Financing civil society organizations – what role for the EU? EESC, 6th of Sep 2017

PROFESSOR HÅKAN JOHANSSON, LUND UNIVERSITY, SWEDEN
Research on EU and national civil societies

- **EUROCIV**: Beyond the welfare state: Europeanization of Swedish civil society organizations (funded by Swedish Research Council).
- Several books and articles on EU and national civil society and civil society organizations
- Extensive data collection (surveys, interviews, document studies and case studies at EU and national level), e.g. survey sent to more than 6,000 Swedish CSOs
- Full list of publications: [http://eurociv.blogg.lu.se/](http://eurociv.blogg.lu.se/)
Financing civil society organizations – the big picture

• *Trend I: Strengthening the productive function of CSOs*
  – Greater public recognition and expectations on CSOs to act ‘when the state fails’
  – Market based logics embedded in public funding arrangements
  – Certain ambitions to harness the particular roles, responsibilities and innovative potentials of CSOs
Financing civil society organizations – the big picture

• *Trend II: Control and securitization in funding arrangements*
  – ’Soft control’ mechanisms, e.g. gagging clauses embedded in funding arrangements
  – ’Hard control’ mechanisms, governments directly seek to steer the aims, activities and existence of CSOs via public funding arrangements
Financing civil society organizations – the big picture

• *Trend III: Diversification of funding sources*
  – Greater variety of national funding sources (public and private) at national level, ’horizontal diversification’
  – Increasing combination of national and international funding sources and arrangements, ’vertical diversification’

  » *Funding systems in flux – a growing complexity for public actors and CSOs*
How important is EU funding for EU based CSOs?

• Analyses of Social Platform members
  - Public funding and is the most important source of funding: 59 per cent of CSOs’ total budget comes from public sources (average all members)
  - EU funding is very important: 51 percent of CSOs’ total budget comes from EC funding (average all members)
  - Membership fees amount to 26 per cent of total budget (average all members)
  - Extensive variation among Platform members
How important is EU funding for national CSOs?

<table>
<thead>
<tr>
<th></th>
<th>Total (%)</th>
<th>Disability org.</th>
<th>Trade unions</th>
<th>Victim support org</th>
<th>Women’s org.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Overall sources of funding (being very, somewhat, or not very important) for the CSOs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Public funding</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local municipalities</td>
<td>51</td>
<td>73</td>
<td>15</td>
<td>83</td>
<td>52</td>
</tr>
<tr>
<td>The state</td>
<td>25</td>
<td>27</td>
<td>11</td>
<td>71</td>
<td>52</td>
</tr>
<tr>
<td>EU institutions</td>
<td>8</td>
<td>12</td>
<td>7</td>
<td>17</td>
<td>0</td>
</tr>
<tr>
<td><strong>Other types of funding</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Members’ fees</td>
<td>83</td>
<td>99</td>
<td>91</td>
<td>83</td>
<td>87</td>
</tr>
<tr>
<td>Sales of goods and services</td>
<td>46</td>
<td>47</td>
<td>10</td>
<td>17</td>
<td>53</td>
</tr>
<tr>
<td>Companies’ sponsoring</td>
<td>25</td>
<td>31</td>
<td>19</td>
<td>67</td>
<td>41</td>
</tr>
<tr>
<td>Private donations</td>
<td>49</td>
<td>51</td>
<td>6</td>
<td>50</td>
<td>70</td>
</tr>
<tr>
<td><strong>Total (N)</strong></td>
<td>1709–1765</td>
<td>161–166</td>
<td>104–107</td>
<td>54–56</td>
<td>82–89</td>
</tr>
</tbody>
</table>

Source: Scaramuzzino and Wennerhag (forthcoming)
How many CSOs actually apply for EU funding?

• Very few Swedish CSOs actually applies for EU funding (often, sometimes, rarely and never)

- Swedish CSOs (in sample) 89 per cent had never applied
- Disability organisations 88 per cent …
- Trade unions 83 per cent …
- Victim support organisations 83 per cent …
- Women’s organisations 77 per cent …
What explains CSOs access to EU funding?

- *Organizational capacity* (e.g. staff, membership and resources) explains why some CSOs seek EU funding
- *Perceived relevance*: of even greater significance is if the EU is perceived as important political level for the CSOs and the goals they seek to pursue
What are the consequences of EU funding?

- EU funding is not only ‘transfer of money’, also linked to other forms of governance
  - Regulatory: Transfer of rules and norms
  - Organizational: Transfer of organizational models
  - Participatory: Transfer of arenas for participation
  - Discursive: Transfer of ideas and knowledge
  - Cultural /identity: Transfer of social identities/identifications
Concluding remarks

• **Requirements on a new financial framework**
  1. EU funding plays highly different roles depending on national funding opportunities
  2. EU must prove its relevance as a political arena for domestic CSOs
  3. Recognize the spill-over effect of ‘financial governance’ for CSOs

• **Expand knowledge on financial systems**
  1. How and why do national funding systems differ and what implications have such differences for national CSOs?
  2. What role(s) do EU funding play for national CSOs in different national regimes and political contexts?
Thank you for listening

• Håkan Johansson, Dr. Professor
  School of Social Work
  Lund University
  Box 23
  22100 Lund
  Sweden
  Hakan.Johansson@soch.lu.se