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# BUILDING BRIDGES OR DIGGING TRENCHES?

CIVIL SOCIETY ENGAGEMENT AFTER THE ARAB SPRING



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## INTRODUCTION

The recent wave of uprisings in the Middle East has drawn renewed attention to the important role of civil society and social movements in democratic transition processes. Across the Arab Middle East civil society actors initiated a process of non-violent protests and mass demonstrations that eventually resulted in the toppling of autocratic regimes in Tunisia, Egypt, Libya and Yemen. Copycat protests across the region, from Morocco to Palestine, incentivized unprecedented political reforms, even though they did not lead to a change of government. Civil society actors, moreover, are playing a vital role during the ongoing transition and reform processes, monitoring the power of entrenched elites and providing for transparency and accountability at a time when state institutions are weak and vulnerable.

International donors have reacted to these developments by further increasing their financial support and assistance to Middle Eastern civil society in order to strengthen the democracy momentum. Considerable efforts have been made to identify and engage with the “new actors” in the Arab world and countless policy statements and strategy papers have highlighted the importance of refocusing assistance away from the state and towards “Arab societies”.<sup>1</sup> This renewed emphasis on civil society meshes with a long-term trend in western development assistance that has highlighted civil society’s role in promoting good governance and economic development since the end of the Cold War.

However, despite these longstanding efforts, “civil society” remains a notably ill-defined and highly controversial concept, with many authors contesting its applicability in a non-Western context.<sup>2</sup> In the aftermath of the Arab Spring, the emergence of radical religious movements, growing societal divisions along tribal, ethnic and sectarian lines, and outbursts of mass violence, have highlighted the potential of (un-)civil society to derail the fragile transition processes.<sup>3</sup> Moreover, external support for Western-style civil society organizations (CSOs) has proved controversial in the prickly post-revolutionary atmosphere, as has been highlighted by government crackdowns on foreign-funded NGOs.<sup>4</sup> Indeed, given the increasingly fragmented and polarized nature of civil society in many of the Arab transition countries, there appears to be a non-neglectable risk that external assistance may be perceived as unwelcome outside intervention and only serve to deepen societal divisions.

Confronted with this complex operating environment, western donors face a series of tough questions: Should they broaden their engagement to include new – and potentially less liberal – parts of Arab civil society or limit their support to Western-style CSOs? Should they channel funding directly to civil society organizations or encourage greater cooperation between CSOs and state institutions? And what can be done to prevent a further polarization between different segments of Arab civil societies?

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1 European Commission (2011a), “Partnership for Democracy and Shared Prosperity,” COM (2011) 200 final.

2 Jude Howell & Jenny Pearce (2001), *Civil society and development: a critical exploration*, Boulder: Lynne Rienner Publishers.

3 The release of the controversial anti-Islamic internet movie *The Innocence of Muslims* caused widespread rioting and unrest across the Muslim world in September 2012 and led to the attack on some foreign embassies.

4 See for example the case of Egypt, discussed below, where a government crackdown in December 2011 led to the closure of eight foreign NGOs.

In order to address these questions, this paper provides an overview of the academic literature on the role of civil society in democracy building and democratic transition processes. The paper then discusses the role and function of civil society in the Arab world and its evolution since the outset of the Arab Spring revolutions. This is followed by an overview of European and Finnish donor strategies for engaging civil society in the Arab world. Based on these, the paper will draw up a broad set of recommendations on how to adjust donor engagement to the changing realities in the Middle East.<sup>5</sup>

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5 This paper benefited from the financial support of the Finnish Ministry of Foreign Affairs, as well as a field visit to Tunisia, Somaliland and the Palestinian Territories in July 2012.

## CIVIL SOCIETY AND DEMOCRACY

### The concept of civil society

The concept of civil society and its assumed democratizing potential have a long tradition within Western political philosophy. Rooted within Aristotle's understanding of *politike koinonia* and the Roman tradition of *civilis societas*, the modern Western civil society concept has been strongly influenced by the European Enlightenment, but remains subject to diverse interpretations. At its most basic, it denotes the intermediary space between market, state and family where individuals organize voluntarily around diverse and often conflicting sets of issues. According to a standard definition, it is “*the realm of organized social life that is open, voluntary, self-generating, at least partially self-supporting, autonomous from the state, and bound by a legal order or set of shared rules.*”<sup>6</sup>

According to the Western liberal tradition, civil society fulfils a vital democratizing function for two reasons. First, it is seen as providing civic education and a moral order that benefits the whole of society.<sup>7</sup> It does so by encouraging interaction between individuals with diverse interests and opinions away from the control of the state. This interaction, according to Robert Putnam, instils citizens with key democratic habits such as trust, cooperation and reciprocity that are vital for a functioning democracy.<sup>8</sup> In the absence of a strong and diverse civil society that implants these habits, clientelism and corruption are thought to thrive, undermining the prospects for democracy to take root.

Second, civil society is often regarded as a powerful antidote to the dangers of the all-powerful and tyrannical state, by providing society with an unobserved space to rally and organize.<sup>9</sup> According to a diverse set of authors from John Locke to Antonio Gramsci, civil society enables independent political activity that can serve as a nucleus for the struggle against authoritarianism.<sup>10</sup> A vital civil society and independent associational life represent a check and challenge to autocratic leaders and can force them to engage in democratic reforms, or gradually undermine their power and authority. These ideas of associational life as both promoting a shared democratic civic culture and as representing a democratic bulwark against the authoritarian state have profoundly shaped Western concepts of democracy.

In order to be able to fulfil these vital functions, most analysts argue that civil society needs to be active, diverse and in particular strictly separated from both the private and public sphere, including economic and parochial society. In the liberal tradition, the voluntary nature of association is particularly important for civil society in order to guard against the “tyranny of the cousin” and is what distinguishes civil society from traditional forms of plurality, based on blood or kinship. This position has been forcefully expressed by Ernest Gellner, who argues that “traditional man can sometimes

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6 Larry Diamond (1999), *Developing Democracy: Towards Consolidation*, Baltimore: Johns Hopkins University Press, p. 221.

7 Alexis de Tocqueville (2003), *Democracy in America*, London: Penguin.

8 Robert Putnam (2000), *Bowling Alone: The Collapse and Revival of American Community*, New York: Simon & Schuster.

9 Adam Ferguson (1996), *An Essay on the History of Civil Society*, Cambridge: CUP.

10 Antonio Gramsci (1971), *Selections from the Prison Notebooks*, New York: International Publishers Co.

escape the tyranny of kings, but only at the cost of falling under the tyranny of cousins and of ritual... If we are to define our notion of civil society effectively, we must first of all distinguish it from something which may in itself be attractive or repulsive, or perhaps both, but which is radically distinct from it: the segmentary community which avoids central tyranny by firmly turning the individual into an integral part of the social sub-unit... It may, indeed, be pluralistic and centralization-resistant, but it does not confer on its members the kind of freedom we require and expect from civil society.”<sup>11</sup>

Given the democratizing potential of civil society, it has become commonplace for western analysts to argue that a strong associational life is a *sine qua non* for the demise of authoritarianism and the consolidation of liberal democracy. The velvet and colour revolutions in Eastern Europe and the democracy Third Wave in Latin America and Africa have forcefully demonstrated the role of civil society and “people power” and have enabled the concept to gain further relevance, both as an explanatory variable and as a normative idea.<sup>12</sup> This has led to a surge in the popularity of the civil society concept since the end of the Cold War and a visible refocusing of development aid and democracy assistance provided by government agencies and private donors on civic engagement.<sup>13</sup>

In the West, the popularity of civil society as a concept has been directly linked to the more general distrust of the big nation state since the 1980s and a growing focus on market-led solutions. As a result, there has been an ever-growing focus on civil society to promote a variety of issues from good governance, gender equality, citizen participation, human rights and the rule of law to transparency, a free market and social pluralism. Key international donors such as the UNDP, the World Bank and the EU all now consider a strong civil society as a vital pillar for human development. The Arab Spring has been widely seen as further proof of civil society’s strong democratizing potential.

However, despite the enduring popularity and evident relevance of the concept for development policies, its definition and usage have received considerable criticism from democracy scholars. In a seminal article, Thomas Carothers dismissively quipped “as with internet stocks, civil society’s worth as a concept has soared beyond its demonstrated returns. To avoid a major disappointment in the future, would-be buyers should start by taking a close look at the prospectus.”<sup>14</sup> Much of this criticism has focused on the way that civil society has been defined as a concept and the way it has been applied.

First, civil society does not represent a monolithic concept, but rather has been shaped by different traditions, in particular when it comes to its relationship with the state. Thus, it is possible to differentiate between a “dichotomous” and an “integrative” tradition in state-society relations. In the view of writers such as John Locke, civil society is strongly opposed to the state and needs to stay independent from it, in order to exert control over political institutions. Today, this tradition is particularly prevalent in the Anglo-Saxon world and in Eastern Europe and has dominated much of development

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11 Ernest Gellner (1994), *Conditions of Liberty: Civil Society and its Rivals*, London: Penguin Press, p. 8.

12 Samuel P. Huntington (1993), *The Third Wave: Democratization in the Late 20th Century*, University of Oklahoma Press.

13 Jude Howell (2000), “Making Civil Society from the Outside – Challenges for Donors,” *European Journal of Development Research*, Vol. 12, No. 1, p. 4.

14 Thomas Carothers (1999), “Civil Society,” *Foreign Policy*, Winter 1999–2000, p. 18.

thinking. This contrasts with another tradition that has been shaped by the writing of the likes of Charles de Montesquieu and G.W.F. Hegel. This tradition emphasizes that state and society are engaged in an “associative relationship” and that the state needs to balance and order civil society to prevent it from becoming captured by narrow interests. This more consensual tradition of state–society relations is more common among the Nordic countries, as well as in parts of Central Europe. These different traditions highlight a common inclusion–exclusion dilemma in state–society relations.

Second, civil society advocates have been criticized for employing the concept as “a theological notion, not a political or sociological one.”<sup>15</sup> There has been a well–noted tendency to define civil society in a normative way by equating it with courageous human rights defenders and democracy groups, rather than with the mafia or ethnic militias. However, civil society is in itself a neutral concept and consists of actors that can be both noble and evil. Indeed, according to one critic, Radovan Karadzic can lay just as great a claim to being an exemplar of civil society as Vaclav Havel.<sup>16</sup> While this overstates the point according to the liberal tradition, the motivations of civil society actors are inherently self–interested and might therefore lead to sub–optimal outcomes that do not always serve the wider interests of society. This suggests that the link between civil society and democracy is more tenuous and context specific.

Third, some critics have argued that “civil society gridlock” has the ability to sideline or even undermine democratic state institutions, by paralyzing them through a multiplicity of competing claims. In an influential article on the role of civil society in Weimar Germany, Sheri Berman has argued that Germany’s unusually rich associational life in the 1920s and 30s weakened state institutions and supported a shift of public allegiances from the state to the Nazi Party.<sup>17</sup> Similarly, it has been noted that Rwanda was credited with one of the most active civil societies in Africa previous to the genocide. In the developed world, there have also been widespread discussions within established democracies about the potential of single interest groups to distort democratic outcomes.

Finally, many scholars have expressed doubts about the transfer of the Western civil society concept to non–Western societies. According to this argument, civil society was born out of the historical specificities of 18<sup>th</sup> century Europe and cannot be easily transferred. From this perspective, “civil society has limited explanatory power for the complexities of African associational life because it fails to understand the domination of African society by the predatory state, the informal character of many forms of organisation, and the fundamental roles played by class and ethnicity.”<sup>18</sup> Instead, these critics suggest that the concept needs to be adjusted to locally–specific counterpart traditions. This may include widening the civil society concept in order to include involuntary and kinship relations that play a vital role in these countries, while avoiding the dangers of cultural relativism.<sup>19</sup>

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15 David Rieff (1999), “The False Dawn of Civil Society,” *The Nation*, 4 February 1999.

16 Ibid.

17 Sheri Berman (1997), “Civil Society and the Collapse of the Weimar Republic,” *World Politics*, April 1997.

18 W. Maina (1998), “Kenya: the state, donors and the politics of democratization,” in A van Rooy (ed.), *Civil Society and the Aid Industry*, London: Earthscan.

19 David Lewis (2001), “Civil society in non–Western contexts: Reflection on the ‘usefulness’ of a concept,” LSE Civil Society Working Paper 13, October 2001.



These criticisms suggest that civil society is far from being the silver bullet that some Neo-Tocquevillean enthusiasts are making it out to be. While it does indeed have the ability to initiate political change, contribute to human development, and consolidate democracy, its role remains largely context specific. This means that some caution needs to be exercised by international donors as they seek to strengthen civil society in developing countries and that an agenda that focuses exclusively on private actors stands little chance of creating sustainable democratic institutions of governance.

## Civil society and transitions

While the role of civil society as a catalyst for democratization has been widely debated, a number of scholars have also pointed to its important role in facilitating democratic consolidation processes. According to Graeme Gill, the presence of a strong and independent civil society increases the prospects that a political transition will lead to the establishment of democratic institutions, rather than a mere change of top-level leadership or an authoritarian reversal.<sup>20</sup> Indeed, it is during the transition process when political authority and institutions are at their weakest that a strong civil society can play its most important role. This is particularly relevant in the Arab world, where the future political order remains contested and previous institutional and legal structures, as far as they existed, have collapsed. As a result, there is a risk of internally or externally fuelled crises threatening the transition.

A strong and independent civil society can help to guard against these transitional risks in various ways. First, civil society can act as an agenda-setter by drawing attention to particular flaws in the transition process and demanding greater transparency and reform. Second, civil society can educate people about how democratic processes function and inform them about their rights and duties as citizens. Third, CSOs can work with and advise government and state institutions in order to increase their accountability and recreate much-needed public trust in the functions of the state. Finally, civil society can provide a source for new alternatives, by spawning new political parties and providing political leaders that are untainted by the corruption of the old regime and able to provide new leadership.<sup>21</sup>

Whether or not civil society will be able to fulfil these functions will depend on a variety of factors, including the level of repression and pluralism displayed by previous regimes prior to the political transition, as well as the mode of the transition process itself. Thus, quasi-totalitarian societies with a low level of civil society and little experience of pluralism are likely to encounter greater transitional problems. This has been demonstrated in the case of Libya, where the weakness of state institutions and the strength of parochial bonds are having an adverse and fragmenting effect on the post-revolutionary order. Whether a transition is elite-driven and pacted or mass-driven and open will similarly have an influence on whether civil society can completely fulfil these various functions.<sup>22</sup> Finally, throughout the transition, the legal enabling environment

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20 Gill, Graeme (2000), *The Dynamics of Democratization: Elites, Civil Society and the Transition Process*. New York: St. Martin's Press.

21 Caroline Bussard (2003), *Crafting Democracy: Civil-Society in Post-Transition Honduras*, Lund University, Lund Political Studies 127.

22 Timo Behr & Patrycja Sasnal (2012), *Still Awake: The Beginnings of Arab Democratic Change*, Warsaw: PISM.

and inherent nature and organization of civil society will continue to play an important role in influencing their democracy-building potential.

Where levels of pluralism and association have been low, such as in Libya, civil society will be less able to guide and check political developments, leaving them more vulnerable to capture by vested interests. Similarly, where civil society has become co-opted by governing elites or the partner in a transitional pact, it will be unable to act as an agenda-setter or increase the transparency and accountability of the state. Finally, in cases where civil society is dominated by traditional and parochial interests or lacks internal governance structures, it will be less able to educate citizens in the democratic process or provide greater transparency, or contribute to greater public trust.

Throughout the Arab Spring and the concomitant transitions, the important role played by civil society has been well documented. In Egypt, civil society organizations have been vocal agenda-setters and have frequently taken to the streets in order to force a greater pace of change or block attempts by the authorities to tweak political outcomes. In Tunisia, civil society has similarly acted as a vocal agenda-setter, while the *High Council for the Realization of the Goals of the Revolution* allowed for cooperation with the government. In Libya, new CSOs have sprung up in order to provide democracy education and to provide some level of transparency on issues such as human rights. Across the region, moreover, civil society has spawned new political parties and pioneered political solutions.

Despite the considerable contributions that civil society actors have made towards ensuring a smooth transition to democracy and monitoring authoritarian tendencies, Arab civil society has displayed increased tensions in 2012, which in some cases pose a risk to the transition. Chief among these is the deepening rift between different sectors of civil society, along the religious-secularist vector. This has led to an increasing amount of infighting and divisions and a growing lack of trust among different transitional actors.<sup>23</sup> A second factor has been the revival of ethnic and tribal structures in the absence of functioning state institutions. In the case of Libya and Yemen these have replaced formal institutions and frozen vested interests in the emerging political structures. Third, newly elected governments have maintained broad restrictions on civil associations to prevent any challenge to their limited powers. Finally, following months of inconclusive change, public apathy is slowly creeping back.

These developments have prevented civil society from developing its full potential as a democracy-builder and limited its ability to safeguard the ongoing transition processes. While this does not need to imply that the ongoing transition processes are doomed to failure, it suggests that they might continue to evolve in a see-saw fashion and that vested interest and powerful elites will continue to hold considerable sway over the outcome of these processes. In particular, this can be expected to be the case in those countries where civil society remains the weakest. Despite these problems, Arab civil societies still remain full of dynamism and continue to evolve in a rapid fashion, suggesting their evolving potential in steering the ongoing transition and helping to consolidate democracy.

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23 Will McCants, "A New Salafi Politics," *Foreign Policy Magazine*, 12 October 2012.

## ARAB CIVIL SOCIETY IN TRANSITION

### Civil society prior to the Arab Spring

In the Arab world, religious charities, guilds and educational institutions represent an age-old form of organization that date back many centuries. The principle of charitable giving is a cornerstone of Islam and has enabled the growth of an Islamic charity and relief sector that is based on the traditions of *zakat* (obligatory charity), *sadaqah* (voluntary charity) and *waqf* (public endowment). According to some estimates between \$200 billion and \$1 trillion are distributed annually by Islamic organizations through alms and voluntary charity across the world; a multiple of global humanitarian aid contributions.<sup>24</sup> This has given rise to a large and diverse Islamic NGO sector that represents a considerable share of civil society activism in the Muslim world and has often been seen as at odds with western NGOs.<sup>25</sup>

More classical liberal associations like trade unions and professional associations only emerged during the colonial era and played a prominent role in the struggle for independence. In the postcolonial era, Arab civil societies were shaped by the restrictive authoritarian context in which they evolved. Authoritarian regimes sought to maintain a firm grip on the shape of civil society through coercion and co-optation. At the same time, civil society became increasingly politicized, given the lack of access to the political sphere, and gradually turned into a battleground between Islamists and secularists. Thus, without access to formal political structures, Islamists have sought to play an increasingly dominant role in syndicates and other professional organizations in Egypt since the late 1980s, leading to their politicization. Since the late 1980s, economic reforms and outside pressure have also allowed for the emergence of the first service NGOs and modern CSOs at a relatively low level.<sup>26</sup>

Studies on the role and nature of civil society in the Arab world have painted a somewhat mixed picture over time. Early attempts at using the Western civil society concept as an explanatory variable for the persistence of authoritarianism in the Arab world delivered unsurprising results. Several studies in the early 1990s found that Arab societies lacked a truly independent and diverse civil society and concluded that the Muslim world was waiting for a “just prince” to initiate reforms and take control of societal developments, rather than mobilizing on its own.<sup>27</sup> In a similar vein, Ernest Gellner concluded that Arab societies are “suffused with faith, indeed they suffer from a plethora of it, but they manifest at most a feeble yearning for civil society.”<sup>28</sup> The picture that emerged was that of a largely apathetic and passive society dominated by tribal and religious ties leaving little room for western-style civil society.

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24 IRIN (2012), “A faith-based aid revolution in the Muslim world?”, 1 June 2012.

25 Abdel-Rahman Ghandour (2003), “Humanitarianism, Islam and the West: contest or cooperation?,” *Humanitarian Exchange Magazine*, Issue 25, December 2003.

26 Amy Hawthorne (2004), “Middle Eastern Democracy: Is Civil Society the Answer?,” *Carnegie Papers* 44, March 2004.

27 S. Mardin, “Civil Society and Islam,” in J. Hall, ed. *Civil Society: history, theory, comparison*, Cambridge: Polity Press.

28 Ernest Gellner (1991), “Civil Society in Historical Context,” *International Social Science Journal*, no. 129, p. 506.

However, by the mid-1990s these results were contradicted by an influential study on civil society in the Middle East by August Richard Norton.<sup>29</sup> Norton argued that civil society activism in the Middle East was much more vibrant than had previously been considered, thereby setting the stage for a series of investigations into the role of civil society in specific Arab countries. While Norton's argument became widely accepted, most analysts tended to argue that much of this activism was related to Islamist charities and other religious and clan-based associations that did not constitute a pro-democracy force and did not, due to their parochial roots, represent a proper part of civil society.<sup>30</sup> Indeed, the vibrancy and persistence of traditional or "uncivil" society seemed to far outweigh the emergence of a few pro-democracy NGOs, suggesting that there was no base for democracy.

This coarse separation of "traditional" and "modern" Arab civil society, however, fails to provide an accurate picture of the growing diversity of civil society within and among Arab countries. While Islamic charities and foundations have certainly remained the largest and most widespread forms of association, others have come to include service NGOs, membership and professional associations such as labour unions, private cultural and solidarity foundations, as well as a growing number of human rights and pro-democracy associations. Unsurprisingly, the number and nature of these organizations has varied widely among the different Arab countries, despite some underlying similarities.

Thus, while associational life in the Arab Gulf countries remains extremely limited, countries like Egypt, Morocco and Palestine have undeniably seen the development of a much broader and more varied civil society over the past two decades.<sup>31</sup> In Egypt, for example, the number of civil society organizations has increased from around 10,000 in 1998 to some 30,000 by 2008.<sup>32</sup> While close to half of these consist of more traditional religious and developmental associations, the rest are a mix of various associations from youth clubs to professional syndicates. In many cases, this growth has been supported by government ministries, such as the ministry of youth and the ministry of health.

This development has benefitted from several broad trends. First, the increasing inability of many Arab states to provide basic services for their growing populations has led to a proliferation of service NGOs and Islamic charities over the past two decades. These associations have come to provide a large array of services, from healthcare to education, often with the active encouragement of the state, in order to pacify their growing populations. Second, civil society assistance has become a linchpin of international donor assistance and, since 9/11, has also translated into some pressure on incumbent governments to open up the space for civil society activism, most notably in the field of gender, human rights, and good governance. While outside pressure and funding has often been criticized for giving rise to this "artificial" civil society, it nevertheless introduced a new discourse. Finally, rapid demographic growth and educational advancements produced a generation of educated young professionals with a different

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29 August Richard Norton (1995-96), *Civil Society in the Middle East*, Leiden: Brill.

30 Amy Hawthorne (2004), "Middle Eastern Democracy: Is Civil Society the Answer?," Carnegie Papers 44, March 2004.

31 Mervat Rishmawi & Tim Morris, "Overview of Civil Society in the Arab World," Praxis Paper 20, October 2007.

32 UNDP (2008), *Egypt's Social Contract: The Role of Civil Society*, Cairo: UNDP.

outlook on life. With no access to formal political structures this new generation increasingly turned to civil society and social movements to articulate their ideas.

The nascent diversification of Arab civil society was, however, hampered by several significant obstacles over the last few decades. Chief among these was a negative “enabling environment” in most Arab countries. Following the emergence of the first independent civic associations outside of political parties in the 1980s, Arab states sought to quickly oppress, co-opt and control these organizations by imposing restrictive laws that provided the state with extensive oversight rights and by offering rewards to those organizations willing to comply with government restrictions.<sup>33</sup>

This favoured the creation of a large number of government-controlled CSOs, so-called GNGOs, which provided a charade of civil society activism. The few organizations that managed to maintain their independence were often subject to frequent harassment and arbitrary closure. While external pressure led to a few changes in associational laws during the 2000s, most Arab CSOs continued to face an uncertain and unaccommodating legal environment and the constant threat of state repression.

Second, despite the growing diversity of civil society in the Arab world, most of the newly established Western-style CSOs failed to gather significant domestic support.<sup>34</sup> Indeed, beyond the large Islamic charities and service NGOs, as well as government-controlled trade unions, civil society activism remained largely limited to a small and vocal minority and a few high-profile individuals. While these organizations and individuals often received considerable attention and support from external donors, they could rarely muster a large domestic audience or broad support from different social segments. This further reinforced the impression that, despite everything, the Arab world still remained politically apathetic and that Western concepts of civil association were unlikely to bear fruit in the region.

Third, many Arab CSOs have traditionally been characterized by weak internal governance structures and a lack of transparency and funding. In part, this has been a consequence of the negative operating environment these organizations have faced in many countries. Often this has also been a consequence of their reliance on outside donors or their structure around single individuals. This lack of internal democracy and transparency has considerably hampered the ability of Arab CSOs to fulfil a “civic education” function and weakened their credibility in the light of domestic and outside observers.

Finally, Arab civil society has remained largely fragmented and divided. This is not a problem per se. The US is home to a large array of civic groups that are often fiercely opposed to each other; for example pro-choice and anti-abortion groups. However, in the Arab world this division has most often taken on a secularist-religious dimension that has hindered the creation of a unified reform discourse. Instead, the deep suspicion and endemic fragmentation between the different sectors of civil society frequently worked against concerted action and often dissuaded secular activists from fully endorsing democratic reforms for fear of becoming sidelined by future Islamist regimes.

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33 Mohamed Elagati, “Civil Society in Egypt and the Revolution of 25th January: What Role for the EU”, Euromesco Brief no. 41, 31 May 2012.

34 Sean L. Yom (2005), “Civil Society and Democratization in the Arab World,” MERIA, vol.9, no. 4, December 2005.

Dina Shehata, in her seminal study on Islamists and secularists in Egypt, has forcefully documented the dynamics that have prevented the two sides from developing a common front and have divided civil society.<sup>35</sup>

These various obstacles meant that Arab CSOs on the eve of the Arab Spring were widely considered to be ineffectual and unrepresentative of Arab societies. According to Rama Halaseh, “the challenges that had faced civil society organisations have crippled their credibility to operate as legitimate representatives of their constituencies.”<sup>36</sup> Indeed, prior to 2011, traditional Western-style CSOs had become increasingly sidelined in favour of much broader and loosely organized social protest movements, such as Egypt’s Kefaya (“Enough!”) and the April 6 Movement that employed new media technologies and were able to unite different segments of society behind a common protest agenda.

These social movements started forming in Egypt in the mid-2000s as a reaction to the failure of more traditional CSOs to deliver political and economic reforms. Charles Tilly defined social movements as campaigns with the single long-term goal to “right a wrong.”<sup>37</sup> Their actions are symbolic, cumulative and indirect, as they are geared towards gradually achieving their objective. Their internal organization is much looser and less hierarchical due to their mass appeal, providing them with a leaderless character. Finally, social movements tend to either break up or transform once they have achieved their objective. In Egypt they were essential in bridging the deep cleavages within civil society and forging a united common front.

Social movements represent a new organizational phenomenon within Arab civil societies that has quickly spread across the region. While these new movements achieved a spectacular short-term political impact, their long-term influence on Arab politics and civil society remains, as yet, a matter of speculation. In particular, it is still unclear to what extent the emergence of these movements and the subsequent bout of civil society activism will be able to bridge the existing divisions between different sectors of Arab civil society or to contribute to more democratic governance of civil society organizations. In the long run, these two changes will be essential in order to support the development of a broad-based Arab civil society able to perform crucial democratizing functions.

## Civil society after the Arab Spring

The Arab Spring revolutions provided a sudden boost to civil society activism across the Middle East. Decades of tight state controls and repressions were wiped away or stopped being reinforced, while civil society activists, no longer fearful of state repression, clamoured for a new role in political and social life. Even in those countries that did not experience mass protests and revolutions, restrictions were loosened as leaders scrambled to placate their restive populations. After decades of perceived passivity, analysts hailed what they considered the dawn of a new era of civic activism. But despite this region-wide revival of civic activism, large differences still remain. Not only have

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35 Dina Shehata (2009), *Islamists and Secularists in Egypt: Opposition, Conflict and Cooperation*, London: Routledge.

36 Rama Halaseh, “Civil Society, Youth and the Arab Spring,” p. 263.

37 Charles Tilly (1998), “Social movements and (all sorts of) other political interactions – local, national, and international – including identities,” *Theory and Society*, vol. 27.



the starting points been extremely different, with some countries like Libya having virtually no organized civil society prior to the uprising, but the evolving legal climate and socio-political context has also varied.

In Egypt, home to a comparatively robust civil society prior to the revolution, CSOs were able to thrive in the immediate aftermath of the uprising. Restrictive rules were no longer enforced, numerous CSO networks were being created, and a multitude of new CSOs emerged to replace discredited GNGOs associated with the old regime. In this regard the labour movement is a good example. Soon after the uprising began, Egyptian workers abandoned the state-run Egyptian Trade Union Federation (ETUF), which had a monopoly on worker representation, and created the Egyptian Federation of Independent Trade Unions (EFITU).<sup>38</sup> Since then, labour action has continued almost unabated and has given rise to scores of new enterprise-level unions, which lack an appropriate legal framework for action.<sup>39</sup>

Following an initial honeymoon period, relations between civil society and the ruling Supreme Council of the Armed Forces (SCAF) quickly deteriorated, leading to a new period of prosecution and repression. SCAF attempts to sideline CSOs culminated in a high-profile raid on foreign-funded CSOs and the arrest and trial of 40 Egyptian and foreign CSO workers.<sup>40</sup> Discussions on a new NGO law have been ongoing since January 2011 and while the latest draft of October 2012 will loosen some restrictions, it imposes strict controls on foreign funding for NGOs, creating concerns that civil society will remain tightly controlled by the state.<sup>41</sup>

After the election of Mohamed Mursi, tensions amongst civil society actors eased initially, but quickly resurfaced as a result of the controversy surrounding the writing of the new Egyptian Constitution. Indeed, political tension between Islamists and secularists has increasingly deepened division amongst civil society actors, which have become embroiled in political battles. Thus, Egypt's judges and legal syndicates have become a bastion of opposition to the Muslim Brotherhood-dominated government and active participants in the political conflict.<sup>42</sup> Similarly, there are signs that politics are increasingly affecting Egypt's new labour movement, as well as other civil society organizations.<sup>43</sup>

In Tunisia, civil society activism prior to the revolution was relatively limited and strictly regulated by the state. Following the downfall of the Ben Ali regime, Tunisian civil society experienced an unprecedented boost with some 2,700 new associations having been established by summer 2012, according to an EU scoping study.<sup>44</sup> Unlike in Egypt, tensions between the government and civil society abated after an initial period, due to the more inclusive policies adopted by the government. The launching of a "High Council for the Realization of the Goals of the Revolution, Political Reforms, and Democratic

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38 According to Joel Beilin, EFITU boasts a membership of 2 million workers in some 200 unions.

39 Joel Beilin (2012), "The Rise of Egypt's Workers," Carnegie Papers, June 2012.

40 Nadine Sika, "Civil Society and Democratization in Egypt: The Road Not Yet Traveled," Muftah.

41 International Centre for Not for Profit Law, "NGO Law Monitor: Egypt," 19 October 2012.

42 Nathan J. Brown (2012), *Egypt's Judges in a Revolutionary Age*, Carnegie Paper, February 2012.

43 Dina Bishara (2012), "Egyptian labor between Morsi and Mubarak," Foreign Policy Middle East Channel, 28 November 2012.

44 European Union (2012), *Rapport de Diagnostic sur la Société Civile Tunisienne*, March 2012.

Transition” that included young revolutionaries and civil society actors, albeit marred by division, enabled Tunisian civil society to fulfil an important cooperation function.

State-society relations in Tunisia have been smoother as a result of a more inclusive transition, although mutual distrust remains and CSOs feel that there is still a lack of consultation. Like in Egypt, moreover, divisions between civil society actors along traditionalist-modernist lines have deepened, following the emergence of a vocal Salafist trend. Women’s associations, especially, have been vocal in opposing the adoption of new gender roles and the curtailment of hard-won freedoms.<sup>45</sup> Controversy was sparked in August 2012 over a draft constitutional text that appeared to suggest that women were complementary to men. A new law of association adopted in September 2011 has been relatively liberal in comparison and appears to have encouraged the growth of a more active associational life.

In Libya, organized civil society was practically non-existent prior to the fall of the Gaddafi regime with the exception of a few GNGOs. During the 2011 civil war, charities and self-help groups started to appear and were soon joined by a plethora of new social and humanitarian associations. Given the weakness of the Libyan interim government and the breakdown of the state, civil society has played a strong role in steering the Libyan transition. However, due to the strength of parochial and tribal bonds, Libyan civil society has had a tendency to represent particularistic interests and has been unable to fulfil many of the important control functions ascribed to civil society during transitions. With much of Libyan civil society focused around local and regional self-help organizations, the influence of local power structures remains strong. Moreover, there remains a real risk that tribal structures will permanently undermine formal institutions and entrench patronage systems.

Following a period of civil society enthusiasm, many of the hundreds of Libyan CSOs that have been founded appear to now face severe problems, particularly when it comes to know-how and funding. This has led to the closure of a substantial number of CSOs that were unable to agree on a clear agenda or secure necessary funding. The remaining CSOs have had to deal with a negative operating environment and a government crackdown that seeks to impose controls on foreign funding for local CSOs.<sup>46</sup> In many ways, Libya’s new NGO law follows the Egyptian example by restricting access to foreign funding and imposing onerous controls on local NGOs. While there are undoubtedly great opportunities for Libyan civil society, the challenges faced by CSOs currently remain legion.

Looking towards the future development of Arab civil society in the ongoing and unpredictable post-revolutionary transition processes, a number of general challenges appear to emerge.<sup>47</sup>

First among these is the growing fragmentation of civil society along a number of deep social cleavages. Most prevalent among these is the deep religious-secular divide across the region. Other divisions involve ethnic, tribal and regional identities. Having

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45 Monica Marks, “Speaking on the Unspeakable: Blasphemy & the Tunisian Constitution,” *Sada*, 4 September 2012.

46 *The Daily Beast*, Libya’s Civil Crackdown Worries Democracy Advocates, 28 March 2012.

47 CCDP (2012), “Arab Civil Societies after the Uprising: Challenges during Political Transition,” Amman Issue Brief, August 2012.



been suppressed during the long years of authoritarian rule and central state-building that followed the period of decolonization, some of these identity issues have become reactivated during the disorderly transitions and now represent competing political projects. No longer forged together by the shared goal of toppling the regime, civil society activists are increasingly pitted against each other. Liberals, women's groups and secularists seek to thwart the religious state; tribes, ethnic groups and regions seek to limit the powers of the central state; and Islamists seek to contain external actors while advocating for a strong and intrusive state.

These often incompatible projects have heightened public mistrust and suspicion, which have made it more difficult for civil society to fulfil some of its vital democracy-building functions and steer the transition processes. Reconciling these diverse projects is not impossible, but will require a balancing act. As a recent paper on tribalism and the transition points out: "tribal governance structures can help to advance democratisation when they fill a power vacuum and support the gradual building of democratic governance structures. But they hinder democratisation when they permanently replace formal institutions and perpetuate incumbent power through entrenched patronage systems."<sup>48</sup> The risk today is that heightened fragmentation will entrench vested interests rather than promote diversity.

A second challenge concerns the emerging character of state-civil society relations. By setting the legal-political framework in which civil society evolves, the state controls the enabling environment for civil society. In addition, both state and civil society face a difficult choice over whether they should pursue greater cooperation or autonomy between each other. This inclusion-exclusion dilemma is a common feature of state-society relations.<sup>49</sup> A strategy of inclusion or co-optation might strengthen the perceived legitimacy of the government, but can create new social divisions and limit the countervailing powers of civil society, especially if selective. Exclusion, on the other hand, might create new state-society divisions and limit the effectiveness of the new institutional structure.

Currently, many Arab states appear determined to limit and control the power of civil society through the adoption of a restrictive legal framework and a policy of selective inclusion. The risk is that this may entrench animosities and promote the creation of GNGO-like organizations. For their part, many of the new Arab CSOs have refused to compromise and cooperate with the new state authorities, which they consider to be an expression of the old order, and have focused instead on the realization of their own utopian visions. Building trust between civil society and the state therefore remains a serious challenge both during the ongoing transition processes, as well as in the foreseeable future.

A third challenge facing Arab civil society organizations concerns the role of international donors. Given the weakness of civil society in many of the pre- and post-revolutionary Arab countries, foreign funding appears to be a double-edged sword. On the one hand, new Arab CSOs are in dire need of outside funding, given the dearth

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48 Ted Liu, "Ethnicity and Tribalism in Arab Transitions", FRIDE Policy Brief no. 137, October 2012, p. 4.

49 John S. Dryzek (1996), "Political Inclusion and the Dynamics of Democratization", *American Political Science Review*, vol. 90, no. 1, pp. 475-487.

of domestic resources and the lack of a CSO framework and culture.<sup>50</sup> On the other hand, any funding, no matter how impartial, comes with a certain political agenda and can have a profound impact on the weak organizational landscape. Saudi funding of Salafist organizations, for example, has often been criticized for fuelling conflict and fragmentation by promoting a radical and uncompromising religious vision of society. In the same vein, western funding has regularly been chided for promoting “artificial civil societies” and favouring professionalized NGOs over grassroots organizations, while paying scant attention to the impact this has on the domestic context.<sup>51</sup> Without greater cooperation between Islamic and western NGOs, mistrust and misconceptions are likely to represent a hurdle for international engagement and might risk inciting further domestic tensions.

Considering the potentially distorting impact that foreign funding can have on the development of local civil society, it comes as little surprise that some countries have sought to limit and control this kind of funding. However, any attempt to regulate and direct foreign funding inevitably raises difficult questions, especially given the obvious political nature of the issue. Thus, while the Egyptian state has been quick to prosecute unwanted democracy NGOs, it has turned a blind eye to funding for Salafist groups. Western donors for their part, while paying lip service to engaging “new actors”, have continued to focus much of their attention on core liberal issues. This suggests that until Arab civil societies bridge their differences, the role of foreign funding will remain contentious.

A final set of challenges revolves around the internal organization of Arab civil society actors. Much of the unprecedented surge of civil society activism during the uprisings was focused on broad social protest movements that are qualitatively very different from traditional CSOs. As previously discussed, these movements usually include different segments of society, are focused on a single issue and have a flat and flexible organizational structure.<sup>52</sup> Having achieved their original goal, namely the toppling of the regime, these organizations now face profound challenges. Being largely “virtual movements”, they lack the internal organization and decision-making capacity to formulate a more concrete political or social agenda.<sup>53</sup> Moreover, having created high public expectations about the future level of political and social change, they lack the tools and ability to implement these changes.

In order to have a lasting impact on Arab civil society, these movements may have to transform themselves into more organized, hierarchical organizations. In many cases this has already happened, as revolutionary youth movements have spawned new political parties and single-issue NGOs. However, suspicious of the pace and direction of political change, many members of these organizations have been unwilling to make this transformation. Instead, they have continued with street actions on a variety of

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50 Shadi Hamid, “Civil Society in the Arab World and the Dilemma of Funding,” *Afaq al Mustaqbal Journal*, October 2010.

51 Marina Ottaway & Thomas Carothers, eds. (2000), *Funding Virtue: Civil Society Aid and Democracy Promotion*, Washington: Carnegie Endowment for International Peace.

52 Bruce Etling, et al. (2010), “Political Change in the Digital Age: The Fragility and Promise of Online Organizing,” SAIS Review, Summer–Fall 2010.

53 CCDP (2012), “Arab Uprisings: Challenges during Political Transition and Comparative Lessons for Civil Societies in the Middle East and North Africa,” Conference Report, Regional Workshop Consultation, Amman 18–20 April 2012.

issues and with varying degrees of success. The emerging challenge for Arab civil society will be to maintain dynamism, relevance and legitimacy while transforming the broad social movements that have dominated the revolutionary phase into new organizational arrangements.

How different Arab states and civil society react to these four post-revolutionary challenges will largely determine the future shape and content of Arab civil society and its ability to completely fulfil its inherent democracy-building function. Moreover, these different challenges set the context for much of the donor engagement with Arab civil society. Any effective donor strategy aimed at supporting Arab civil society will therefore have to carefully weigh the impact it is having on the various challenges.

## DONOR POLICIES AND STRATEGIES

The attempt by international donors and aid agencies to encourage the development of civil society from the outside inevitably raises a number of difficult political and ethical questions. In the past, this has been particularly true in the authoritarian and politically-charged atmosphere of the Middle East. While the Arab Spring revolutions of early 2011 have somewhat broadened the space for international donors to engage with and support the development of Arab civil society, many problems and dilemmas remain. Amongst others, these include the difficulty of identifying appropriate partners, the normative pre-dispositions of donors, the political nature of civil society, and the difficulty of transferring Western civil society concepts to countries which have experienced a different historical development. Donors have sought to respond to these challenges in various ways, in order to avoid being seen as overtly interventionist. Despite this, however, civil society support remains at heart a political activity that can have important consequences and needs to be recognized as such.

### The EU's civil society strategy

The EU has been engaged with civil society organizations since the 1970s through participatory policies and support schemes. Much of this has focused on encouraging the participation of CSOs in EU programmes. Within the framework of its neighbourhood policies, the EU has placed a large and growing emphasis on decentralized cooperation and civil society engagement since the early 1990s. Promoting an active role for civil society in the Arab world was seen as particularly relevant by the EU for a variety of reasons. In particular it was hoped that EU-sponsored civil society activities would help dispel negative stereotypes, while diffusing democratic values and providing an informal forum through which to facilitate Arab-Israeli reconciliation.<sup>54</sup> This focus on encouraging the growth of Arab civil society was institutionalized with the EU's 1995 Barcelona Process and has been a key focus for EU policies ever since.

However, despite the considerable attention the EU has paid to this issue, little was done to systematically engage with a broad set of Arab CSOs initially. An early attempt to channel money directly to Arab civil society actors, the MEDA Democracy Programme (1996-1999), proved controversial and was eventually suspended. Following 9/11, an attempt was made to reinvigorate civil society dialogue through the adoption of the Valencia Action Plan and by streamlining civil society issues into the newly adopted ENP Action Plans that the EU had concluded with its Arab partners. However, by the mid-2000s it was clear that these efforts had failed to tackle the more fundamental problems hampering EU civil society initiatives.

Chief among these has been the reluctance of foreign governments to tolerate what they consider EU meddling. From the very start of the Barcelona Process, Arab governments have sought to tightly control which organizations could benefit from EU funding and cooperation. Thus only a small number of government-approved CSOs have been eligible for official EU support.<sup>55</sup> The EU, for its part, has been similarly unwilling to reach out

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54 Elisabeth Johansson-Nogués (2006), "Civil Society in Euro-Mediterranean relations: What success of EU's normative promotion?," EUI Working Papers, no. 2006/40.

55 Ibid.

to the whole spectrum of Arab civil society and has focused much of its attention on a narrow set of organizations and issues that meshed with its normative pre-dispositions. An attempt in the mid-2000s to broaden the EU's engagement with Islamist organizations was aborted, due to the resistance of some member states.<sup>56</sup> Finally, there has been little enthusiasm on the part of Arab civil society to engage with the EU, for fear of losing domestic credibility and being seen as buying into a foreign agenda.

The launching of the European Initiative for Democracy and Human Rights (EIDHR) in 2006 somewhat improved the EU's ability to engage with Arab CSOs, as it allowed the Commission for the first time to operate without host government consent. However, EU funding under the EIDHR remained rather limited until the onset of the Arab Spring. Thus, EIDHR funding for 2007-2011 for the Arab Mediterranean countries amounted to a mere €24 million and included a total of 15 non-public projects. While this represented a steep change in comparison to previous funding levels, it is unlikely to have had any considerable impact on the surge of civil society activism witnessed since then. Several evaluations in the 2000s, furthermore, discovered a persistent gap in implementation and a lack of strategic focus in EU civil society projects. Acknowledging these problems, the EU adopted an *Agenda for Change* in 2011, in which it formulates the ambition to "work more closely with civil society as their role in development grows."<sup>57</sup>

Following the Arab Spring uprisings, the EU considerably beefed up its financial support for Arab civil society and acknowledged the need to further broaden and extend its engagement with civil society actors. To this end, the Commission's new *Partnership for Democracy and Shared Prosperity* from March 2011 called for "a stronger partnership with the people, with specific emphasis on support to civil society and on enhanced opportunities for exchanges and people-to-people contacts with a particular focus on the young."<sup>58</sup> Moreover, the EU doubled EIDHR funding for the region to €11.5 million in 2011, launching a total of 54 new EIDHR projects during this year alone.<sup>59</sup> Many of these included innovative new projects, such as a small grants facility to defend human rights defenders, the EU's *No Disconnect Strategy* (NDS) and some 11 confidential country projects.

Another key element of this new policy is the EU's new strategy for *Europe's engagement with civil society in external relations*, adopted in September 2012.<sup>60</sup> In this strategy the EU notes that the civil society landscape in its neighbourhood is rapidly changing, requiring a more "strategic" and "country-specific" approach. To this end, the EU outlines three new strategic priorities: i) to promote a conducive enabling environment; ii) to encourage CSO participation in public policy processes at a national and EU level; and iii) to increase the capacity of local CSOs to perform their actions for democratic governance and equitable development. To encourage strategic long-term action, the document also suggests the development of "country roadmaps" for

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56 Timo Behr (2013), "EU Foreign Policy and Political Islam: Towards a new Entente in the post-Arab Spring Era?", *International Spectator*, Vol. 48, No. 1, forthcoming.

57 European Commission (2011b), "Increasing the impact of EU Development Policy: an Agenda for Change," COM(2011) 637 final.

58 European Commission (2011a), "Partnership for Democracy and Shared Prosperity," COM(2011) 200 final.

59 EuropeAid (2012), "Delivering on the Arab Spring: Highlights of the Semester July-December 2011," September 2012.

60 European Commission (2012a), "The roots of democracy and sustainable development: Europe's engagement with Civil Society in external relations," COM(2012) 492 final.

engagement with CSOs, to be developed by revamped and more capable EU Delegations in the region.

In order to translate its new civil society strategy into action, the EU also launched two new policy tools. In 2011, the EU launched a new *Neighbourhood Civil Society Facility*, with a budget of €26 million for 2011 and €21 million p.a. for 2012-2013 in order to strengthen Arab CSOs and enable them to promote reform and increase public accountability along the lines outlined in the civil society strategy.<sup>61</sup> The explicit aim is to provide CSOs with a more political role and build a direct partnership with Arab civil society. To this end, the Facility supports the capacity building of CSOs, seeks to engage them in sector policy dialogues and EU cooperation, and launched calls for proposals to support ENP projects.

In addition, the EU launched an autonomous *European Endowment for Democracy* (EED) with the explicit aim of promoting “deep and sustainable change” in societies. Modelled on the US-based National Endowment for Democracy (NED), the EED will be able to more flexibly support civil society actors in the neighbourhood that have no access to EU funding, such as journalists, bloggers, non-registered NGOs and political movements.<sup>62</sup> In November 2012, the European Commission provided the EED with €6 million in start-up funding, while additional funding will be drawn from the voluntary contribution of EU member states and foundations. While some time will pass before the EED becomes operational, doubts remain over the added value it will provide.<sup>63</sup>

All of these measures indicate a more targeted and strategic EU approach. However, despite these changes, several questions remain. While the EU’s new strategy acknowledges the need to engage more broadly with civil society beyond Western-style CSOs, it skirts the issue of religious, traditional, and tribal organizations that are playing a key role in the transition processes. Nor does it provide a clear agenda on how the EU might be able to engage the loose and broad-based social movements that have received so much attention. The considerable emphasis the EU places on the “watchdog” function of CSOs might also unbalance state-society relations and weaken the credibility of fragile new state institutions. Finally, the EU’s determination to check Salafi funding by focusing its engagement on liberal and Western-style NGOs may inadvertently serve to heighten social fragmentation and increase competition with Islamic NGOs that are more and more active across the region.

## Finland’s civil society strategy

Finland endorses a “human rights-based approach to development” as part of its latest development policy programme.<sup>64</sup> This approach is based on the idea that all human beings are born free and equal and that development policy can help to promote core

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61 Jacqueline Hale & Viorel Ursu (2011), “From Funder to Partner? Prospects for the European Neighbourhood Policy’s Civil Society Facility,” Open Society Institute, Policy Brief, October 2011.

62 European Commission (2012b), “The European Endowment for Democracy – Support for the unsupported,” Press Release, 12 November 2012.

63 Richard Youngs & Kinga Brudzinska (2012), “The European Endowment for Democracy: will it fly?,” FRIDE Policy Brief no. 128, May 2012.

64 Ministry for Foreign Affairs of Finland (2012), Finland’s Development Policy Programme, 16 February 2012.

human rights principles, such as self-determination, universality, non-discrimination and equality. As a result, Finland seeks to promote civil, political, social, economic and cultural rights through its development cooperation. In particular, Finnish development policy has emphasized three cross-cutting themes as priority areas for engagement: the rights of women and children as well as gender and social equality; the rights of ethnic, linguistic and other marginalized groups; and the rights of persons with disabilities and HIV/AIDS. Finland promotes these themes as a priority in all areas of its development cooperation.

Finnish development policy considers civil society as an important partner in the implementation of the human rights-based approach to development, due to its ability to increase accountability and promote civic education. In 2006, Finland issued its first guidelines for civil society in development policy, which were replaced by new guidelines in 2010.<sup>65</sup> These guidelines put forward a broad definition of the nature of civil society and sketch the aims and goals of Finland's civil society policy in development cooperation. In comparison with the 2006 strategy, the new guidelines provide a wider definition of CSOs and emphasize the need for greater cooperation with local CSO actors.

According to the broad definition provided by the Finnish civil society strategy, "the term civil society actors refers not only to associations anchored in a thematic or ideological base but also to foundations, research institutes, media, the trade union movement, business actors, think-tanks, religious communities, cooperatives, networks, various social movements and other organized types of communal activities aiming to achieve common goals".<sup>66</sup> This suggests some slight differences with the EU's approach. In accordance with the Nordic tradition, Finland acknowledges that the line between civil society and the public and private sectors is blurred and that many CSOs are closely connected to both spheres. Instead of treating civil society as antagonistic to these spheres, it therefore emphasizes cooperation and endorses an inclusive approach when it comes to state-society relations.

Another focus of the policy is on development effectiveness. Finland is a signatory of the Paris Declaration and actively promotes its follow-up, the Accra Agenda for Action. These aim to strengthen aid effectiveness through increased ownership by civil society and government in developing countries, the adaptation of assistance to partner countries' own development strategies and national systems, a harmonization of donors' approaches, the systematic assessment of results and ensuring mutual accountability. Finland has consequently taken steps to ensure that its own civil society funding supports these measures, with tools and incentives to ensure improved aid effectiveness.

In terms of policy priorities, similar to the EU, Finland seeks to promote "a vibrant, pluralistic civil society based on the rule of law".<sup>67</sup> It furthermore seeks to strengthen citizen participation, involve civil society in the monitoring of development activities, and promote a favourable enabling environment for civil society development. The 2012 development policy programme further emphasizes the need to support confidence-building between the state and civil society and to place greater emphasis on cooperation and capacity-building with local civil society actors and decentralized cooperation.

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65 Ministry for Foreign Affairs of Finland (2010), Guidelines for Civil Society in Development Policy, 25 November 2010

66 Ibid., p. 5

67 Ibid., p. 3



Overall, aid allocations through CSOs had increased to \$119.6 million by 2010, making up 12% of the overall Finnish development cooperation budget. Current plans foresee a further increase in the share of development assistance for CSOs. A recent peer review of Finnish development cooperation by the OECD's Development Assistance Committee (DAC) has, however, found a lack of strategic focus and has criticized the distribution of half of that funding through annual calls for proposals, creating a heavy administrative burden.<sup>68</sup>

In relation to the Arab Spring, the Finnish development programme seeks a greater emphasis on democracy-building by making future development funds available for supporting human rights and democracy in societies in transition. Particular attention is to be paid to the inclusion of young people and the promotion of employment opportunities and education for them in these societies. Finland has also increased the funding for projects available at its embassies in the Arab world in 2011-2012. Finland's continuing prioritization of civil society cooperation and its renewed emphasis on democracy promotion are timely following the Arab Spring. However, in the transition countries, Finnish development policy is set to face challenges in two areas: development effectiveness and values.

Identifying effective tools in the new circumstances is a case in point. In comparison to its well-established development cooperation partner countries, where the bulk of Finnish development cooperation funds are spent, the Arab countries are affluent. Per capita incomes and levels of education are considerably higher. Consequently, cooperation funds will tend to have a comparatively low impact, unless well targeted. On the upside, the societies in question have an arguably higher capacity to absorb, disseminate and employ information, concepts and practices.

When it comes to promoting its cross-cutting core priorities in the new environment, especially in relation to gender equality and minority rights, Finnish development policy faces the challenge of engaging with parts of Arab society that do not share these values. Finnish development cooperation has to strike a balance between being dogmatic about its core priorities and partners and the necessity to seek a dialogue with the authorities and the different parts of Arab civil societies.

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68 OECD DAC (2012), Peer Review of Finland's Development Policy and Development Cooperation in 2012.



## CONCLUSIONS AND RECOMMENDATIONS

This paper reviewed the role of civil society in the ongoing political transition processes in the Arab Middle East. It noted the strong potential of civil society to not only initiate political change, but to also contribute to the consolidation of stable democratic regimes through a variety of functions. These include, among others, the ability of civil society to serve as a political agenda-setter, to increase transparency and accountability of state institutions, to offer civic education and information, and to provide new political alternatives and leadership. However, in many transition countries the democracy-building potential of civil society has been curtailed by growing social fragmentation, a negative legal environment, conflicting state-building projects, and the persistence of vested interests and parochial bonds. All of these will limit civil society's democratizing potential.

When seeking to engage and assist Arab civil society, western donors are faced with several broad challenges in the new regional context. First and foremost, they will have to avoid doing anything that could deepen the growing divisions among different segments of Arab civil society. While secular and liberal groups deserve support, donors have to recognize that any attempt to openly take sides and pick winners risks further contributing to social divisions instead of healing them. In some cases foreign funding may even serve to undermine the domestic credibility of the same groups that donors seek to support. Instead, western donors ought to promote cooperation and trust-building between all segments of society and encourage an inclusive political process and dialogue among all parties. This may, on occasion, also demand contacts and engagement with civil society actors that, from a Western perspective, espouse "illiberal" ideas, in order to diminish tensions and increase understanding. Greater dialogue and cooperation with Islamic donors and NGOs is particularly important in order to prevent a politicisation of civil society assistance and to create greater synergies and cooperation.

Second, donors ought to encourage an effective and balanced relationship between state institutions and civil society. While before the revolutions many Arab countries suffered from a strong and autocratic state, today state weakness has become an equally great challenge. Indeed, in places like Libya, Yemen and eventually Syria, new state structures are weak and ineffective due to the strength of "traditional society". Similarly, in Egypt and Tunisia striking a new accord between the newly empowered social actors and the state may prove challenging. While there are good reasons for donors to emphasize the "watchdog" function of civil society, they should promote a cooperative relationship between state and society that contributes to the legitimacy of the new political order. The Finnish approach, with its strong emphasis on consensual state-society relations and broader conceptualization of civil society offers valuable lessons that may help to build trust between social actors and the state.

Third, donors will have to find a way to engage with the new actors, organizations and social movements that have been at the forefront of the Arab Spring uprisings. To engage with some of these actors will be challenging given their non-hierarchical organizational structures, virtual membership, unclear legal position, and sometimes undefined goals. In order to identify these new actors and possibilities for engagement, donors will need greater in-country knowledge and support. This suggests a greater role

for local representatives and embassies in the programming and disbursement of aid. Similarly, donors ought to experiment with new and more flexible funding mechanisms, such as the European Endowment for Democracy, which may enable them to provide more targeted assistance to some of these new actors. There will also be ample need for capacity-building and training as civil society actors migrate from loose social movements to form conventional parties and NGOs.

Finally, donors will have to tread carefully in the highly sensitive new operating environment in the Arab transition countries. Restrictive legislation in Egypt and Libya and Egypt's crackdown on foreign-funded NGOs are signs of genuine apprehension towards external donors. This is based on a history of foreign intervention and a widespread desire for reclaiming national sovereignty. In order to regain trust with state institutions and civil society actors, donor engagement needs to build on national development strategies and local needs assessments. Donors also need to avoid "crowding-out" domestic initiatives by flooding particular areas and social groups with funding. Finally, donors need to carefully consider the sustainability aspects of their engagement, given the event-driven nature of foreign assistance and the potential for funding to the region to be reduced in the future.

For Finnish development policy three potential avenues for cooperation emerge. The first focuses on organizations that promote the core values of the Finnish development cooperation policy, such as gender and minority rights. There is a great demand for assistance in these areas, as a result of the revolutions and the youthful age pyramids that are characteristic for the region. Within this avenue, the focus should be firmly on capacity-building and technical assistance, in effect not only helping to complete relevant projects, but also striving to make the organizations in question independent of Finnish development assistance. Moreover, assistance in this area should focus on nascent local organizations and should aim at building trust between different segments of society, by encouraging dialogue and understanding across domestic cleavages. Finland's broad and non-dogmatic understanding of civil society may be an advantage in this regard.

The second avenue is one that focuses on the democratic institutions and practices themselves. Political parties, social partners and labour unions are receptive to learning from best practices for a limited period of time before new rules, formal and informal, become established. The entrenched multi-party politics, the social contract between the government, employers' and employees' organizations, as well as important mechanisms of local democracy on a municipal level are examples where Finnish development cooperation can tap into domestic resources with potentially high development impacts. Successes in one country can foster demand in others, and with many competing actors, a focus on strengths and quality instead of a wide-spectrum approach is likely to pay more dividends.

A third potential avenue concerns the legal framework and the broader structure of state-civil society relations in Arab transition countries. Here the Nordic model that promotes a cooperative approach and emphasizes the role of consensual decision-making might provide some valuable lessons for the region. Finland could offer to share experience and expertise in this area with different stakeholders in the Arab world and provide more information about its own model of state-civil society relations through seminars and exchanges. This might be particularly valuable given the increasingly

antagonistic relationship between state and civil society that is characteristic of countries in transition.

In order to make a difference, greater cooperation with new local actors and a stronger involvement of the relevant embassies in the programming of development assistance will be necessary. Rapid changes in the operating environment also create a need for some flexibility in resource distribution. An acceptance of risk-taking, concomitant with appropriate oversight from the embassies is thus advisable. The latter in particular will place new strains on the embassies in question. At the same time long-term planning, a concentration of aid on well-defined priority areas and a focus on the sustainability of development projects will be necessary in order to increase the effectiveness of assistance.

Foreign donors, of course, can only do so much in order to support the development of a liberal and pluralistic civil society in the Arab world. Far more important than effective and well-designed development projects is the ability of different segments of Arab civil society to reconcile their differences and to endorse diversity. This is likely to be a gradual and slow-moving process that has only just begun with the Arab Spring revolutions. In order to support this process, donors will have to exercise patience and will have to avoid actions that contribute to further social polarization. To this end, sending the right political message will often be just as important as well-designed projects.