

Scaling up Democracy Funding Across Europe

Inspiration Deck for Funders





A Critical Juncture

We live in times of severe and overlapping crises. The survival of our democracies can not be taken for granted.

Yet, more and more people are joining in to safeguard, strengthen and build more inclusive and resilient democracies.

What role can and must European philanthropy play at such a critical juncture?



A Source of Inspiration

This inspiration deck for donors concentrates the rationale, background and options for funding democracy.

It serves as a guide for new donors, a conversation companion for democracy funders championing their field to peers, and a strong case towards foundation boards to join this movement.

Based on evidence, thorough engagement with existing approaches to democracy support and conversations with key experts, this inspiration deck was refined through months of testing with potential democracy donors in Europe.

Developed, tested and authored by democracy funders Gauri van Gulik and Finn Heinrich, it is part of a larger series of publications commissioned by Philea's Democracy Network.





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Europe: A Vital and Influential Region



Europe plays a central role in shaping the global democratic landscape.

However, it faces significant challenges. The capacity of European nations to tackle internal issues such as social inequality, along with external pressures stemming from geopolitical conflicts, will significantly influence the trajectory of democracy both within the EU and around the world.

As these dynamics evolve, Europe's response will be crucial in determining its future position in global governance and democratic integrity.

Why is European democracy in crisis?



Rise of Right-Wing Populism

Far-right and nationalist parties are gaining ground across Europe, threatening liberal democratic norms and institutions.



Political Polarisation

Increasing divisions along ideological, cultural, and socioeconomic lines are fueling gridlock and social unrest.



Democratic Backsliding

Elected leaders in some European countries are undermining checks and balances, eroding the independence of the judiciary, media and civic space



Trust Crisis in Institutions

Declining public confidence in democratic institutions such as governments and political parties is weakening the social contract.

Addressing these systemic challenges requires a comprehensive, long-term strategy to defend and revitalise European democracies.

2025 **DEMOCRACY BRIEFER FOR FUNDERS** What's Happening to European Democracy and What Funders Can Do About It Philea

Want to know more?

In Part 1 and 2 of Philea's 2025 Democracy Briefer

for Funders, we take an in-depth look at the key indicators of democratic backsliding and root causes driving it, drawing on a wide body of evidence from published research to offer insights into the current state of democracy.

Read it here



What is happening in the democracy space?

Democratic Ecosystem: new and growing network of organisers and changemakers emerging, present in many countries. Strong signs of early impact, such as in France, Poland, Germany and beyond. Investment works.

Connections to key social problems: new work on democracy connects with movements working on core social problems, such as climate change, gender and social justice - Democracy is a key vehicle to have lasting impact on those topics.

New Philanthropic Structures: pooled funds, legal investment vehicles and incubators have now been built in this space so pipelines and funding opportunities are pre-vetted and ready to go.



A New Wave of Democracy Defenders and Innovators



In recent years, a wave of innovative approaches has emerged to protect and strengthen democracy. These ideas are designed to enhance representativeness, foster greater civic engagement among citizens or develop tools to address political polarization and disinformation.



Numerous initiatives are actively promoting more resilient and inclusive democratic practices. Key strategies include the establishment of Citizen Assemblies, advocacy for the creation of new democratic institutions, and the exploration of fresh leadership models that emphasize democratic innovation.



Across Europe, grassroots movements are rising to expose and counter threats against civil society and democratic values.. They are mobilizing political power around pressing issues such as Climate Change and Gender Equality, while also tackling challenges like disinformation and hate speech.

Revitalising Democracies: The Unique Role for Strategic Philanthropy

Early-stage and long-term focused philanthropy plays a unique role in funding democratic initiatives.

Public and corporate funding for democracy is either extremely limited, short-term project-focused or confined to low-risk/low-impact areas, such as civic education or public dialogue.

Only philanthropy can encourage the development of new cutting-edge approaches and unconventional ideas and thereby drive transformative changes that revitalise democratic institutions.

Democracy Interventions: Examples of Impact

France: Defeating the Far Right

The surprise defeat of the far right in the 2024 legislative elections in France was to a large extent the impact of effective and fast political organising by civil society, supported by philanthropic funds focused on democracy.

Poland: Renewed Democratic Hope Issue organising around gender and democracy supported by a collaborative of philanthropists helped galvanise pro-democratic actors and bring renewed hope for Poland's democratic system.

Ireland: New Inclusive Models

Through partnerships between civic groups and the government, Ireland has established a widely-supported tradition of Citizen Assemblies, successfully dealing with contentious issues, such as abortion, gender equality or drug use.

Summary: Why more foundations should consider investing in democracy

A Democratic Operating Environment

A democratic governance structure serves as the bedrock for philanthropic endeavors, allowing foundations to operate with autonomy, legitimacy and predictability.

Impact Lever for any Theory of Change

Without an effective democratic framework, many proposed theories of change on specific policies, social norms or other areas would struggle to gain traction and ultimately fail.

Treat the Disease, not the Symptoms

Systemic approaches to funding democracy initiatives can tackle root causes amd move beyond "this is just the system we live in". They can show that real change is possible.

Comprehensive Engagement Strategies

Strategies that do not stop at the demand side by engaging citizens and civil society but also seek to work with democratic institutions and core actors (supply side) are vital for revitalising democracy.

Addressing Social Issues via Democracy

The state of our democracy is often preventing progress on pressing social issues like gender inequality, climate change, and cultural dynamics. Thus, there is an important 'democracy route' to social progress.

Role of Philanthropy

Philanthropy is essential in promoting innovation, stimulating new ideas, and bridging gaps across different sectors to develop a resilient democratic system.



What are the common concerns when engaging on democracy?

1

"Our funding is exclusively directed toward charitable organisations"

- legal arguments

2

"Engaging in lobbying is not permitted for us"

- legal arguments

3

"Our organization remains non-partisan and refrains from political involvement"

 cultural/approach arguments

4

"We do not allocate funds to greenfield projects"

- risk aversion

5

"We avoid long-term and core funding"

- how we fund arguments

6

"This feels radical to our board/principal/leadership"

cultural/approach arguments



How to address common concerns when engaging on democracy?

1

Fund only charitable organisations

Most work in this space done by charities; and vehicles to support other actors are available in most countries and Europe-wide. 2

Support to lobbying not allowed

Almost all activities are related to public advocacy, capacity-building and other mainstream forms of CSO work.

3

No political involvement

Democracy is not about politics, but about the apolitical rules of the game. When engaging with politicians, CSOs are non-partisan.

4

Do not fund non-tested projects

By now, there are many tried and tested approaches in the area of democracy support while there is still a need for innovation and risk-taking.

5

No long-term or core funding

There are many possible projectspecific democracy interventions, though much more long-term core support is needed. 6

Democracy feels too radical

Democracy should not be perceived as radical. But, yes, tackling the root (lat. radix) causes of our democratic crisis, while urgently needed, might not be every funder's cup of tea.







How can foundations invest in democracy?

There is a wide menu of options for foundations who want to explore increasing their investment in democracy in Europe, both at country level as well as at European level, ranging from tried-and-tested approaches to strengthen democratic values and engagement to innovative ideas seeking to renew democracy more holistically.

There are also existing multi-donor funds and knowledge networks which can offer support and help to minimize any perceived risks.

Common Entry Path to Democracy Funding



Foundations often start with a specific issue focus, like climate change, gender or culture.

Individual philanthropists similarly often start by donating to causes connected to their passions and interests.



Over time, some foundations and individuals focus deeper on how to achieve structural impact around their chosen issues. How can they help achieve systemic changes?



They often hit a wall, realising that without improved politics and democratic processes, achieving real impact and systemic change is difficult or impossible.



This realisation leads them to dedicate part of their budget to democracy and/or political organising work, via pooled funds, co-funding or with local and national organisations they feel are impactful...



Example 1:

The European Climate Foundation is now starting to invest significant resources into democracy innovation and political organising work



Example 2:

A major Dutch philanthropist funding education projects, now dedicates a percentage of his philanthropy (10%) to political leadership and democratic renewal projects.



Funding Strategies: Two recurring themes



Defending Democracy

This strategy focuses on safeguarding democracy by countering both direct and indirect authoritarian threats. It addresses urgent issues like disinformation campaigns and the spread of hate speech, which undermine democratic values.

Furthermore, it aims to protect civic spaces, promote a healthy media landscape, and ensure the integrity of electoral processes.



Strengthening Democracy

The emphasis here is on enhancing democratic systems to better withstand external pressures and internal vulnerabilities. Long-term solutions are prioritised, including fostering civic engagement, revitalising political parties, embracing inclusive democratic practices, nurturing effective political leadership, and reforming democratic institutions.

Funding Strategies: Key Focus Areas

Civic Space and Upholding the Rule of Law

Engaging in systematic monitoring, robust advocacy, and strategic litigation aimed at counteracting state repression, intimidation tactics, and violations of the rule of law and civil liberties to ensure accountability and justice.

Fostering Participatory and Deliberative Democracy

Facilitating innovative approaches that amplify citizen voices and foster collaborative policy design, including the establishment of Citizen Assemblies to involve diverse community perspectives in governance.

Establishing New and Reformed Democratic Institutions

Advocating for comprehensive reforms that enhance the inclusivity and representativeness of institutions and political parties, ensuring they are aligned with the needs and values of the populace.

Innovative Democratic Organising and Future Visions Crafting visionary proposals for a renewed social contract between democratic governments and their citizens, focusing on political organisation and bridging the gap between pressing public issues and the effectiveness of democratic systems.



Want to know more?

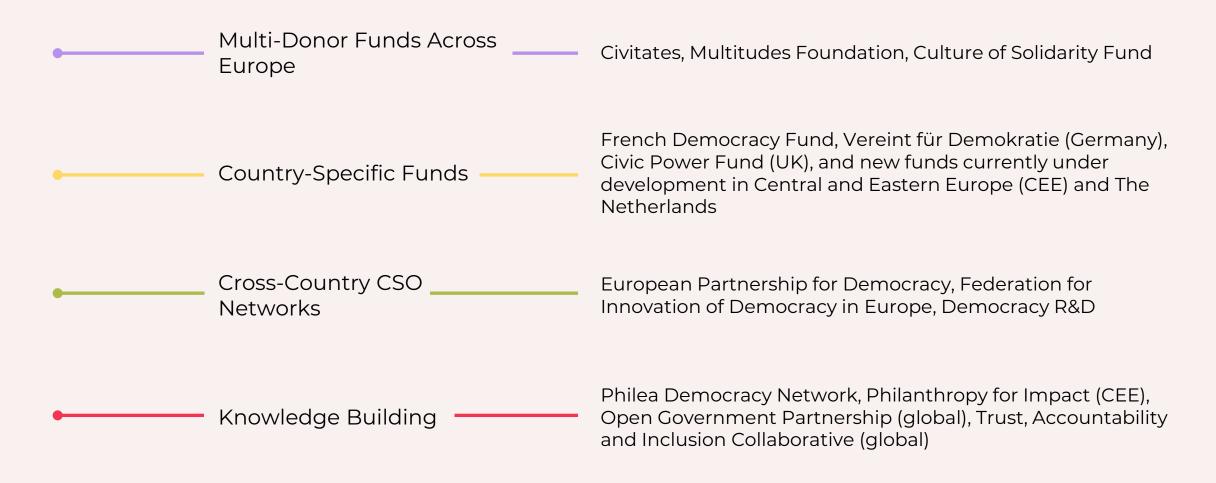
Democratic backsliding in Europe is not a monolithic issue. To understand and address this complex interplay of challenges, Philea's 2025

Democracy Briefer for Funders proposes the Iceberg framework as a useful lens to maps out root causes, catalysts and symptoms.

In Part 3 of this publication, we have compiled a short list of possible actions to address each of these stages.

Read it here

Types of Philanthropic Funding for Democracy







A Menu of Options







Explore concepts like the 'Impact Levy' or 'Democracy Pledge' as mechanisms to reinforce your commitment to democratic support.

Consider allocating a specific percentage of your funding, such as 5%, towards the broad-based support of healthy democratic practices and initiatives.

Engage in continuous learning and collaboration with fellow stakeholders to enhance your impact and effectiveness in the democracy sector.

Engage with diverse networks and platforms to foster collaboration and gain insights into the evolving democracy landscape. The Philea Democracy Network serves as a vital hub for learning and partnership, particularly with emerging funders in the field.

Participate in shared funding opportunities and co-finance initiatives that promote democratic values and engagement.

Across Europe and within specific subregions, a variety of pooled funds are available, streamlining access for new entrants. Depending on your specific focus, you can experiment with innovative approaches, explore fresh ideas, and co-fund projects alongside other funders.



Connect with Innovative Funders of Democracy in Europe























Philea's Democracy Network

The Democracy Network is a growing community of foundations working in the field of democracy, or who are interested in doing so, who come together for inspiration, discussion and knowledge exchange.

Philea members, including national associations, that are known to fund democracy or have indicated an interest in doing so may join this broader community.

Get involved





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Read their call to action for a "Democracy Pledge" in Alliance Magazine

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