

## Trends in Democracy Assistance

# WHAT HAS EUROPE BEEN DOING?

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Is Europe spending enough on democracy assistance, and spending it in the best ways? How pertinent to democracy is such aid, and how will the programs through which it is funneled need to improve if they are to meet rising challenges to democratization? Recent years—which have seen the European Union and its member states spending significantly more on foreign political aid in general and democratization in particular—have made these questions more important than ever. Before addressing them in detail, it will be well to survey the field of European political aid both in itself and as it compares to efforts by other donor societies. As a matter of deliberate policy, EU donor countries generally prefer to fund civil society initiatives as well as efforts to improve governance and respect for human rights. Although most European countries focus on sub-Saharan Africa, there are differences of emphasis, geographic and otherwise, from one donor country to another. Moreover, the ways in which the money is spent have been evolving as well.

Making a direct comparison between European and U.S. levels of democracy assistance is nearly impossible. European donors—the EU itself as well as individual member states—actively work on political-reform issues and administer numerous democracy-related budgets. These initiatives are often defined in a variety of ways and combine democracy assistance with governance, human rights, and civil society support (see Table 1 on p. 162). European donors generally resist the notion that democracy aid can be separated from these related issues. In most cases, assistance to political reform, broadly defined, has increased incrementally, if unspectacularly, during the last decade.

The United Kingdom recently surpassed Germany (traditionally the

most generous in real terms) in political foreign-aid spending, and has since 2001 tripled its outlay on governance assistance. From 2005 to 2006, the United Kingdom allocated €508 million to overseas governance projects, which amounted to 7 percent of total British official development assistance (ODA). Additionally, in February 2007 the U.K. Department for International Development (DFID) launched the Governance and Transparency Fund, which has made available 120 million British pounds over five years for large-scale projects carried out by NGOs, civil society groups, the media, unions, and other (mainly non-profit) groups in developing countries. The German development ministry's funding for Democracy, Civil Society, and Public Administration, meanwhile, increased from €180 million (6.2 percent of bilateral ODA) in 2000 to €410 million (9 percent) in 2006.

Sweden has consolidated its position as the most munificent supporter of democracy in relative terms. Swedish assistance for democratic governance and human rights increased in real terms by nearly 23 percent between 2005 and 2006, and by another 18 percent in 2007—to €401 million, or 24 percent of Sweden's total ODA. Democratic governance and human rights is thus the best-funded sector of Swedish development assistance. Dutch funding for democracy-related projects increased in 2006 under the auspices of several Ministry of Foreign Affairs programs. This type of funding amounted to only €127 million in 2004, or just under 4 percent of total development-cooperation funding. Two years later, it had risen to 467 million euros. Danish funding for Human Rights and Democratization increased from €90 million (6.5 percent of total ODA) in 2000 to €160 million in 2005. It rose again to €201 million (13 percent) in 2006.

Southern Europe has been less active in supporting democracy. Governance aid from France dropped from €86 million in 2002 to €52 million in 2006—the latter figure represents less than 1 percent of what France spends each year on ODA. Between 2001 and 2006, Spain's funding for its Government and Civil Society program increased from €117 to €150 million, though it has failed to support genuinely reform-oriented projects. And Italy does not have an aid category for democracy or governance assistance.

Some Central and East European states have become firm advocates of democracy promotion, but do not yet have the budget to back the cause with cash. While the Czech Republic has urged its EU partners to do more in support of banned democratic movements and dissidents around the world, its own democracy funding remains limited, consisting of small-scale grants (€0.5 to €1.5 million a year) for select countries such as Cuba and Belarus. Among EU member states, the Czech approach—which is thought to be modeled on that of the United States—has gained more notoriety than acclaim. Poland, on the other hand, has recently begun to offer democracy funding through a civil so-

**TABLE 1—EUROPEAN DEMOCRACY ASSISTANCE\***

DONOR	AID CATEGORY	AMOUNT (IN MILLIONS OF EUROS)	PERCENTAGE OF ODA	YEAR
European Commission	European Initiative for Democracy and Human Rights (EIDHR)	135	2	2007
Denmark	Human Rights and Democratization	201	13	2006
France	Governance	52	1	2006
Germany	Democracy, Civil Society, and Public Administration	410	9	2006
Netherlands	Good Governance, Human Rights, and Peacebuilding	467	12	2006
Spain	Government and Civil Society	150	5	2006
Sweden	Democratic Governance and Human Rights	401	24	2007
United Kingdom	Governance	508	7	2006

\* in millions of euros, with shares of total development aid, for the most recent year of available data

ciety budget that skyrocketed from €394,000 in 2004 to €7.9 million in 2006, and then multiplied again to €23.6 million in 2007. Furthermore, the Polish government has established a Democracy Support Unit and has even proposed the creation of a Polish democracy foundation that would be able to get money to reformers faster than the EU can.

The European Commission (EC) itself also provides support for democracy-promotion efforts. The EC's European Initiative for Democracy and Human Rights (EIDHR) has grown in recent years, albeit very slowly. By 2000, the EIDHR budget was roughly €100 million. In both 2005 and 2006, EIDHR made available €120 million, and in 2007 it provided €135 million. This represents less than 2 percent of total Commission aid. In broader terms, however, the EC allocated €1.4 billion—or 18 percent of its total 2006 aid budget—to “governance and support for economic and institutional reforms.”<sup>1</sup>

In short, political aid amounts have increased but are rarely organized around “democracy” as a separate defining category. All European donors have insisted that democracy-related projects be merged into broader development projects. These figures are therefore capable of giving no more than a rough comparison. Thus no standard or easily comparable classification of political aid exists across states. Indeed, within several member states, there is little organized compilation of data specifically related to democracy promotion.

### **Who Receives Democracy Assistance?**

Sub-Saharan Africa has been by far the major recipient of European democracy funding. Not surprisingly, Africa accounts for more than 80

percent of French governance aid, as France is heavily oriented toward officially Francophone states. Between 2000 and 2006, Africa received nearly 40 percent of Danish political aid and 30 percent of EIDHR funds. Although Spain has traditionally focused more on Latin America, starting in 2006, it began channeling more political aid to sub-Saharan Africa each year.

European democracy assistance—from the EC, France, Germany, the Netherlands, Spain, and Sweden—to the Middle East has remained disproportionately low. This is in part because the Gulf States are considered too rich to merit anything more than a handful of small reform projects. The one major exception is the high level of support provided by nearly all European donors to the Palestinian Territories. The United Kingdom and Denmark have created initiatives relating to Arab political reform that fall outside mainstream development aid, and the Netherlands plans to do so in 2008. But such initiatives have been limited in scale and are increasingly oriented toward “deradicalization” projects *within* Europe rather than political reform in the Middle East.

Given their proximity and political fragility, the Balkan states would seem likely candidates for strong European support across the board. But there has been a surprising variation in political-reform funding for the Balkans from their EU neighbors. For some donors, the shifting of focus away from Central and Eastern Europe following the EU’s enlargement into that region has allowed the Balkans to become a priority. Balkan states have, for example, benefited greatly from EC aid, with Brussels channeling large sums into Serbia and Montenegro for institution-building since the early 2000s, as well as a €225 million allocation specifically for democracy support between 2002 and 2004.<sup>2</sup> At the same time, however, the Balkans receive only a small share of overall democracy aid from most EU member states, and some—most notably, Germany—have actually reduced their democracy funding to the Balkans. Moreover, European funding has only slowly shifted away from reconstruction toward democracy-building.

The EIDHR spreads its resources thin by funding projects in many countries. Nearly €30 million of the 2007 budget of €135 million were set aside for “difficult states”—including Belarus, Burma, China, Cuba, Syria, Tunisia, Uzbekistan, and Zimbabwe—that historically have been neglected. The remaining 2007 funds were divided among 47 states, with each generally receiving between a half million and 1.5 million euros. Nearly a quarter of the funds overall still go to Latin America. Allocation is a reflection of bargaining among member states rather than a coherent prioritization of target recipients. That said, it is likely that the EU’s “neighborhood” partners—a group of sixteen nearby countries in North Africa, the Middle East, and Eurasia—from now on will receive a higher share of aid, possibly to the detriment of sub-Saharan Africa.

Some Commission development programs have been especially dedi-

**TABLE 2—RECIPIENTS OF EUROPEAN POLITICAL AID**

DONOR	REGION RECEIVING THE MOST AID	REGION RECEIVING THE SECOND MOST AID	REGION RECEIVING THE LEAST AID	YEAR
European Commission (EIDHR)	Sub-Saharan Africa	Worldwide campaigns	Central Asia	2005
Denmark	Sub-Saharan Africa	Asia	Europe	2006
France	Sub-Saharan Africa	Europe	Asia	2006
Germany	Sub-Saharan Africa	Asia	Oceania	2006
Netherlands	Sub-Saharan Africa	Latin America	Europe	2006
Spain	Latin America	Sub-Saharan Africa	Europe	2006
Sweden	Sub-Saharan Africa	Europe	Middle East and North Africa	2006
United Kingdom	Sub-Saharan Africa	Asia	Americas and Pacific	2006–2007

cated to governance, as in Azerbaijan and Ukraine. More often, however—in Afghanistan, Cambodia, China, Pakistan, Russia, and Vietnam, for example—only a tiny share of EC aid goes to good-governance projects. Monies available under the EC’s Rapid Reaction Mechanism (renamed the Stability Instrument in 2007) have increased, but they fund only a few projects related to democracy building, including election support in Georgia, Iraq, and Ukraine, plus efforts to bolster state capacity in Afghanistan.<sup>3</sup>

In 2005, Africa received just under a third of all German governance aid, Asia also just under a third, Latin America around 20 percent, and Europe 17 percent. France, however, provides very little support for governance outside sub-Saharan Africa and Francophone countries. These received 86 percent of French governance aid in 2004, while only 1 percent went to North Africa and the Middle East. Bilateral French development aid to North Africa and the Middle East amounted to €365 million in 2003, but less than €5 million went to governance projects. Although France has recently increased funding to Lebanon, it is meant for reconstruction and for defending the government of Prime Minister Fouad Siniora rather than for democratization as such.

Sweden distributed its Democratic Governance and Human Rights assistance for 2007 among Africa (€121 million), Eurasia (€91 million), Latin America (€69 million), Asia (€68 million), and the Middle East and North Africa (€25 million) as well as some global programs. The largest individual recipients of Swedish democracy assistance in 2007 were Serbia and Montenegro, Mozambique, Kenya, Afghanistan, and Nicaragua, respectively.

Spain still sends more than half its governance aid to Latin America. In 2003, the Mediterranean and North Africa received 12.6 percent of overall Spanish development assistance, but only 7.1 percent (€7.3 mil-

lion) of its democracy and rule-of-law aid. Spain, in contrast to most of its EU counterparts, has favored middle-income aid recipients. In 2006, 61 percent of Spanish democracy aid went to middle-income countries, although this figure is gradually falling as Spain increases its assistance to Africa.

The United Kingdom's governance budget is divided almost entirely between Africa and Asia. From 2005 to 2006, Britain dispensed €229 and €218 million, respectively, to these two regions. The Foreign and Commonwealth Office separately offered modest funding for such relatively difficult democracy-promotion cases as Belarus, Iran, Russia, Saudi Arabia, and Vietnam.<sup>4</sup>

### What Does European Democracy Assistance Fund?

European donors fund more work on human rights than on the political elements of democracy promotion. Indeed, most have sought to resist what they see as the contamination of human rights work by democracy promotion. In late 2007, a proposal to extend the purview of the EU's human rights committee to include deliberation on broader democracy projects was blocked by a number of member states. All European governments allot some development funds for parliaments, political parties, and the reform of civil-military relations. European donors like to channel funds through multilateral bodies: The Dutch are, for instance, the biggest contributors to UN Development Programme governance projects. At the same time, European donors tend to eschew direct support for overtly political or exiled opposition groups. For instance, diplomats acknowledge that there is now probably less willingness to engage with Islamist opposition groups than two years ago.

Rather than focusing on politics and democracy, Europe currently places greater emphasis on social issues. Two favorite themes, for example, are access to justice and women's rights. The EU's approach to fostering women's rights is typically indirect. Initiatives range from e-learning courses in government for women officials, to training in how to lobby local governments, to improving women's access to land titles in places such as Vietnam. Thus the EU's overall approach to democracy promotion is often oblique—striving, for example, to develop well-trained, informed, assertive parliamentarians in order to strengthen the parliamentary institution itself and, with it, democracy.

Europe, like the United States, has long been thought to have a myopic strategy for democracy promotion—funding only elections or providing only short-term aid. But the criticism is unfair in both cases. Election missions do not receive a disproportionately high share of European funds. In fact, election observation is not one of the top two categories of political-aid support for any EU donor (see Table 3).

Instead, European donors, who are more comfortable talking in terms

**TABLE 3—EUROPEAN DONORS' TOP TWO THEMATIC PRIORITIES  
WITHIN POLITICAL-AID FUNDING**

DONOR	FIRST THEMATIC PRIORITY	SECOND THEMATIC PRIORITY	YEAR
European Commission (EIDHR)	Democratic process	Human rights culture	2006
Denmark	Human rights	Conflict prevention	2005
France	Financial governance	Justice	2006
Spain	Civil society	Gender equality	2006
Sweden	Human rights	Public administration	2003
United Kingdom	Governance policy	Public-sector reform	2006

Note: This information has not been compiled for Germany or the Netherlands.

of “good governance” than “democracy,” target governance for their greatest support. The EC defines its approach to governance as being about “increasing participation” in development policies as an alternative to a direct focus on systemic political change. The goals are “sound management of public affairs” and local ownership, and assistance is provided only where state authorities have asked for help. The largest chunk of governance aid goes to the African Peer Review Mechanism secretariat.<sup>5</sup> In Africa, even in the most successful reform cases such as Ghana, European political aid is still largely focused on relatively technical governance reforms.<sup>6</sup>

Within the European neighborhood, EU governance funding is sizeable and of a slightly different nature. Here, the assistance is aimed at aligning local-governance rules with EU legislation. Most EU-neighborhood governance aid is intended to assist the implementation of commitments under contractual agreements, of which the EU has a bewildering array; that is, recipient countries must agree to incorporate EU regulations governing such areas as competition or customs. European Neighborhood Policy Action Plans are bringing huge increases in political aid to countries such as Ukraine and Morocco, marking—according to the EU—a mainstreaming of democracy work. By requiring specific fiscal, auditing, and legal reforms of its partner states, the EU at this level is more intrusive than the United States, contrary to conventional wisdom. Notably, in Kosovo the EU assumed the lead role on economic governance—in other words, on precisely these kinds of reforms—rather than on democratization.

Just as certain European donors favor specific geographic regions when it comes to handing out democracy assistance, they likewise pursue varied and distinct priorities. Denmark, for example, frequently directs aid toward anticorruption projects and gender rights, while France focuses heavily on legal training for state officials. German democracy aid typically seeks to boost decentralization. Dutch political-reform assistance now falls mainly under the auspices of a new fragile-states

initiative, and Spain's good-governance program is framed in terms of "social cohesion." Sweden, meanwhile, prioritizes media independence, and the United Kingdom concentrates on fostering sound financial governance.

### Europe's Scorecard on Democracy Assistance

Revealingly, the 2006 EU governance initiative has not compiled any data on the amount of funding that can be defined as serving the promotion of democracy.<sup>7</sup> Neither has DFID. One DFID insider laments that funding debates have been dominated by the question of which thematic sectors of the governance agenda to prioritize, while paying little attention to which countries to support within each sector.<sup>8</sup>

Although governance is considered a European strength, it is doubtful that EU governance projects have done much to assist democracy abroad. This may be because democracy itself is not the expressed goal of such projects. For example, European diplomats often say that strengthening border controls is their main governance priority. Even the more genuinely reformist and extremely welcome aspects of governance initiatives often appear detached from other aspects of democratic reform. For example, the United Kingdom has funded a sizeable good-governance program in Nigeria. Despite this, Nigeria's 2007 elections were less free and fair than its 1999 and 2003 elections. Such an ill trend has yet to trigger any changes in European policy, however. The EU indeed worked *with* the (highly manipulated) Nigerian electoral commission in 2007, arguing overoptimistically that such cooperation could help address the problems "from the inside."

Most European donors have promised improvements. In response to recent troubling events in places such as Ethiopia, Kenya, and Uganda, some EU members have shown a willingness to redirect governance funds away from the state and toward democratic reformers. The Commission's EIDHR, for example, has traditionally focused on core human rights issues, supporting campaigns against torture, racism, xenophobia, and the death penalty, while encouraging adherence to international standards and covenants. It has also channeled considerable amounts through international bodies such as the Organization for Security and Co-operation in Europe, the Council of Europe, and the UN.<sup>9</sup> Since 2006, however, EIDHR has promised to channel more funds through European political-party foundations, and to allow greater flexibility in getting funds to unregistered civil society groups.

A number of EU member states have moved to introduce governance strategies that commit to a more comprehensive political approach. Strikingly, the French government under new president Nicolas Sarkozy has committed itself to move away from a purely statist model—for example, through increasing citizen participation in the drawing up of

Poverty Reduction Strategy Papers.<sup>10</sup> On a different note, at least one Dutch diplomat has admitted that the European focus on state-building has put too much emphasis on effectiveness, too little on legitimacy. In the United Kingdom, which has often supported simplistic anticorruption initiatives to the detriment of good governance, a new DFID strategy put into place in 2007 is aiming to build on the department's influential "drivers of change" framework to bring politics under the rubric of governance.<sup>11</sup>

"Securitization" of the democracy agenda remains anathema to the European approach. That said, the EU is not exactly the pacifist, civilian power of popular imagination. European Security and Defense Policy (ESDP) rule-of-law missions have been carried out in Georgia, Iraq, and Kosovo; and security-sector reform missions have gone to the Indonesian province of Aceh, Congo (Kinshasa)—where an EU military force protected opposition candidates during the 2006 elections—and Sudan. The EU has moved toward supplementing military deployments with a civilian ESDP component consisting of five-thousand police officers, two-hundred judges, and a number of public-administration-reform experts who can travel to crisis situations on short notice. Since 2003, more than eleven-thousand European personnel have been deployed in nineteen ESDP missions. Each has had a mix of military and civilian personnel, and many have included human rights and gender-issues advisors.<sup>12</sup>

European contributions to democratic reform, which differ from U.S. democracy promotion, must be scrutinized in the context of the EU. Europe sees its greatest opportunity to influence and to support democratization in integration rather than in the direct backing of democrats per se. European analysts and policymakers therefore focus on the EU's ability to reproduce its own model of rules-based integration and the dynamics of diffusion and socialization.<sup>13</sup> Consequently, most assessments of European democracy assistance tell little about political aid itself. European governments together believe that political reform will come through "putting politics into governance," much more than through easily identifiable, stand-alone, politicized "democracy initiatives."

Democracy aid from Europe does not sporadically change as a result of geopolitical concerns, which has been the case with U.S. assistance. In part, this reflects the decentralized nature of EU policymaking. Despite agreeing on a host of common foreign-policy initiatives, member states and the Commission have declined to develop a common, on-the-ground approach to democracy assistance. Attempts to redress the omission must overcome the member states' vested interests and the belief that low-profile diversity is part of the European approach. Still, governance aid is now embedded in the European-aid bureaucracy, though not readily guided by political direction. As democracy building enters more challenging times in a radically different geopolitical context, this component of European policy requires urgent attention.

## NOTES

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