- Many of the groups which receive the Commission's patronage would struggle to exist without statutory funding. For example, Women in Europe for a Common Future received an EC grant of €1,219,213 in 2011, with a further €135,247 coming from

national governments. This statutory funding made up 93 per cent of its total income while private donations contributed €2,441 (0.2 per cent) and member contributions just €825 (0.06 per cent).

- There is virtually no funding for organisations which seriously question the Commission's direction of travel. By contrast, groups that favour closer union and greater centralisation are generously funded. The 'Europe for Citizens' programme which 'gives citizens the chance to participate in making Europe more united, to develop a European identity, to foster a sense of ownership of the EU, and to enhance tolerance and mutual understanding' has a €229 million budget for 2014-20.
- Substantial EU funds are also used to support organisations that share the Commission's environmentalist agenda. The Green 10 represent the largest of Europe's environmental lobby groups, but dozens, if not hundreds, of like-minded ecological organisations also receive EU funding. The Commission freely admits that funds are given to environmental groups 'to support policy development'.
- Civil society groups in non-member countries are another funding priority for the Commission. In 2012/13, its Neighbourhood Civil Society Facility had a €22 million budget to be distributed to groups in Eastern Europe, North Africa and the Middle East, later increased to €45.3 million. Many Youth in Action grants have been given to projects in potential new member states such as 'Unite Unite Europe!' (Serbia), 'Be Active, Be European!' (Albania) and 'Citizen of my country, citizen of my Europe!!' (Kosovo).
- The EC's policy of picking allies and supporting them with taxpayers' money has made the system more elitist and less democratic.

Using civil society to promote European integration

The European Commission (EC) has spent twenty years seeking a dialogue with civil society. Between the creation of the European Coal and Steel Community (1951) and the signing of the Maastricht Treaty (1992), the 'European project' was characterised by unabashed political elitism, dubbed the 'Monnet method' after the European federalist Jean Monnet. The foundations of the European Union (EU) were laid by technocrats who made no claim to be acting in a participatory democracy. It was not until widespread opposition to further political integration broke out in 1991-92, including Denmark's rejection of Maastricht in a referendum, that EC president Jacques Delors declared that Europe could no longer be 'an elitist project' and that 'the phase of benign despotism' was over (Featherstone, 1994: 151).

With public confidence in the European project waning, the idea of initiating a 'civil dialogue' with the public emerged in the mid-1990s as a way of bolstering the EU's democratic legitimacy. Subsequent referendum defeats and rising euroscepticism made the European Economic and Social Committee (EESC) increasingly eager to engage with civil society groups to 'provide a bridge between the expression of the will of the people on specific issues and those that represent them' (EESC, 1999a: 5).

Noting the low turn-out at the June 1999 European Parliament elections, the EESC said it was 'alarmed by 'democratic

disenchantment' of the EU public who are increasingly sceptical about the workings of political parties and politicians' (ibid.). The following year, a European Commission Discussion Paper authored by EC president Romano Prodi and vice-president Neil Kinnock explicitly stated that non-governmental organisations (NGOs) could help politicians achieve their goal of 'ever closer union'¹ by acting as a proxy for public opinion and by promoting European integration at the grassroots.

'By encouraging national NGOs to work together to achieve common goals, the European NGO networks are making an important contribution to the formation of a 'European public opinion' usually seen as a pre-requisite to the establishment of a true European political entity. At the same time this also contributes to promoting European integration in a practical way and often as grassroots level... European NGOs and their networks and national members can serve as additional channels for the Commission to ensure that information on the European Union and EU policies reaches a wide audience.' (Prodi and Kinnock, 2000: 5-6)

This was followed in 2001 by a White Paper which encouraged greater co-operation between the Commission and NGOs, partly as a response to Ireland's recent rejection of the Treaty of Nice. 'Civil society increasingly sees Europe as offering a good platform to change policy orientations and society', it stated. 'This offers a real potential to broaden the debate on Europe's role. It is a chance to get citizens more actively involved in achieving the Union's objectives' (European Commission, 2001a: 15). This was an interesting choice of words; other democratic governments might have said it was a chance to get the Union more actively involved in achieving the citizens' objectives.

¹ The phrase 'ever closer union' first appeared in the Treaty of Rome in 1957. It has remained the goal of European federalists ever since.

After the French and Dutch rejected the Constitutional Treaty by referenda in 2005, the Commission responded with a further plea for engagement with the masses - 'Plan D for Democracy, Dialogue and Debate' (October 2005) - which reaffirmed its intention to communicate better with EU citizens. Although the Commission acknowledged that dialogue was a two-way street, it was unwilling to accept that its longstanding policy of 'ever closer Union' might be at odds with the will of the citizens it wished to 'empower'. Instead, it implicitly accused the stubbornly eurosceptical public of ignorance, declaring that 'EU policies and activities, as well as their impact on everyday lives, have to be communicated and advocated in a manner that people can understand' (European Commission, 2005: 3). The Commission made it a priority to describe 'the tangible benefits of EU policies through short, simple introductions to key Commission proposals, in a layman's summary' (ibid.: 4 - emphasis in the original). Once again, the Commission emphasised the need to actively involve 'civil society' in this process (ibid.: 2).

'This renewed commitment to civic engagement was not enough to prevent Ireland rejecting the Lisbon Treaty by referendum in 2008. Once again, the European Commission's mea culpa went no further than admitting its failure to educate the public. Nicole Fontaine MEP, former president of the European Parliament, talked about the EC's "communications problem", saying "We haven't explained enough the benefits of European construction... We have been too modest"' (Rotherham and Mullally, 2008: 12).

Undermining independence

Civil society defines itself by what it is not. It is neither government nor corporate, a distinction made explicit when civil society groups describe themselves as 'non-governmental organisations', 'non-state actors' or 'non-profit organisations'. It is sometimes described as the 'third sector' between the public and the private; between the state and commerce. The European Commission specifically includes 'labour-market players' (notably trade unions), 'social and economic players' (e. g. consumer organisations), non-governmental organisations (NGOs) and community-based organisations (CBOs) (European Commission, 2002: 6). Perhaps most crucially, the concept of civil society is rooted in voluntary co-operation and independence from political institutions. As the Commission says:

'Non-State Actors encompass non governmental organisations, grassroots organisations, cooperatives, trade unions, professional associations, universities, media and independent foundations. Their common feature lies in their *independence from the State and the voluntary basis upon which they have come together* to act and promote common interests.'² (emphasis added)

2 http://ec.europa.eu/europeaid/who/partners/civil-society/index_en.htm

This independence has, however, been undermined as a result of the EC's policy of funding civil society in the last twenty years. Greenwood (2003) estimates that the EU gives €1 billion to special interest groups each year and the Commission acknowledges that approximately '20% of the EU budget is paid directly to organisations and businesses.'³ The Commission is open, even proud, of its financial support of civil society organisations, including think tanks and activist groups, in the EU and beyond, saying:

'Civil society organisations represent a unique link between citizens and government, helping make the voices of citizens heard and encouraging people's active participation in the political process. In addition, think tanks and policy research organisations are invaluable in providing visions for the future, as well as generating ideas and recommendations on how to approach complex issues, such as EU policies, active European citizenship, identity and values.'⁴

³ http://ec.europa.eu/budget/contracts_grants/fts/fts_en.cfm
⁴ http://ec.europa.eu/citizenship/about-the-europe-for-citizens-programme/overview/action-2-active-civil-society/index_en.htm

The Europe for Citizens programme

Amongst its civil society projects is the 'Europe for Citizens' programme which 'gives citizens the chance to participate in making Europe more united, to develop a European identity, to foster a sense of ownership of the EU, and to enhance tolerance and mutual understanding'.⁵ The programme had a €215 million budget for 2007-13⁶ and has a €229 million budget for 2014-20⁷. It has four components:

- The 'Active Citizens for Europe' scheme encompasses the EU's long-running town-twinning initiative and a range of projects designed to bring in civil society groups 'to collaborate on or debate common European issues at local and EU level'.⁸
- The 'Active Civil Society for Europe' scheme funds think tanks, charities, trade unions and other civil society organisations to help them engage with European legislators and to communicate the benefits of EU citizenship at local and national levels.
- The 'Active European Remembrance' scheme commemorates the victims of 'Nazism and Stalinism'.
- The 'Together for Europe' programme focuses on 'active European citizenship' and promotes a distinct pan-European identity for EU citizens through 'high visibility events'.

⁵ http://europa.eu/rapid/press-release_IP-11-1538_en.htm
⁶ http://eacea.ec.europa.eu/citizenship/programme/about_citizenship_en.php
⁷ http://europa.eu/rapid/press-release_IP-11-1538_en.htm
⁸ http://ec.europa.eu/citizenship/about-the-europe-for-citizens-programme/overview/action-1-active-citizens-for-europe/index_en.htm

The rhetoric used by the Commission to describe the last of these projects makes some characteristic assumptions about the public's attitude towards European integration:

'European citizens generally recognise the benefits of the EU and its contribution to Europe's success and its standing in the world. However, European citizens feel somewhat alienated from the Union's institutions and do not understand well how they function... Although most Europeans consider EU issues to be quite complex and distant, they believe in the Union's democratic credentials. They would also like to see the Union becoming a more integral part of their national political landscapes.'⁹

This single passage contains at least five examples of the Commission begging the question. It is assumed that (a) the public recognises the benefits of EU membership, (b) EU institutions work well, (c) the EU has democratic credentials, (d) the public recognises these democratic credentials, and (e) the public would like to see the EU exercise more power in their own country. This sort of argument by assertion is common in EU literature. Another White Paper from the same year insisted that 'Young people in Europe subscribe to the same fundamental values as does the European Union. They expect the EU to be in a position to meet their aspirations' (European Commission, 2001b). All of these bald statements are questionable, and all must be proven before further political integration can be democratically justified, and yet none is seriously challenged in the EU's 'civil dialogue'.

The Commission's growing infatuation with civil society, at least in the abstract, stems from a desire to receive democratic legitimacy by involving citizens in the making of its legislation. Citizens are not consulted directly, however, but are instead ventriloquised through NGOs, think tanks and charities which have been hand-picked and financed by the Commission. In return, these civil society groups frequently campaign for the EU to extend its reach into areas of policy in which it has no legal competence and lobby for their own budgets, and for the overall EU budget, to be increased.

⁹ http://ec.europa.eu/citizenship/about-the-europe-for-citizens-programme/overview/action-3-communication-a-message-for-all-citizens/index_en.htm

Moreover, the EU as an institution is promoted in the media and at the grassroots by seemingly independent organisations. Although the intention behind the 'civil dialogue' may have been noble, we argue that the EU remains fundamentally elitist and technocratic.

EU civil society networks

Once the European Commission announced its intention to connect with the public, a number of associations emerged to represent civil society at the EU level. Most of these ‘umbrella groups’ have become - or have always been - reliant on EU funding. For example, the European Network of National Civil Society Associations, which describes itself as the ‘umbrella of umbrellas’ had a budget of €151,335 in 2010/11, of which €114,084 (75 per cent) came from the EC.¹⁰ The Euclid Network, a ‘community of civil society professionals’ founded in 2007, received €342,410 from the EC in 2011 - accounting for more than half of its annual revenue (local and national governments provided a further €93,429, whereas its membership provided just €12,180). Similarly, Citizens for Europe, which describes itself as a ‘non-partisan, non-governmental and nonprofit organisation’ whose ‘objective is to support the European Union project’,¹¹ depends on the EC for 80 per cent of its funding, with the rest coming from national governments.¹²

10 All figures that follow are taken from the EC’s Transparency Register unless otherwise indicated (http://europa.eu/transparency-register/index_en.htm). For organisations which are not registered on the Transparency Register, figures from the EC’s Financial Transparency System (which lists EC grants awarded) have been used instead (http://ec.europa.eu/beneficiaries/fts/index_en.htm).
11 <http://citizensforeurope.org/about/>
12 €40,000 of its €50,000 budget in 2011 came from the EC.

Arguably the most influential civil society association is the EU Civil Society Contact Group, made up of eight umbrella groups representing what it describes as ‘large rights and value based NGO sectors acting in the public interest.’¹³ Its members are CONCORD (foreign aid), Culture Action Europe (the arts), European Public Health Alliance (public health), EUCIS-LLL (lifelong learning), European Women’s Lobby (feminism), Green 10 (environmentalism), Human Rights and Democracy Network (human rights) and Social Platform (‘the social sector’).

The EU Civil Society Contact Group does not receive direct funding from the Commission, but most of its members are subsidised by the European taxpayer, as shown below.

Table 1: Full members of the EU Civil Society Contact Group
(Proportion of income provided by the EU shown in parentheses)

European Public Health Alliance	€681,536 (61 per cent)
CONCORD	€691,345 (51 per cent)
Social Platform (AKA Platform of European Social NGOs)	€654,289 (86 per cent)
EUCIS-LLL	€200,000 (74 per cent)
European Women’s Lobby	€911,677 (83 per cent)
Culture Action Europe	€110,500 (45 per cent)

All figures come from the EU’s Transparency Register using last year for which data are available (usually 2011). Note that these figures are EC grants only; additional funding from national and local government is not included in the totals.

13 <http://www.act4europe.org/code/en/about.asp?Page=3&menuPage=3>

According to the Transparency Register, the Green 10 has no budget and receives nothing from the EC directly. The Human Rights and Democracy Network (which 'aims to influence EU and EU Member States' human rights policies'¹⁴) does not appear to be registered on the EC's Transparency Register.

Direct grants to umbrella groups represent only a very small part of the Commission's funding of civil society. In many cases, a large proportion of their members also rely on taxpayers' money.

The Green 10 represent the largest of Europe's environmental lobby groups. As Table 2 shows, all but one of the Green 10's members receive substantial funding from the EC. In addition, dozens, if not hundreds, of like-minded ecological organisations also receive EC funding. The Climate Parliament, for example, was 'created to help the world's Members of Parliament and Congress to take action now'.¹⁵ Unusually, this pressure group is made up entirely of members of national and European parliaments. Less unusually, its funding comes entirely from governments, including €680,000 from the EC (85 per cent). Such dependence on the EC is commonplace. Many of the groups which receive the Commission's patronage would struggle to exist without statutory funding. For example, Women in Europe for a Common Future received an EC grant of €1,219,213 in 2011, with a further €135,247 coming from national governments. This statutory funding made up 93 per cent of its total income while private donations contributed €2,441 (0.2 per cent) and member contributions just €825 (0.06 per cent).

14 http://www.hrdn.eu/index.php?menu_selected=122&language=US&sub_menu_selected=768

15 http://www.climateparl.net/viewpage.do?category_id=13&lang=en

Table 2: Full members of the Green 10

(Proportion of income provided by the EU shown in parentheses)

Birdlife Europe	€332,163 (35 per cent)
CEE Bankwatch Network	€836,238 (45 per cent)
Climate Action Network Europe	€295,022 (33 per cent)
European Environmental Bureau	€894,000 (41 per cent)
European Federation for Transport and Environment	€275,516 (16 per cent)
Health and Environment Alliance	€362,992 (59 per cent)
Friends of the Earth Europe	€1,195,259 (46 per cent)
Naturefriends	€365,735 (41 per cent)
WWF European Policy Office	€599,954 (13 per cent)

Greenpeace 'does not seek nor accept donations from governments (including the EU institutions), corporations or political parties.'¹⁶ It therefore receives nothing from the EC.

All figures come from the EU's Transparency Register using last year for which data are available (usually 2011). Note that these figures are EC grants only; additional funding from national and local government is not included in the totals.

Other EU-funded environmentalists include ClientEarth (€726,285), FERN (€879,000), WWF UK (over €3 million), Sandbag (€123,397), and the International Federation of Organic Agriculture Movements (€280,559). Outside Europe, the EC has awarded grants to such groups as Friends of the Earth International (€814,243), WWF Pakistan (€1.6 million) and WWF Indonesia (€0.5 million).

As Table 3 shows, EU funding for third sector organisations is not confined to environmentalism. At least 30 of Social Platform's 37 members receive EU grants totalling more than €15 million in a single year.

16 <http://ec.europa.eu/transparencyregister/public/consultation/displaylobbyist.do?id=9832909575-41>

Table 3: Full members of Social Platform

(Proportion of income provided by the EU shown in parentheses)

Age Platform Europe	€731,447 (67 per cent)
Autism Europe	No figure given on the Transparency Register, but their website says they receive support from the EC.
Caritas Europa	€586,979 (32 per cent)
CECODHAS Housing Europe	€96,198 (14 per cent)
CECOP–CICOPA Europe	No figure given on the Transparency Register, but their website says they receive support from the EC.
European Council for Non-Profit Organisations (CEDAG)	€120,000 (80 per cent)
European Volunteer Centre	€120,613 (26 per cent)
Confederation of Family Organisations in the EU (Coface)	€603,182 (86 per cent)
Dynamo International	€575,072 (55 per cent)
European Association for the Education of Adults	€100,000 (31 per cent)
European Anti-Poverty Network	€1,572,036 (FTS)
European Association of Service Providers for Persons with Disabilities	€368,829 (FTS)
European Blind Union	€223,477 (36 per cent)
European Consumer Debt Network	Nothing declared, but its website says the EC helped create the group.
European Disability Forum	€950,000 (58 per cent)
European Network Against Racism	€1,081,164 (81 per cent)
European Public Health Alliance	€681,536 (61 per cent)
European Platform for Rehabilitation	€217,474 (23 per cent)
European Social Action Network	€10,461 (11 per cent)
European Federation of Older Persons	Nothing declared.
Eurochild	€702,727 (84 per cent)

Eurodiaconia	€337,507 (66 per cent)
European Women's Lobby	€911,677 (83 per cent)
European Federation of Parents and Carers at Home	Nothing declared.
European Federation of National Organisations Working with the Homeless (Feantsa)	€1,078,849 (81 per cent)
International Council on Social Welfare	Nothing declared.
International Federation of Social Workers	Nothing declared.
The European Region of the International Lesbian, Gay, Bisexual, Trans and Intersex Association (ILGA Europe)	€1,185,700 (62 per cent)
The European Association of Societies of Persons with Intellectual Disability and their Families (Inclusion Europe)	€514,513 (FTS)
International Union of Tenants	Nothing declared.
Mental Health Europe	€641,714 (91 per cent)
Platform for International Cooperation on Undocumented Migrants (PICUM)	€785,496 (76 per cent)
Solidar	€450,000 (60 per cent)
Transgender Europe	Nothing declared, but part-funded by ILGA (see above)
World Association of Girl Guides and Girl Scouts Europe Region	€144,946 (20 per cent)
Workability Europe	€139,000 (49 per cent)

All figures come from the EU's Transparency Register using last year for which data are available (usually 2011) except where marked FTS in which case the EU's Financial Transparency System has been used. Note that these figures are EC grants only; additional funding from national and local government is not included in the totals.

In some cases, these organisations are paid to manage projects in the field, albeit sometimes of questionable merit (the International Federation of Organic Agriculture Movements has been awarded €450,000 to promote organic farming in North Korea, for example¹⁷). But there are clear examples of taxpayers' money being given to special interest groups to lobby European lawmakers, and the Commission freely admits that funds are given to environmental groups 'to support policy development'.¹⁸

In some instances, EU-funded groups lobby national governments for policies which the EU does not have the authority to implement itself. For example, the European Public Health Network encourages governments to introduce 'fat taxes' and minimum pricing for alcohol. In 2011, the Commission gave €500,000 to an alliance of health groups to run a campaign called TOBTAXY aimed at 'Making Tobacco Tax Trendy'.¹⁹ Other pet policies of EU 'civil society' groups include positive discrimination to bring about total gender parity in executive boardrooms (European Women's Lobby) and a minimum citizen's salary (various). The net result is that the Commission is under constant pressure from seemingly grassroots organisations to increase regulation and to extend its reach into areas that have not traditionally been within its remit.

17 <http://ifoam.org/partners/projects/other.html> ('Bridges for Organic Knowledge in Korea (BOKK) - Building capacity for organic agriculture in DPR Korea')

18 'Commission Staff Working Document on the implementation of the programme for financial support to European non-governmental organisations primarily in the field of environmental protection', Commission of the European Communities, Brussels, 09/10/2008 SEC (2008) 2633; p. 2-3

19 <http://www.smokefreepartnership.eu/tobtaxy>

Arguments for EC funding of civil society organisations

The Commission justifies funding civil society organisations on the grounds that it wants to hear from every part of society, including - and especially - non-corporate interests who might otherwise not have the financial clout to represent themselves in Brussels. As an official from the European Directorate said in 2007, 'Industries and companies involved are much richer and they will be here and the NGOs have to be on an equal footing'.²⁰ This argument for balance has also been made by the European Citizen Action Service, whose stated mission is to 'enable NGOs and individuals to make their voice heard within the EU by providing advice on how to lobby, fundraise, and defend European citizenship rights'.²¹ The European Citizen Action Service, which claims to be independent of EU institutions despite receiving more than €1.6 million from the Commission in 2011, says that there 'is still a serious imbalance between corporate and public interests with some 14,000 lobbyists around the EU'.²²

20 'EU "wasting" cash on lobby groups', BBC News, 6 December 2007

21 <http://www.ecas-citizens.eu/>; data on ECAS funding from the Financial Transparency System.

22 <http://www.ecas-citizens.eu/content/view/283/267/>. Similar sentiments are made explicit in the rhetoric of some civil society groups. For example, the EU-funded European Alcohol Policy Alliance published a report titled 'Counterbalancing the Drinks Industry'.

This rationale for state funding of special interest groups carries the implicit assumption that corporate interests are necessarily at odds with the public interest. Although there are plenty of examples of corporate rent-seeking that could be cited, it is by no means axiomatic that non-profit organisations are more likely than companies to act in the interests of consumers. There is no monolithic corporate interest, just as there is no objectively defined public interest. There are simply special interest groups, all of which claim to be acting in the public interest. 'Self-interested' businesses can benefit the public by creating jobs, for example, while non-profit lobby groups can advance causes which help certain industries. As an example of the latter, Friends of the Earth's successful legal battle against the British government's attempt to cut solar tariff payments was a boon to the solar power industry. Regulation frequently helps or hinders some industry or other, albeit sometimes inadvertently. Moreover, 'public interest' lobby groups have financial considerations of their own. They have incentives to exaggerate risks in order to keep their area of concern in the public eye and to guarantee future funding.

The EU's authority to create regulation in 27 countries undoubtedly makes Brussels a powerful magnet for lobbyists and rent-seekers, but it is by no means clear that funding more lobbyists is the answer. Nor is it obvious that such funding is financially necessary. Greenpeace is just one example of a wealthy pressure group that does not need to rely on state funding. The European Climate Foundation had a budget of more than €21 million in 2011, none of which came from government, and there are numerous non-statutory sources of philanthropic funding, including the Gates Foundation, the Bloomberg Foundation and the Open Society Institute. Any civil society organisation that represents a moderately popular cause should be able to raise sufficient funds from membership fees, foundations and/or donations to make its voice heard. An organisation with thousands of due-paying members and an elected leadership has more democratic credibility than a Brussels-based NGO that survives on EC grants. A charity or pressure group that cannot raise funds from the public has no mandate to speak for the public and should be allowed to fail.

A biased funding strategy

Far from correcting an 'imbalance', there are major biases in the EC's funding strategy which gives an advantage to certain interest groups while disenfranchising huge swathes of the population. It is inconceivable that the Commission would fund a civil society organisation that supported the reintroduction of capital punishment or the criminalisation of abortion, for example, although it does fund campaigners against the death penalty as far afield as Japan and the USA (McNamara, 2011). The Commission funds groups which espouse total abstinence from alcohol, but it does not give grants to organisations representing the interests of drinkers, such as the Campaign for Real Ale. It funds environmental organisations which can be fairly described as anti-motorist, but it does not give grants to the Automobile Association. We do not suggest that such groups should receive state funding, only that the EU's version of civil society is by no means a microcosm of Europe in which every walk of life is represented. Groups which support the Commission's policy priorities are lifted atop the 'civil society' pedestal with ample financial support. Those which do not must make their own way.

It could be argued - and many NGOs do - that if the Commission expects civil society organisations to hold debates and attend meetings, it should provide some funding to cover the costs incurred. The EC favours Brussels-based umbrella groups with a pan-European membership, many of which were formed as a direct response to the EU's declared interest in listening to civil society in the mid-1990s. Such groups require funds to maintain a policy

office in Brussels and some have expressed the view that ‘they ought to be funded for doing what amounted to the Commission’s work in “selling” the EU’ (Monaghan, 2008: 27). Although this makes it sound rather like a contractual relationship, it is not an unreasonable request (so long as one believes that ‘selling’ the EU is a legitimate activity), but even accepting that the Commission should provide financial assistance to groups that wish to respond to EU consultations, the sums given to many interest groups go far beyond mere expenses.

Some groups might legitimately be given money as private sector contractors, but in many cases, the groups are overtly political and make no claim to provide tangible services, such as the Federation of Young European Greens, the European Free Alliance Youth and the International Union of Socialist Youth, all of which receive €50,000 from the EC annually. The name of the European Women’s Lobby speaks for itself, while Culture Action Europe describes itself as ‘an advocacy and lobby organisation’.²³ Social Platform estimates that it spent €250,000 on ‘activities carried out with the objective of influencing the policy formulation and decision making processes of the European Union Institutions’ in 2011. Since it only received €110,000 from non-EU sources, Social Platform cannot have avoided using public money to lobby the EU.

Essentially, the Commission is outsourcing policy development and public relations by funding activists who will then lobby politicians and the public. As Cram notes, European institutions have funded and exploited outsider pressure groups to achieve their aims for many years, but the use of civil society groups as a mode of governance is a more recent development (Cram, 2006b). There are parallels to be drawn with the extensive funding of putatively independent third sector organisations in Britain in recent years (Snowdon, 2012). In both cases, there has been a bias towards centre-left organisations, with a particular emphasis on issues about which the public is often indifferent, such as climate change, overseas

23 <http://www.cultureactioneurope.org/network/about-us> ('We have immediate access to EU decision makers and we are widely recognised as a unique resource of information and expertise on the EU and its cultural policy.')

development and public health. Both use government consultations, media briefings, quasi-grassroots campaigning and face-to-face lobbying to bring about controversial legislation. Moreover, both processes grew in importance in the first years of the twenty-first century.²⁴

The EU’s funding of civil society invites some of the same criticisms that have been made in the UK. The homogeneity of worldview and similarity of jargon identified by Seddon in Britain’s third sector is evident amongst the EU’s favoured civil society organisations (Seddon, 2007: 69). The literature and websites of these groups suffocate the reader with vague but well-meaning rhetoric about ‘stakeholders’, ‘sustainability’, ‘social justice’, ‘capacity building’, ‘fundamental rights’, ‘diversity’, ‘equity’, and ‘active citizenship’. The stated ‘values’ of the European Public Health Alliance, for example, are ‘Equity – Solidarity – Sustainability – Universality – Diversity – Good governance’. Whilst it is difficult to be strongly opposed to such uncontroversial aims, it is equally difficult to know what they mean in practice and how they specifically relate to health.

More serious than the use of bland buzzwords is the threat to independence and objectivity. The Commission is unlikely to fund groups which have serious reservations about its political objectives and, once in the pay of the EU, groups are unlikely to risk future funding by criticising the Commission.

24 Tanner (2007) argues that the George. W. Bush administration funded a range of conservative organisations and, as Monaghan (2007: 118) notes, the World Bank has also funded civil society groups.

Lobbying for bigger budgets

There is also a tendency towards rent-seeking and nest-feathering. As we have observed in a previous paper, pressure groups have the same incentives to seek rent, build empires and magnify threats as corporations and individuals (Snowdon, 2012: 35). In an article about what it called the EU's 'rigged dialogue' with civil society, the *Economist* noted that 'campaigning on their own behalf is a big occupation of these groups. Look at the websites of EU-funded NGOs and it becomes clear that one of their favoured activities is to lobby for even more EU money' (Economist, 2004).

The rent-seeking takes two forms. Firstly, third sector organisations assist the Commission in the development of a policy and then bid for contracts to implement it, thereby giving them an incentive to ensure that complex and expensive legislation continues to flow from Brussels (Rotherham and Mullally, 2008: 70). Secondly, NGOs can request funding from the Commission's various civil society and active citizenship schemes in order to represent certain interests in Brussels (or to represent the interests of Brussels at home). They use open letters, publicity stunts, ministerial briefings, press conferences and press releases to campaign for more funds for their sector and, implicitly or explicitly, a higher EU budget. Some civil society groups have accused other NGOs of existing for the sole purpose of soliciting EC grants while others have complained that they find it difficult to supplement their EC funding from other sources (Monaghan, 2008: 27-29). Neither type of organisation sounds like an advertisement for the voluntary sector.

There is no shortage of EU-funded NGOs and charities campaigning for budgets to rise in their own sector. The Green 10 campaigns for 25 per cent of the EU budget to be spent on climate change projects.²⁵ Culture Action Europe's lobbying has secured large increases in the budget of the EU's Culture Programme. The European Youth Forum ran with the slogan 'Don't cut our EU budget - invest in youth!'²⁶ while campaigning for a higher budget for youth projects and for ten per cent of all European programmes to be used to 'support Young People and Youth Organisations'.²⁷ The European Women's Lobby runs a campaign 'to ensure future EU funding for women's rights'²⁸ and, when the EC gave its Fundamental Rights and Citizenship programme a budget of €439 million for 2014-20, EWL called the figure 'deplorable' and demanded it be raised to €530 million.²⁹

The appetite of interest groups for public money is matched by their enthusiasm for increasing the EU's overall budget. By 2012, after a severe economic crisis, at least eight European governments, many MEPs and much of the public wanted to see a reduction in member states' contributions to the Union, but the Commission found widespread support amongst 'civil society' for its own view that the EU budget should not be cut. The European Youth Forum (82 per cent EU-funded) declared: 'We call on Member States not to freeze or cut the EU budget'.³⁰ Mental Health Europe (91 per cent EU-funded) said it 'opposes funding cuts'.

25 <http://bankwatch.org/news-media/blog/time-iron-out-eu-budget-differences-green-shirt>

26 http://www.youthforum.org/index.php?option=com_content&view=article&id=2563:do-nt-cut-our-eu-budget-invest-in-youth&catid=28:current-users&Itemid=89

27 <http://www.loveyouthfuture.eu/what>

28 <http://www.womenlobby.org/spip.php?article3142&lang=en>

29 'AGE, EDF, ENAR, EWL, ILGA-EUROPE, AE, EBU, ENIL, IF, Inclusion Europe, IGLYO, MHE and TGEU1 amendments to the European Commission's proposal for the 'Rights and Citizenship Programme' 2014-2020', EWL briefing paper, 22 February 2012.

30 http://www.youthforum.org/index.php?option=com_content&view=article&id=2467:not-investing-in-youth-costs-us-100-billion-euro-per-year&catid=28:current-users&Itemid=89

The European Women's Lobby (83 per cent EU-funded) called for 'an ambitious budget'.³¹ CONCORD (51 per cent EU-funded) warned that 'EU budget cuts could cost lives in developing countries'.³² The European Movement (71 per cent EU-funded) demanded 'increased investment'.³³ The European Network of National Civil Society Associations (75 per cent EU-funded) said 'We believe in the value of better EU funding... We support the proposal to maintain EU funding levels'.³⁴ Social Platform (86 per cent EU-funded) said it was 'against attempts to reduce the EU budget' and many of its members, such as Solidar, which aims to 'strengthen European integration' and receives millions of euros from the EC, lobbied against any cuts.³⁵ Many more names could be added to this list and the *Economist's* observation from 2004 is no less true today:

'The spectacle of organisations that receive EU money using their money to campaign for more EU money is only one example of this looking-glass world. It is a world in which so-called NGOs are actually dependent on government for cash; and one in which the European Commission, itself directly financed by Europe's national governments, finances "autonomous" organisations that campaign for more power and money to be handed to the commission itself.' (Economist, 2004)

31 <http://www.womenlobby.org/spip.php?article4279>

32 <http://www.oxfam.org/en/eu/pressroom/pressrelease/2012-11-20/eu-budget-cuts-could-cost-lives-developing-countries-warn-ngos>

33 http://www.europeanmovement.eu/index.php?id=6811&tx_ttnews%5Btt_news%5D=9787&cHash=58410b777c6879deada3a0aaf8c3bf93

34 <http://www.enna-europe.org/pages/WeBelieve:We-believe-in-the-value-of-better-EU-funding->

35 <http://www.solidar.org/EU-leaders-seeking-a-decision-on.html>

Promoting the EU at home and abroad

Of all the causes espoused by European civil society groups, none is closer to the heart of the Commission than the EU project itself. Rotherham and Mullally estimate that the EU's propaganda budget in 2008 ran to more than €2.4 billion which, they note, exceeded Coca-Cola's global advertising spend (Rotherham and Mullally, 2008: 118). Much of this is channelled through third parties. Thomasson-Lerulf and Kataja note that 'It is difficult to find organisations that have been granted financial support by the EU, whose activities do not include efforts to support a growing European cooperation' (Thomasson-Lerulf and Kataja, 2009: 6). Conversely, it is also difficult to find strongly pro-integrationist lobby groups that have not received money from the EU. Some of the ongoing projects are listed below.

Academia

In addition to funding academic institutions such as the Jean Monnet Association and Jean Monnet University - both named after one of the architects of the European Union - the EC granted in excess of €28 million to the European University Institute in 2011. Amongst the Institute's publications is 'Democratic improvements in the European Union under the Lisbon Treaty' (Robert Schuman Centre, 2011) and 'A New Governance for the European Union and the Euro' (Robert Schuman Centre, 2011). The latter is a fine example

of the quasi-critical approach to the EU which is typical of EU-funded academic institutions. Although it begins by attacking the EU for its failings in dealing with the economic crisis, it goes on to argue that the source of the crisis lay in too much power being wielded by national governments; the answer therefore lies in closer political union and a tripling of the EU budget - supported by direct EU taxation. 'We need political integration to support increased transfer of powers to the Union', the author concludes (Maduro, 2012: 7). This view, along with the belief that the EU's main failing is its inability to communicate the benefits of integration to its citizens, is the standard orthodoxy amongst hundreds of EU-funded 'stakeholders'.

Think tanks

The EU has a policy of funding political parties in proportion to the number of MEPs each has in the European parliament, although efforts are underway to prevent far-right parties from receiving EU funds.³⁶ In addition to these grants, each group of political parties is eligible for money to fund think tanks. Again, these funds are distributed according to MEP numbers, but there are a variety of other EU schemes that allow think tanks to receive grants.

The Commission's funding of think tanks mirrors trends in Britain and other countries where governments have become major benefactors of private research institutes. As in the UK, there is an apparent bias towards left-leaning organisations, including the UK's New Economics Foundation which received at least £50,000 from the EC in 2011 and the Institute for Public Policy Research which received €860,000 from the EC in 2010.³⁷

36 The BNP and other ultra-nationalist parties are eligible for €300,000 to be shared between them, but there are plans to restrict funding only to political parties which 'respect human rights, including the rights of persons belonging to minorities.'

37 <http://www.neweconomics.org/about/how-are-we-funded>. Figures for the IPPR come from the Financial Transparency System.

Conservative, free-market and eurosceptic think tanks are greatly underrepresented. Beyond the general funding of think tanks based on parliamentary membership, no money is granted to such organisations as New Direction, Captus, the Hayek Institute, the European Coalition of Economic Growth, Libera!, Civismo, Cevro, the Think Foundation and the Adriatic Institute. This inequality of funding may be due to a reluctance on the part of right-of-centre think tanks to apply for EU grants. In an interview with Elizabeth Monaghan in 2005, one (unnamed) civil society organisation suggested that eurosceptic organisations felt that dealing with the Brussels machine was a waste of time and money:

'Groups like ours, we don't have the resources to devote to that elite style of politics, we wouldn't have had the resources to send people over to Brussels to try and influence a process that we didn't fundamentally trust and there was no possibility that this Constitution would take the EU in a different, decentralising direction' (Monaghan, 2007: 157).

Any political bias is, however, slight compared to the heavy bias towards think tanks which support greater EU integration and federalism, more blatant in some cases than in others. Table 4 shows all the think tanks funded under the Commission's Framework Partnership in 2012.

Table 4: Full list of EC-funded think tanks under Framework Partnership (2012)

Centre for European Policy Studies (Belgium) €145,871

Official think tank of the integrationist European People's Party. It recommends fining EU citizens who fail to vote as a way of increasing voter turn out, thereby giving the European parliament greater democratic legitimacy and raising money for the EU (Malkopoulou, 2009). Its grant under the Framework Partnership is a small fraction of its EU funding. In 2010, it received around €6 million from the European taxpayer for various projects - 69 per cent of its total income.

Fondation Robert Schuman (France) €80,183

Affiliated with the European People's Party and the Christian Democrats. Named after one of the founders of the EEC. Affiliated with the Centre for European Policy Studies and the European People's Party.

Institut für Europäische Politik e.V. (Institute for European Policy) (Germany) €87,172.

Founded in 1959. Affiliated with the strongly pro-EU European Movement.

Active Citizenship Foundation (Fondaca) (Italy) €118,365

Founded in 2001. Entirely taxpayer-funded, it received 18 per cent of its income from the EC in 2011 with the remainder coming from the Italian government.

Friends of Europe (Belgium) €211,278

Founded in 1999. Claims political neutrality. Friends of Europe says: 'We call ourselves Friends of Europe and not Friends of the EU for a simple reason: we consider ourselves friends of the principles of European partnership and solidarity, and we are not wedded to any institutions.'³⁸ The group, it says, 'only advocates a better understanding of the challenges facing Europe and its citizens' and 'therefore does not have or use any funds for lobbying.' However, Friends of Europe has urged the European Commission 'to regain fully its monopoly of initiative, halting the trend in which Europe's national governments rather than the EU are increasingly in the driving seat on foreign and security policy'. It has called on Commissioners to 'play a more public role in promoting European integration' and 'place closer integration far higher on the political agenda.'³⁹ The EC is its largest single donor, providing €474,849 in grants in 2011 (21 per cent of its income).

Institute of Public Affairs (Poland) €68,850

Founded in 1995. Primarily focused on domestic reforms in Poland.

Pour la Solidarité (Belgium) €100,000

Founded in 2003. Affiliated with left-wing umbrella group Solidar and socialist think tank Eurocité. In 2011, all of its €827,000 budget came from the EC.

38 <http://www.friendsofeurope.org/Contentnavigation/Publications/Libraryoverview/tabid/1186/articleType/ArticleView/articleId/3266/Friends-of-Europe-Statement-on-AntiAusterity-Protests.aspx>

39 <http://www.friendsofeurope.org/Contentnavigation/Publications/Libraryoverview/tabid/1186/articleType/ArticleView/articleId/2739/An-8point-strategy-to-revitalize-the-EU.aspx>

European Policy Centre (Belgium) €139,830

Founded in 1996. Receives less than a fifth of its income from statutory sources.

Notre Europe (France) €500,000

Founded in 1996 by former EC president Jacques Delors and firmly pro-EU, Notre Europe is the recipient of the largest grant for a think tank under the Framework Partnership. The French and EU governments account for the majority of its income.

The Lisbon Council (Belgium) €200,000

Founded in 2003. EC grants make up about a third of its income.

Trans European Policy Studies Association (Belgium): €110,000

Founded in 1974. Strongly pro-integration.

Confrontations Europe (France): €207,986

Founded in 1992. Pro-integration. In 2011, EC grants of €400,000 made up a quarter of its total income.

Libertarian Research and Education Trust (Statewatch) (UK) €74,500

The exception that proves the rule? Founded in 1991, Statewatch focuses on civil liberties and is neither left-wing nor strongly pro-EU.

Youth in Action

The EU is heavily involved with a multitude of youth organisations. As EC spokeswoman Judith Schilling said in 2012: 'Everybody has now picked up on the idea that we will never succeed to convince people about the value of being a member of the European Union if we do not start early enough with the young people before they form prejudices and are misinformed by other sources.'⁴⁰ These 'prejudices' are countered by the Commission's lavishly funded 'Youth in Action' programme which had a budget of €885 million in 2007-13. Youth in Action focuses on 'building European citizenship' and 'actively engaging Europe's youth in the European project'.⁴¹ Amongst the beneficiaries are the Young European Federalists, a strongly pro-EU campaign group which received €133,332 directly from the EC and a further €37,466 from the Council of Europe's European Youth Foundation. In total, 80 per cent of its income comes from the taxpayer.

The European Youth Forum (EYC) was the recipient of €2,422,500 in EU grants in 2011 - 78.5 per cent of its income. A further 3 per cent of its income comes from the Council of Europe.⁴² Between 2007 and 2011, the organisation received more than €11.5 million from the EU. In 2011, EYC estimated that 49.8 per cent of its income was spent on 'advocacy'.⁴³ A heavily rights-based organisation, it says it has an ongoing 'structured dialogue' with the European Union to represent the interests of young people in Brussels. Amongst its self-proclaimed 'constant lobby work'⁴⁴ is the campaign for the voting age to be lowered to 16 across the EU⁴⁵ and to 'increase the budget of the Education, Training and Youth Programme to reach at least 20 billion euros for the coming 7 years (2014-2020)'.⁴⁶

40 <http://rt.com/news/eu-education-propaganda-criticism-643/>

41 http://ec.europa.eu/youth/youth-in-action-programme/european-citizenship_en.htm

42 European Youth Forum, 'Annual Report 2011', 2011, Brussels; p. 46

43 European Youth Forum, 'Annual Report 2011', 2011, Brussels; p. 46

44 http://www.youthforum.org/index.php?option=com_content&view=article&id=52&Itemid=80

45 <http://www.voteat16.eu>

46 http://www.youthforum.org/index.php?option=com_content&view=article&id=2563:do-nt-cut-our-eu-budget-invest-in-youth&catid=28:current-users&Itemid=89

Media

'In modern societies it is the mass media above all that create ... political awareness', said the European Economic and Social Committee 1999, 'but the media tend not to be very interested in European issues. Reports are generally limited to topical matters and allusions to incompetence which are intended to boost sales. So it is hardly surprising that people's distrust of "Brussels", which they equate with aloof bureaucracy and opaque decision-making structures, has grown' (EESC, 1999b). The Commission has gone to great lengths to address this perceived imbalance, such as creating its own official television station, the reliably pro-integration Euronews, whose budget ballooned from €10 million in 2007 to more than €30 million in 2011. Its network of radio stations, Euranet, receives a further €6 million a year. The BBC has received extensive funding for the World Service and in 2011 received a €355,000 grant for 'Media capacity in the area of EU integration'. Numerous other broadcasters and production companies in the EU and as far afield as Palestine receive EU funding. Radio France, for example, received €1.7 million in 2011.

Moreover, the EU awards various prizes to journalists of up to €10,000. One of these, the European Parliament Award for Journalism (given to those who have 'covered major European issues or promoted a better understanding of the EU institutions and/or EU policies'), was scrapped in 2012 following criticism that it was 'mere propaganda'.⁴⁷ It also funds the European Journalism Centre to the tune of over €1 million a year and hosts the website eu4journalists.eu which provides briefings about the benefits of EU integration and the Lisbon Treaty.

47 http://www.theparliament.com/latest-news/article/newsarticle/meps-welcome-decision-to-scrap-eu-parliament-journalism-award/#.UQki3ImLL_w

Outside the EU

The Commission grants money to a number of groups whose core purpose is campaigning for a more integrated, federal Europe, including the Union of European Federalists (€110,000 in 2011 - 63 per cent of its income) and the aforementioned Young European Federalists. The oldest of the federalist organisations, the European Movement, was founded in 1948 and has a long history of being funded by government to campaign for an 'ever closer union'. As early as 1964, the British government was funding the organisation to the tune of £2,500 per annum, a sum that had risen tenfold, to £25,000, by 1974, the year before the UK referendum on EEC accession. Even at the time, this money was believed to have been spent on 'propaganda activities'.⁴⁸ In 1970, Douglas Jay asked in the House of Commons: 'Is not the Minister aware that this organisation [the British Council for the European Movement] is carrying on propaganda throughout this country with which a great many taxpayers disagree? Though it is entitled to do this at the expense of private subscription, is it not a public scandal that taxpayers' money should be used for this purpose?'⁴⁹

The question is perhaps even more relevant today than it was in 1970, although it can no longer be directed at the UK branch of European Movement which states that it is now 'funded entirely by membership subscriptions and private donations. It receives *no* money from the British Government, from political parties, or from the European Union' (emphasis in the original).⁵⁰ The group is now a shadow of its former self and rarely surfaces in the media. The same cannot be said of the Brussels-based European Movement International whose stated objective is to 'contribute to the establishment of a united, federal Europe'.⁵¹ It receives an annual grant of €430,000 from the EC (71 per cent of its income in 2011) plus additional funding for national campaigns. In 2009-10, it received

48 <http://hansard.millbanksystems.com/lords/1974/may/20/european-movement-contributions>

49 <http://hansard.millbanksystems.com/commons/1970/nov/16/british-council-for-the-european-movement>

50 <http://www.euromove.org.uk/index.php?id=6330>

51 http://www.citizensforeurope.eu/org-326_en.html

an extra €327,000 to spend in Montenegro, Latvia, Estonia and Bosnia & Herzegovina, including €164,063 for 'Strengthening the civil society capacity to contribute to the EU integration and the accession process' in Montenegro.⁵²

The EU spends significant sums on civil society groups in non-member countries. In 2012/13, its Neighbourhood Civil Society Facility had a €22 million budget to be distributed to groups in Eastern Europe, North Africa and the Middle East, later increased to €45.3 million.⁵³ Many Youth in Action grants have been given to projects in potential new member states such as 'Unite Unite Europe!' (Serbia), 'Be Active, Be European!' (Albania) and 'Citizen of my country, citizen of my Europe!!' (Kosovo).⁵⁴ Other 'civil society' projects include 'Together toward Europe', 'Today's Youths... Tomorrow's Citizens', 'Lisbon Treaty: Empowerment of European Citizens' and 'Think Global Act European'.

Town-twinning

The flagship initiative of the 'Active Citizens for Europe' programme is town-twinning, a longstanding effort on the part of eurocrats to encourage 'active citizenship'. The EU offers up to €25,000 per twinning project and sees the benefits as follows: "One major advantage of town twinning is that it involves large numbers of citizens directly, illustrating the benefits of EU integration at the local level and helping citizens from different Member States build bounds and develop a sense of common European identity."⁵⁵

52 Latvia and Estonia joined the EU in 2004. Montenegro and Bosnia & Herzegovina are not (yet) members.

53 http://europa.eu/rapid/press-release_IP-12-1298_en.htm

54 'Youth in Action: 2011 Round 2, Selected Applications', EC; <http://eacea.ec.europa.eu>

55 http://ec.europa.eu/citizenship/about-the-europe-for-citizens-programme/overview/action-1-active-citizens-for-europe/index_en.htm

Active citizenship and the European Year of Citizens

In recent years, the European Commission has increasingly emphasised the importance of 'active citizenship'. This concept is at the heart of its 'Europe for Citizens' programme and civil society is once again invited to assist the Commission in its efforts to promote it. As with much of the EU's favourite jargon, 'active citizenship' has no concrete definition, but it is generally agreed that it refers to individual involvement in public life, particularly volunteering and voting. Hoskins (2006) defines it as: 'Participation in civil society, community and/or political life, characterised by mutual respect and non-violence and in accordance with human rights and democracy.' No political objective is implied by this; it is the participating that matters. The EU, however, takes a different approach, making it explicitly clear that the aim of its 'active citizenship' programme is to 'give citizens the opportunity to interact and participate in constructing an ever closer Europe'.⁵⁶

Once again, the Commission assumes that citizens are in favour of political integration and that its role is to forge a European identity, aided and abetted by 'grass-roots' civil society groups - and, once again, these groups are heavily subsidised by the taxpayer. A Soul for Europe, for example, aims 'to create a Europe of the Europeans, rather than just a Europe of institutions and regulations' and says that a 'new understanding of citizenship is required to create Europe from the bottom-up.'⁵⁷ This 'bottom-up' organisation was granted nearly €150,000 by the EC in 2012 under the 'Europe for Citizens' programme. The same programme awarded €117,000 to Hungary's Republican Foundation for a project titled 'Combating Euroscepticism and Promoting Active European Citizenship'. It is telling that the EC sees euroscepticism as the antithesis of 'active citizenship'.

56 http://europa.eu/legislation_summaries/culture/l29015_en.htm

57 <http://www.asoulforeurope.eu/about-us/mission-statement>

Or take the example of Citizens of Europe, founded in 2002, which claims to be 'politically independent' and 'non-governmental' and yet received at least €184,000 from the EU in 2010-11. A member of the European Movement (see above), Citizens of Europe say they 'are concerned about the effect the [financial] crisis has on our identity as Europeans. We do not want Europe to dissolve in nationalistic countries and regions. We expect our representatives and governments to honour the European values, achievements, laws, and standards elaborated [sic] in the last 60 years. We need a new form of solidarity. Especially now, we need to foster civic initiative and trust.'⁵⁸ Articles on the group's website include 'We do not want Europe to dissolve!' and 'How I learned to love the Euro'.

Many more examples can be found amongst the members of the European Year of Citizens 2013 Alliance (EYCA) which is made up of 'major European civil society organisations and networks' to celebrate what the Commission has designated the Year of the Citizen. As this umbrella organisation sees it, 'Active European citizenship is about pursuing European collective goals and values enshrined in the treaties' (EYCA, 2012: 1).

The EYCA's manifesto raises the same concerns about the popularity of the European project that have preoccupied the Commission since the mid-1990s. There is, it says, 'an ever growing gap between the European Union and its citizens, as confirmed by the turnout in the latest European elections and by surveys which repeatedly show citizens' lack of awareness of European citizenship and identity' (ibid: 2). Their collective action is, they say, 'our response to the current disaffection against the European institutions' (ibid: 3). However, as Table 5 shows, the EYCA has good reason to defend those institutions. At least 80 per cent of its members receive EU funding and the majority rely on the taxpayer for the bulk of their income. Between them they received over €18 million from European institutions in 2011. Such is the scale of the funding that this 'civil society alliance' looks more like an extended bureaucracy.

⁵⁸ Citizens of Europe (2012), 'Beyond the Crisis', <http://www.citizens-of-europe.eu/articles/we-do-not-want-europe-dissolve>

Table 5: Members of the European Year of Citizens 2013 Alliance

All figures from Transparency Register (2011) unless otherwise stated. Proportion of income provided by the EU shown in parentheses:

European Civic Forum	€100,000 (78 per cent)
European Movement International	€430,000 (71 per cent)
Social Platform	€654,289 (86 per cent)
€950,000 (58 per cent)	€950,000 (58 per cent)
European Civil Society Platform on Lifelong Learning	€200,000 (74 per cent)
Culture Action Europe	€110,500 (45 per cent)
European Youth Forum	€2,514,125 (82 per cent)
European Foundation Centre	Nothing.
European Public Health Alliance (EPHA)	€681,536 (61 per cent)
European Association for the Defense of Human Rights (AEDH)	€79,600
European Women's Lobby	€911,677 (83 per cent)
European Volunteer Centre	€120,613 (27 per cent)
European Federation of Older People	Nothing.
European Association of Service Providers for Persons with Disabilities	€368,829
European Non-governmental Sports Organisation	€250,000 (81 per cent)
European Forum of Muslim Women	Nothing.
European Citizen Action Service	€812,465 (80 per cent)
Inclusion Europe	€514,513
European Students Forum Association (AEGEE-Europe)	€64,670
European Anti Poverty Network	€1,451,162 (83 per cent)

European Network for Education and Training e.V. (EUNET)	€94,102 (57 per cent)
European Alternatives	€300,000 (60 per cent) (2010/11)
European Network of National Civil Society Associations	€114,084 (75 per cent)
European Community Organising Network (ECON)	Not listed on Transparency Register but website acknowledges EC funding.
European Council for Non-Profit Organisations (CEDAG)	€120,000 (80 per cent)
European Federation of National Organisations Working with the Homeless (FEANTSA)	€1,078,849 (81 per cent)
Association Internationale de la Mutualité (AIM)	Nothing.
AGE Platform	€731,447 (67 per cent)
Volonteurope	Not registered on the Transparency Register but its website acknowledges support from EC.
Conservation Volunteers Alliance	Nothing.
World Association of Girl Guides and Girl Scouts (Europe Region)	€144,946 (20 per cent)
World Organisation of the Scout Movement	Nothing.
Lions Club International	Nothing.
Eurochild	€702,727 (84 per cent)
Confederation of Family Organisations in the EU (COFACE)	€603,182 (86 per cent) (2010)
CONCORD	€691,345 (51 per cent)
Erasmus Students Network	€178,514 (52 per cent) (2010)
Association of Local Democracy Agencies	€613,593 (39 per cent)
Central and Eastern European Citizens Network	€100,000

Combined European Bureau for Social Development	Nothing.
Solidar	€450,000 (60 per cent of total)
Euclid Network	€342,410 (53 per cent)
Confederation of European Senior Expert Services	Nothing directly from the EC, but it received €202,000 (99 per cent of its income) from EU's Eurochambres programme.
Young European Federalists	€118,525 (67 per cent)
Platform for Intercultural Europe	€120,000
ATD Quart Monde	€130,000
International Sports and Culture Associations	€414,998
Mental Health Europe	€641,714 (91 per cent)
Europa Nostra	€60,364 (6 per cent)
Balkan Civil Society Development Network	Nothing.
Civilscape	€14,000 (40 per cent)

British involvement in the EYCA includes the left-of-centre European Alternatives which says that 'a new model for the economy is required, one which restores the primacy of politics over the market'.⁵⁹ It received €514,220 from the EU in 2011 and depends on the Commission for most of its revenue.⁶⁰ As the following quote suggests, it is strongly integrationist:

'The nation state is no longer the appropriate political form in which to define democratic decision-making and active citizenship, equality between people, the respect and extension of rights. The nation state is not the appropriate political form to promote a responsible politics for the environment, ensure political control over the economy and an equitable distribution of wealth, or promote peace between people.'⁶¹

59 <http://www.euroalter.com/new-economy/>

60 Funding data obtained from the Financial Transparency System.

61 <http://www.euroalter.com/mission/>

The EYCA naturally welcomed the decision to make 2013 the European Year of Citizens, but it called on the EU to increase the project's budget and to extend its scope beyond the rights of EU citizens and embrace all the putative benefits of the closer union created by the Lisbon Treaty ('we are deeply concerned that, in the framework of the European Year of Citizens 2013, the EU citizenship tends to be confined to an individual rights-based approach and does not tackle the Europeans' sense of belonging to a common European Union.')⁶² These are common themes when EU-funded groups criticise the Commission - it is faulted for not being ambitious enough, particularly in its spending.

62 <http://ey2013-alliance.eu/>

Wheels within wheels

The organisations listed above make up only a small fraction of the NGOs, charities and pressure groups funded by European taxpayers. Although whole reports have been written about EU-funded lobbying in specific policy areas (for example, Rotherham and Mullally, 2008; Boin and Marchesetti, 2010; McNamara, 2011; Sinclair, 2012), the scale of the funding - and the fact that the EU refuses to disclose whether or not it funds certain NGOs⁶³ - makes compiling a comprehensive list virtually impossible. In the case of some policy areas, notably environmentalism and European federalism, almost every stone that is turned reveals another EU grant.

The Commission has been accused of what Rotherham and Mullally call 'funding the cheerleaders' and Boin and Marchesetti describe as 'propaganda by proxy'. Certainly the composition of 'civil society' at the EU level seems to be largely dictated by who the Commission wants to listen to and, as we have seen, who it chooses to fund. When a large, wealthy institution decides to fund hundreds of organisations, there are bound to be examples of funding going to groups that share its goals, but what is striking about the EU's funding patterns is not just the sheer number of like-minded NGOs on the payroll but the lack of counterfactual examples. There is virtually no funding for organisations which seriously question the Commission's direction of travel.

63 http://www.ngo-monitor.org/article/eu_court_decision_on_ngo_monitor_case_confirms_eu_s_secrecy

If spending millions of euros on 'civil society' and 'active citizens' was supposed to warm the public to the European project, it has not been a glittering success. As Cram notes, 'the involvement of civil society (or, as they once were 'interest') groups in the EU policy process has risen, both in volume and in import, in inverse proportion to the perceived legitimacy of the institutions of the EU' (Cram, 2006b).

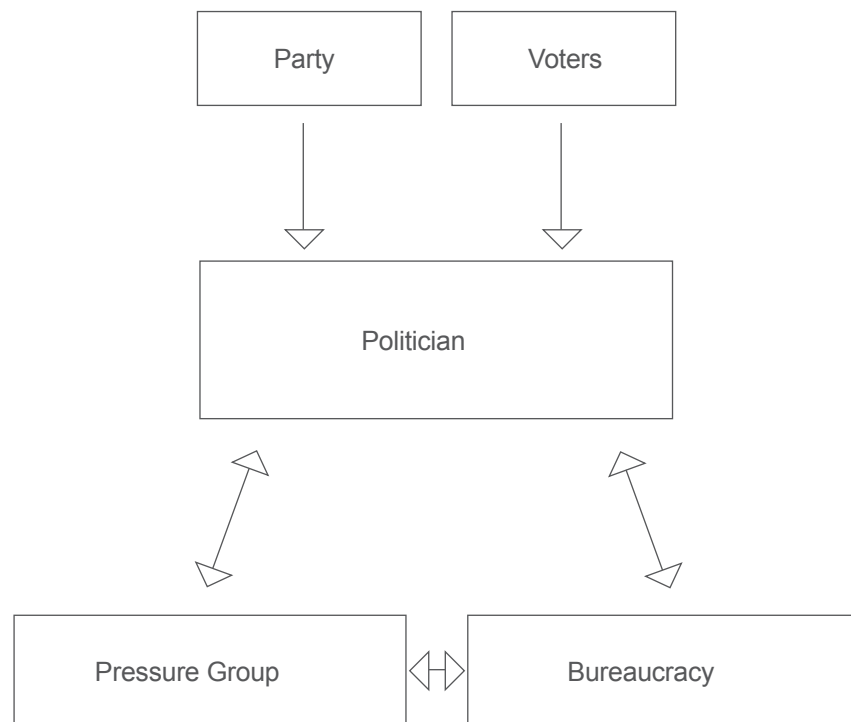
According to Eurobarometer surveys, only 36 per cent of EU citizens tend to trust the European Commission. Even fewer - just 31 per cent - tend to trust the European Union (Eurobarometer, 2012a: T49, T62). Public faith in EU institutions did not improve between 2004 and 2009, and it has fallen significantly since (Eurobarometer, 2012b: 13).

These opinion polls have been reflected at the ballot box. Although the Irish voted for the Treaty of Nice at the second time of asking in 2002, the Swedes voted against joining the euro the following year (as Denmark had in 2000). In 2005, France and the Netherlands both voted against the Constitutional Treaty (while Spain and Luxembourg voted in favour). In 2008, the Irish voted against the Treaty of Lisbon (voting in favour at the second time of asking the following year). Herein lies the great irony of the EU's listening exercise. The Commission spends vast sums of money encouraging 'active citizens' to make their voices heard and yet when the masses are consulted through the democratic process, they are ignored. The only message that has been unambiguously sent from the demos to the Commission in the past 15 years is the one message that it will not act upon - that is, to slow down or reverse the process of political integration.

In the context of growing euroscepticism and successive referendum defeats, europhiles might be forgiven for preferring to listen to the reassuring messages of support from its 'critical friends' in the third sector rather than the discontent of the masses. But as much as they might wish to pretend otherwise, one fact is inescapable: full-time, professional organisations which are principally funded by the state are neither non-governmental, nor voluntary, nor independent.

They cannot legitimately be described as representatives of 'civil society'. Ever since the publication of its 2000 White Paper, the Commission has willfully mistaken 'civil society organisations' for 'citizens', but special interest groups cannot be expected to represent the views of the public. Large, professionalised NGOs may not even represent the views of the majority of their members. Moreover, European institutions prefer to deal with umbrella groups, usually based in Brussels, which are still further removed from their members. As Monaghan notes, 'it is certain interests, rather than the citizens to which they belong, that are being represented' (Monaghan, 2007: 278).

Monaghan traces the shift in terminology from 'interest groups' to 'civil society' to around 2001, remarking that the Commission saw an opportunity to 'enhance its own role in the context of an increasing concern with legitimate governance, re-naming 'interest groups' (with all their connotations of special or privileged interests) as 'civil society organisations' (a term more consistent with democracy and openness)' (Monaghan, 2007: 265). There is, of course, nothing new about governments consorting with special interest groups to develop policy. What is novel about the EC's approach since the mid-1990s is that, by acting as civil society, these interests have been conflated with the will of the people. A system of lobbying that was once seen as grubby and undemocratic is portrayed as noble and inclusive.

Figure 1: The Iron Triangle

Where does this leave ordinary citizens, around whom civil society is supposed to revolve? Smismans notes that in 'much of the civil society discourse the citizen nearly entirely disappears from the picture' (Smismans, 2009). As we have argued in a previous paper, if politics is an Iron Triangle consisting politicians, bureaucrats and interest groups (see Figure 1), state funding of the third sector amounts to a takeover of the latter by the former (Snowdon, 2012). Since the civil society groups no longer have to rely on the public's generosity, they have less incentive to reflect public opinion; they can pursue the objectives of the leadership without having to worry about losing public support. They must, however, be careful not to upset their funders in the European institutions. The Commission

benefits by exploiting the good reputation of charities and NGOs to legitimise EU policy while the interest groups benefit from a ready source of easy money and greater political influence. Special interest groups help develop policies and the Commission pays them to implement them - less civil society, more civil service. And so, as Vaubel notes, both parties gain at the expense of the average citizen.

'The Commission supports special-interest groups because bureaucrats and lobbyists have common aims. Both are interested in political centralisation because it helps them to escape the attention of voters. The Commission and the interest groups form an alliance against the median voter—against democratic control.' (Vaubel, 2009: 39)

Mancur Olson argued in *The Logic of Collective Action* (1965) that concentrated interests prevail in politics because they have a greater incentive to form an organised lobby group than do the millions of people who will bear the cost of their rent-seeking policies. While the costs are thinly dispersed over a large and diverse population, the rewards are enjoyed by a narrow interest group. This is as true of campaign groups that try to use heavy regulation and taxation as weapons as it is of rent-seeking corporate lobbyists and trade unionists.

In the EU, the ordinary citizen pays twice for the lobbying of concentrated interests. He pays first for the funds to be given to the special interest group and pays again for the policies and regulations which come about as a result. Because these costs are spread thinly across the population, it is not worth his while protesting, especially since the EU covers a huge area with widely dispersed citizens speaking different languages and lacking information about the political process. The interest groups, by contrast, are heavily concentrated in Brussels, speak many languages and are well connected to politicians and the media. Not only do they extract rent from a large population, but they advertise the fact that the costs are widely dispersed in an effort to play down the size of their budgets. Culture Action Europe, for example, called for an annual cultural budget that amounts to 70 cents per citizen.⁶⁴ Put in those terms, it seems a minimal cost, but it amounted to a tenfold increase on the previous budget. (In the end, it had to settle for 13 cents per citizen per year for 2007-13, a near-doubling of its previous budget, amounting to €408 million. Subsequent lobbying ensured that the cultural budget for 2014-20 has risen fourfold to €1.6 billion). Similarly, the European Commission is fond of saying that its proposed budget for 2014-20 equates to just one per cent of the EU's GDP, thereby obscuring the true amount which exceeds a trillion euros.

Although its sheer size makes the European Union an inviting battleground for lobbyists, it makes inclusive democracy difficult. For most Europeans, Brussels seems a very long way away. While there is one MP for every 96,000 Britons, there is one MEP for every 674,496 EU citizens.⁶⁵ Add language barriers and stubborn public indifference to the mix and it is clear that participatory democracy and active citizenship remain a distant dream. The Commission may have been sincere in wishing to connect with the public in the 1990s and europhiles may genuinely believe that euroscepticism is the result of public ignorance. The Commission has a democratic duty to consult widely on legislation which will,

⁶⁴ <http://www.cultureactioneurope.org/lang-en/advocate/70-cents-for-culture>

⁶⁵ http://www.acus.org/new_atlanticist/european-political-union-what-would-it-look

after all, have far-reaching implications. It should not be faulted for attempting to bridge the gap between the Brussels elite and the people of Europe, but it must be acknowledged that the EC's policy of picking allies and supporting them with taxpayers' money has made the system, if anything, more elitist and less democratic.

As early as 1997, some were arguing that the EC's 'dialogue' with EU-funded civil society groups 'creates a new political class and merges EU and national actors in a political process that is increasingly distant from the ordinary citizen' (Wessels 1997: 38). Nowhere is this 'dialogue' more one-sided than in the debate about Europe itself which is heavily populated by taxpayer funded pro-EU organisations. It is difficult to argue with Rotherham and Mullally's view that this kind of state-funded political activism is profoundly undemocratic.

'This is essentially a constraint on democracy - a huge and concerted campaign to stifle real debate about the future of the EU. The Commission is only interested in debating one side of the argument - it is willing to accept an 'exchange of views' only to the extent that this takes place solely within the parameters of an acceptance that EU integration is to be broadly supported.' (Rotherham and Mullally, 2008: 6)

Cram argues that the Commission has used NGOs to create a fictional population to replace the people who have failed to offer sufficient support for the Commission's aims (Cram, 2006a). In this fiction, greater involvement of civil society groups creates a more participatory democracy. In reality, it has resulted in unelected special interest groups transferring more power to the unelected European Commission at the expense of the average citizen. If the EU suffers from a democratic deficit, as most agree it does, it has not been rectified by handing money and power to unelected and unaccountable advocacy groups. At best, the EU's engagement with 'civil society' has created a slightly larger elite. At worst, it has been an expensive and anti-democratic attempt to manufacture support for unpopular causes.

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