Three Decades of Civil Society

The ups and downs of promoting democracy in Romania

Expert Forum, 2025

Authors:

Ana Otilia Nuțu

Sorin Ioniță

Peer reviewers:

Thomas Carothers, Director, Democracy, Conflict, and Governance Program, Carnegie Endowment for International Peace

Dr. Iulia-Sabina Joja, Senior fellow at the Middle East Institute (MEI), Adjunct professor at Georgetown University and George Washington University

Dr. Eli Gateva, Lecturer in European Union Politics, Department of Politics and International Relations, University of Oxford

Graphic design: Ștefan Popa

Report published at https://expertforum.ro/en/**three-decades-of-civil-society**/

Table of Contents

Argument

Over the past three decades, Romania has undergone profound social, economic, and political transformations. This report explores the country's transition from a totalitarian dictatorship to a pluralistic—albeit imperfect—democracy. Yet, as recent developments at the close of 2024 reveal, this progress is far from guaranteed and could easily be reversed. The report seeks to assess the role of civil society in driving these long-term changes and, crucially, its capacity to prevent Romania from sliding back into a softer form of autocracy. Ultimately, it aims to offer initial recommendations for bolstering civil society to safeguard democratic progress.

For the purposes of this analysis, "liberal democracy" is defined as a system in which citizens elect their representatives (democracy) while fundamental individual rights and freedoms are protected regardless of who holds power (liberal). This "broad" definition encompasses not only free and fair elections but also the separation of powers, checks and balances, judicial independence, equality before the law, pluralism, and the diffusion of power among competing groups.

The report focuses on Romania's progress toward liberal democracy, as defined above, and the role of civil society in achieving and preserving it. This clarification is critical, given the significant challenges liberal democracy has faced globally over the past 15 years, and particularly in Romania in the last four to five years. In the early 1990s, it was widely assumed that the ultimate goal of post-communist transitions in Central and Eastern Europe was to establish liberal democracies modeled on their Western counterparts. However, successive crises—most notably the global financial crisis of 2007-08 and geopolitical upheavals post-2014—have challenged the notion of liberal democracy's inevitability. Romania, increasingly integrated into European and global frameworks, has not been immune to these trends.

Romania's recent experience underscores a vital lesson: liberal democracy, in its fullest sense, requires broad societal buy-in—something that cannot be taken for granted, even when the transition seems complete. Democratic progress involves more than majoritarian electoral outcomes; it depends on safeguarding individual rights, ensuring institutional integrity, maintaining checks and balances, and creating a level playing field for political competition. The role of civil society in this process cannot be overestimated: in established democracies, a vibrant, diverse civil society holds politicians accountable, proposes alternative policy solutions, ensures the consideration of the interests and preferences of broad strata of society. In this sense, a question that needs to be addressed is how donors, both domestic and foreign, can collaborate and complement each others to ensure the sustainability of a diverse civil society able to fulfill these functions.

At the time of finishing this report, after a decade-long decline, liberal democracy is now under unprecedented threat across the globe. The US signals it will relinquish its 80-year old global stewardship of the liberal democratic world, taking down along with it the

international rule-based order built since the end of World War II. The new US administration increasingly aligns with dictators and Western extremists, increasingly pushes for a long-abandoned vision of might makes right on the global arena, and its footprint abroad risks turning into - and being perceived as - malign foreign interference in all its former allies from the Western world, on a par with Russia or China. Liberal democracy is fragile, but so far it has proven itself the only form of organizing human societies conducive to prosperity, security, and justice. To save it, all its supporters will have to rally around the flag and rush to fill in the void left behind by the withdrawal of the US, before others do so. Liberal democracy is now endangered even in mature democracies such as US itself or EU states where extremists gained solid political results over the past years. For young, imperfect liberal democracies such as Romania the challenge is double, as it also loses external anchors in the West.

In the report, the sections on civil society assistance from foreign donors build primarily on two seminal pieces on the topic: *"Assessing Democracy Assistance: the Case of Romania" by Thomas Carothers, 1996, Carnegie Endowment*; and *"Importing Democracy from Abroad: International Assistance for Civil Society in Romania", by Marius Tatar, 2006, Central European University / Oradea University*. These discuss the major questions, dilemmas, donor approaches, controversies concerning effectiveness of foreign aid during the 1990s and early 2000s; as of 2025, the development of the Romanian civil society and impact of foreign aid can be put in a longer time perspective. The research has been complemented and updated with interviews with civil society experts and donors active in the past three decades in Romania.

This report originated with a request from a foreign donor, the Democracy Foundation Basel, respectively its predecessor Swiss Democracy Foundation, to evaluate the successes and failures of democracy promotion in Central Eastern Europe, starting with Romania, and make recommendations for the future as well as an inventory of the available financing for the civil society in this field.

Executive summary

The history of civil society in Romania post-1990 is deeply intertwined with the nation's broader transition to liberal democracy. This report identifies three key phases of this journey, each marked by distinct challenges and opportunities for civil society and its supporters. The phases—"The Return to Europe" (1990-2007), "The End of the End-of-History Paradigm" (2007-2014), and "The Great Polarization" (2014-present)—offer a framework to understand Romania's evolving civil landscape.

Phase 1: The Return to Europe (1990-2007)

The collapse of the Ceaușescu regime in December 1989 marked a violent rupture from a totalitarian past, setting the stage for Romania's transition to democracy. Unlike its Central and Eastern European (CEE) neighbors, Romania entered this period with severely limited social capital, no independent civil institutions, and pervasive distrust of collective action. Early efforts to establish civil society were led by intellectuals, students, and professionals who coalesced in opposition to the remnants of the communist elite. This nascent movement faced systemic suppression, exemplified by the brutal crackdown on protests in 1990.

International support was critical in nurturing Romania's fledgling civil society. Foreign donors, including USAID, the Soros Foundation, and European programs like PHARE, provided essential funding and capacity-building. These efforts prioritized fostering democratic institutions, free media, human rights, and grassroots activism. Notable initiatives included the establishment of Romania's first NGOs, such as the Group for Social Dialogue (GDS), and programs aimed at strengthening independent journalism and advocacy networks.

The early 2000s brought renewed momentum. Romania's 1995 commitment to EU and NATO integration spurred reforms, with civil society playing a crucial monitoring and advocacy role. The 1997-2000 reformist government accelerated democratization, supported by stringent EU conditionality. Key developments included anti-corruption measures, judicial reforms, and increased public engagement. Despite setbacks, such as political instability and entrenched patronage systems, this period laid the groundwork for Romania's 2007 EU accession. By the end of this phase, civil society had gained legitimacy and influence, positioning itself as a watchdog and partner in governance.

Phase 2: The End of the End-of-History Paradigm (2007-2014)

Romania's EU accession represented a milestone, symbolizing its "return to Europe." However, the cessation of EU conditionality exposed unresolved governance issues and institutional weaknesses. Public administration stagnated, and entrenched elites exploited systemic vulnerabilities, undermining earlier progress.

The 2008 financial crisis compounded these challenges. Economic hardships, mass migration, and unmet expectations fueled disillusionment. Although Romania benefited from EU funding, administrative inefficiencies and corruption hindered its impact. Civil

society faced new obstacles, including diminished foreign funding and growing public skepticism.

Despite these hurdles, this period saw significant advances in anti-corruption efforts. The establishment of the National Integrity Agency (ANI) and high-profile prosecutions signaled a shift toward accountability. The EU's Cooperation and Verification Mechanism (CVM) played a pivotal role in sustaining judicial reforms, providing external oversight and safeguarding against backsliding.

Civil society's role evolved, with NGOs focusing on transparency, public integrity, and advocacy. Grassroots movements gained traction, leveraging social media to mobilize support. However, public engagement remained uneven, reflecting lingering mistrust of collective initiatives. By 2014, Romania's civil society had matured, but its sustainability depended on overcoming resource constraints and building stronger connections with local constituencies.

Phase 3: The Great Polarization (2014-present)

This phase is characterized by heightened geopolitical tensions, the rise of illiberalism, and domestic polarization. Romania's democratic progress faced renewed threats from populist rhetoric, legislative assaults on judicial independence, and anti-civil society propaganda.

Despite these challenges, civil society demonstrated resilience. Mass protests in 2017 and 2018 against corruption and judicial interference showcased its mobilization capacity. These movements, often sparked by contentious government actions, highlighted the public's demand for accountability and transparency. Civil society's ability to galvanize diverse constituencies underscored its role as a bulwark against democratic erosion.

International support remained crucial, though its focus shifted. European and American donors prioritized combating democratic backsliding and fostering resilience. Initiatives targeted areas such as media independence, civic education, and minority rights. However, the sustainability of civil society organizations (CSOs) depended increasingly on local funding and volunteerism. New emerging threats to civil society include SLAPP cases from government and businesses. However, the most significant threat to genuine civic development is the rise of radical mass grassroots movements turbo-charged by disinformation and malign foreign interference. In the age of social media and AI, the emergence of such actors severely shrinks the space for rational debate in the public sphere, undercutting efforts of think tanks, advocacy groups and watchdogs, and mainstreaming extremism in politics.

The ongoing polarization amplified the need for strategic collaboration. Civil society actors forged alliances with reform-minded officials, leveraging international frameworks to advocate for systemic changes. Nevertheless, the sector faced persistent challenges, including limited resources, bureaucratic hurdles, public apathy, but also increased risks of even physical harm from radicalized actors. Addressing these issues required innovative

approaches to engage citizens and ensure long-term impact, while protecting democracy from the current onslaught of malignant actors.

The Support for Civil Society

Foreign assistance played an instrumental role in shaping Romania's civil society, though each donor approached the issue of support for democratization differently. One thing they shared is that no one had any prior experience to transform a totalitarian society in a democracy, but all of Romania's international partners viewed "democratization" as a one way street ending in Romania's full integration in the West, e.g. by EU accession. As a result, particularly at the beginning, but to a lesser extent also later, donors did not have coherent "theories of change" against which to measure the effectiveness of support. Instead, they had incentives to rationalize the interventions ex-post to justify to their respective constituencies the spending of resources.

Thus, U.S. programs emphasized advocacy, watchdog initiatives, and policy-oriented think tanks, operating on the assumption that civil society and independent media should provide a broad-public-interest counterweight to the state and that democracy would be fostered by introducing a competition of ideas and forces in the society. In this view, advocacy for sectorial interest groups should emerge by other mechanisms, such as business lobbies, whereas civil society and media are "general interest", independent watchdogs and think tanks producing alternative policy solutions that objectively balance interests of all stakeholders. US support has been instrumental in building a number of think tanks and advocacy groups which would have had no sources of funding otherwise in the early days of the transition, de facto establishing this new field in Romania on which there was no prior experience. However, the US support had several major shortcomings. First, there was a high, unrealistic expectation that with minimal support (a few million USD, for 2-3 years) a totalitarian state could be quickly transformed into a democracy. Second, various institutions channeling public US funds (US embassy, USAID, NED, GMF etc.) had conflicting objectives, from collaborating with the government to building an opposition (political and civic) and monitoring elections, which fuelled suspicions and frustrations about "the real US intentions", which has echoes till today. Last but not least, the preference for intermediary organizations with little ground experience in Romania, characteristic of the first years of support, led to poor understanding of local stakes and environment, leading to bureaucratic delays or misunderstandings. Despite all these shortcomings, without US support in the 1990s and 2000s, in both funding and knowledge transfer, it is doubtful whether Romania could have by itself built an organized civil society, or at least it would have done so much later. What is more, the continuous assessment of aid, the permanent questioning of the rationale for intervention and of the most efficient ways to spend resources also meant that in the end, US aid was significantly better adapted, flexible and well tailored than aid from other donors.

In contrast, European support, which became increasingly relevant after Romania pivoted towards EU accession, focused on fostering participatory democracy and sectoral collaboration between civil society and the state. In this view, a democratic state (which

Romania would automatically become once it joins the EU) collaborates with "outsiders", civil actors representing various points of view and interests, to include these in policy as legitimate inputs. The approach is conceptually grounded in the European version of democracy (proportional political representation in the state, different from the US where the state-private is a continuum, sharing the provision of public services in flexible ways, ensuring permanent accountability to various interests in society in a majoritarian two-party system). The idea that the European state, separate from the private interests, needs to take into account in an organized manner all stakeholder interests is evident also in various consultative institutions formalized in the EU's architecture, from the socio-economic committees (national and in Brussels) to principles and procedures of legislative processes. As a consequence, the development of the civil society should encourage active citizenship and participation in public processes, as individuals learn how to articulate their interests in policy and have a voice in these collaborative formats enshrined in law. The approach towards Romanian civil society and democratization was thus two-pronged: EU conditionality would push governments to comply with democratic norms and good governance; and civil society would provide increasingly meaningful input to the government, which was expected to become irreversibly democratic. Unlike the continuous "soul-searching" exercises undertaken by the US to examine its support, the EU approach to aid had a significantly higher inertia and path-dependence. The EU continues to focus more on outside countries, assuming full democratization of EU members despite the obvious signs of democratic backsliding in Hungary, Poland, Slovakia, or Romania until very recently (the EU approach to civil society and media changed to a certain extent only in the 2020s).

As the most visible private donor particularly in the 1990s and early 2000s, the Soros Foundation had a decentralized approach which empowered local actors to identify local needs and design locally-relevant solutions, focusing more on the development of individuals and organizations' capacities for this goal. Probably the sheer number of beneficiaries who either got scholarships for education, a small grant for basic equipment, or a grant for a NGO project, small or large, coupled with the donor's explicit support of liberal democracy and an open society in Popper's sense, had a significant contribution to "mainstreaming" liberal democratic values in Romania in the early decade of the transition. On the downside, this important footprint is also the reason why Soros could become in recent years the convenient target of conspiracy theories fuelled by enemies of liberal democracy (even more conveniently as he happens to be an old, rich financier of Jewish origin). As in the case of the EU, Soros Foundation largely assumed democratization a complete, irreversible fact after EU accession and shifted attention to new countries, non-EU members.

While civil society undoubtedly had a significant role for democratization, the impact of external conditionality cannot be overemphasized, both by itself and in conjunction with the efforts of civil society. Romania's drive towards democratization was an effect of the "gravitational pull" of EU and NATO, coupled with the decline of the USSR / Russia in the 1990s. Since 1995, and particularly after the first real, effective democratic change of

political leadership in 1996, and on the background of a weak Russia focused on internal matters, Romania was firmly anchored in a pro-Western direction. Becoming a member of various Western "clubs" required however a full-scale, overhaul administrative reorganization of the country, and for more than a decade (1995-2005/7), there were ample sticks and carrots to do so. The accession to NATO contributed to a partial reformation of certain areas of the intelligence and army, whereas EU accession required the adoption of EU-compatible institutions and norms, which included sectorial reforms for each chapter of accession negotiations (freedom of movement, procurement, energy, environment etc.). A crucial point was the reformation of the judiciary and anticorruption, which took off in 2005 and had astonishing results in prosecuting and condemning "big fish" for the next decade. Such reforms, as well as macroeconomic stabilization, would not have been possible without external conditionality from EU, NATO, IMF, World Bank. The civil society could supplement these efforts mainly supporting them by advocacy. The phaseout of external conditionality as various milestones were met (first with EU/NATO accession in 2004-2007, then with IMF/WB/EC on macroeconomic stabilization after 2012 etc.) meant a reversal of some of the most difficult reforms, such as in anticorruption or good governance, and the civil society could at best delay the backsliding in recent years.

Despite the different views, most foreign donors assumed that with EU accession Romania would "graduate" to a full-grown liberal democracy, and support for civil society should be shifted elsewhere (in the most fortunate case, to non-EU members of the region, allowing Romanian civil society to at least develop regional networks and expertise). In hindsight, this assumption was overoptimistic, as "backsliding" would occur in many countries in CEE after 2014. Though domestic funding became more relevant with the introduction of legislation encouraging charity (individuals could redirect 2%, now 3.5% of their income tax, corporations could get fiscal deductions for sponsorship of NGOs), it still cannot compensate for the withdrawal of foreign donors from sensitive, risky topics such as media; watchdogs; think tanks; human rights activist groups. This is because such topics are not as emotionally appealing to donors as are charities, and they can be perceived as risky by donors in an environment that becomes more partisan and less open. Last but not least, the legislation may provide perverse incentives, from tax evasion to political clientelism or outright corruption in the absence of adequate safeguards to ensure that tax-free donations to civil society is used to the purpose it was intended for.

Despite the modest footprint of US funding in Romania's civil society in recent years, the overnight dismantling of USAID and the freezing of US humanitarian aid and democratization is a significant blow. This is because watchdogs, investigative journalists, and think tanks have shifted in recent years to regional collaborations on common threats (following also donors' priorities); the freeze will likely bankrupt many media outlets, think tanks, advocacy groups and independent watchdogs from non-EU members in the Black Sea / Western Balkan region, highly dependent on US funding. What is more, Trump's 180 degrees turnaround of US stance on liberal democracy also found fertile soil in Europe, emboldening both extremist political movements and adversaries of civil society from the mainstream parties. We note initiatives to shut down EU financial aid amid a smearing

campaign of NGOs in the European Parliament, as well as initiatives to introduce a "foreign agents" law on par with that adopted in Georgia which put an end to Georgia's EU accession process. We also witness attempts to shut down state funding (including for outside, international humanitarian aid), or to enhance bureaucratic barriers for NGOs and media even from countries with liberal leadership. This happens in part as a reaction to the developments in the US; a fear of dissent fuelled potentially by Russian interference; or, more prosaically, because of budget constraints caused by competing demands such as for increased defense spending.

Overall, over the past three decades, key successes of foreign assistance to civil society included the establishment of independent media, capacity-building for NGOs, and legislative advancements such as the Freedom of Information Act. However, reliance on foreign funding created vulnerabilities, with many CSOs struggling to achieve financial independence. The lack of grassroots integration limited their ability to mobilize widespread support, a challenge that persists today. At the same time, a different form of civil society - more activist, more grassroots, more spontaneous, but more radical and less grounded in an analytical outlook, has emerged after 2013-2014. While this is in part a positive development (as citizens become more active and involved in the public sphere), it can also be destructive if emotion overcomes reason and if propaganda replaces objective facts. Particularly because of suspicions that some of these movements could be actually covertly supported by Russia to undermine Western democracies, some governments grow more suspicious of civil society in general and consider restricting the environment to minimize the risk – some may do it genuinely, some may use such suspicions as a pretext to silence inconvenient dissenters. The rise of extremism, in Romania as elsewhere, is in part one of the consequences. The trend was turbo-charged by the radical shift of the US after the inauguration of the Trump administration on January 20. In retrospect, the US appears today to have been indeed the key guarantor and global anchor of liberal democracy for the past 80 years, not just for post-communist transition of the 1990s in CEE; this is a role it is no longer willing to preserve. The challenge for foreign and domestic donors of civil society, as well as other actors who still strongly believe in the virtues of liberal democracy, is to channel the resources and efforts in a way that would bring reason, temperance and analytical thought back in the public sphere. In reality, the stake concerns the overall post-World War II institutional setup and the consensus that collaboration for mutual benefit, in good faith, rules-based, is the foundation of a peaceful world.

Introduction. The stages

In this report, we distinguish three "waves" of societal evolution that took place in Romania in the past 35 years: (i) the Return to Europe (1990-2007); (ii) the End of End-of-History paradigm (2007-2014); (iii) the Great Polarization (2014-today). These stages, though neither entirely homogeneous nor sharply delineated, offer a useful framework for understanding the country's evolution and its challenges. The first phase spans Romania's transition from a post-totalitarian state to a full member of the European Union, fulfilling the Copenhagen criteria—the EU's standards for democracy, rule of law, and market economy. This stage represents the formal process of democratization and institutional alignment with Western norms. This period is historically significant, as it marked the formation of civil society and the establishment of its primary support structures, in a social evironment still marked by the legacies of the recent totalitarian past; therefore it will be examined in most detail below.

The second phase reflects the tension between Romania's integration into the EU, with its liberal democratic standards, and deeper, pre-existing societal forces rooted in the country's historical legacies. These include patterns of poor governance, clientelism, and institutional weaknesses, traits characteristic of both post-Ottoman and post-socialist states. After EU accession, Romania experienced a period of inertia, where the momentum for reform slowed, and internal governance issues began to resurface.

The third phase is marked by the influence of external factors that exacerbated Romania's propensity to deviate from liberal democratic principles. These forces, including global shifts in geopolitics and the rise of illiberal tendencies in neighboring states and beyond, have accelerated Romania's inherent vulnerabilities, including the erosion of institutional integrity and the weakening of democratic safeguards. With the accelerated deterioration of the liberal democratic consensus across the Western world in recent months and weeks, Romania is likely to backslide significantly faster in the absence of strong external pressures. With democracy receding also in the US, the remaining external anchor is Brussels, but only to the extent the EU fully takes on the mission to become the leader of the free world.

These phases also correspond to shifts in the strategies of Romania's international partners, particularly in their support for civil society. During the first phase, external actors prioritized democratization and integration. In the second phase, attention turned to addressing governance shortcomings and ensuring adherence to EU standards. By the third phase, international support increasingly focused on countering democratic backsliding and reinforcing civil society's role in preserving liberal values.

While these intervals are necessarily approximate, they provide a stylized and informative framework for analyzing Romania's transition. The boundaries between phases are often blurred, with elements of each overlapping. Moreover, there are notable variations in timing across the Central and Eastern European (CEE) region. For example, CEE countries joined NATO and the EU approximately three years before Romania and began laying the groundwork for political pluralism and liberalization well before 1989. These regional differences highlight both the commonalities and unique trajectories of countries navigating post-communist transitions, issues which will be explored more in depth in further regional research.

Wave 1. The Return to Europe (1990-2007)

In the wake of the Iron Curtain's fall in 1989, Romania shared the region's enthusiasm for change, but its path to democracy proved far more tortuous than that of its Central and Eastern European (CEE) peers. Unlike other former communist countries, Romania began its transition under uniquely dire circumstances. By 1989, it was effectively a totalitarian state, comparable in the region only to Albania. During the 1980s, the regime of Nicolae Ceaușescu had increasingly modeled itself on North Korea, leaving Romania with no independent institutions and an alarmingly low level of social capital. The only mass-organized structures were the Communist Party, its mass-mobilization offshots and the repressive secret police, the Securitate.

It was therefore no surprise that Romania's collapse of communism was also uniquely violent. The revolution of December 1989, which began with protests in Timișoara and escalated into nationwide demonstrations, culminated in a bloody uprising that claimed over 1,000 lives. Unlike in neighboring states, where transitions were negotiated, Romania's entrenched communist elites resisted relinquishing power, leading to the violent overthrow of the Ceaușescu regime. But while the revolution started as a genuine grassroots revolt against a repressive dictatorship, its immediate aftermath saw the transfer of power to the regime's softline communist elites—the second tier of the Communist Party. These figures, led by Ion Iliescu, supplanted the hardline leadership of the Ceaușescu clan. More pro-Soviet than the ultranationalist Ceaușescu leadership, these softline communists attempted to steer Romania toward a closer relationship with the USSR between 1990 and 1991 and implement some version of perestroika.

This incomplete transition was facilitated by the absence of an organized opposition capable of filling the power vacuum. The totalitarian grip of the Ceaușescu regime, unmatched in the region, had left Romania devoid of any organized societal opposition. Unlike its Central and Eastern European peers, it had no independent labor unions, no autonomous church, and no formal or informal civil society. The few dissident intellectuals who dared to challenge the regime were systematically oppressed—imprisoned, silenced, or expelled from the country. Their influence was limited to those segments of society that clandestinely tuned into Radio Free Europe and Voice of America. This atomized society was tightly controlled through relentless propaganda, which fused nationalism, xenophobia, a romanticized ethnic history, and the cult of a providential leader. The propaganda not only sustained the regime but also enabled the former communist elites to win by a landslide in Romania's first free elections in 1990. Its legacy continues to shape the country's political and social landscape to this day.

The deeply atomized nature of Romanian society under Ceaușescu's repressive regime left no room for alternative political forces to emerge effectively after 1989. A handful of surviving elderly politicians from the interwar period, many returning from exile and legitimized by their history of dissidence and imprisonment during the repressions of the 1950s and 1960s, sought to revive historical parties in early 1990. However, their reach was

limited, with little visibility among the broader population. The softline communists who assumed control of the interim government following the December 1989 revolution moved quickly to undermine this fragile liberal democratic opposition. They deployed the full machinery of the state they had commandeered, from public television to the mobilization of industrial workers, to discredit their rivals and consolidate their grip on power.

The dominant propaganda narrative in the early 1990s painted the returning interwar political figures as detached from the "real Romania," having spent decades in the West. This contrasted sharply with Ion Iliescu, who was portrayed as a providential "man of the people" and a “good communist.” The message resonated deeply with a population steeped in the ultra-nationalist propaganda and cult of personality of the 1980s. While the Ceaușescu family and their closest allies had been thoroughly discredited, the deeper political narratives, values, and siege mentality cultivated over decades persisted.

In this context, the second echelon of the Communist Party, which dominated Romania’s political landscape in the early 1990s, employed a facade of pluralism. They established factions representing a spectrum of ideologies, from the “left wing” led by Iliescu, to the “centrist” faction of Petre Roman, who was more pro-Western, and even a “right wing” led by figures like Vadim Tudor, who propagated far-right narratives throughout the decade. In essence, the Party-Securitate apparatus splintered into various factions, staging a superficial competition that masked a unified goal: the preservation of the nomenklatura, minus the Ceaușescu clan. This mimicry of political pluralism allowed the communist elite to perpetuate their influence under the guise of democratic reform.

However, in early 1990, a genuine but fragile coalition of democratic forces began to coalesce, driven by civic protests against the strategies of the communist softliners. These protests, largely concentrated in major university cities, brought together intellectuals, students, professional elites, but also some independent trade-unions. Initially ad hoc and fueled by spontaneous outrage, the demonstrations reflected deep dissatisfaction with the perceived hijacking of the revolution by the old party networks. The protests were sparked by the widespread belief that the transfer of power to softline communists represented a betrayal of the revolution’s goals. This indignation intensified when the National Salvation Front (FSN), the interim governing body led by Ion Iliescu, announced its decision to contest the first democratic elections in May 1990. The move was seen as a direct violation of earlier promises that the FSN would act only as a transitional authority, avoiding political competition. For many, this decision symbolized the continuation of communist dominance under a new guise and galvanized opposition from those determined to uphold the revolution’s democratic aspirations.

In May 1990, the FSN secured a landslide victory in Romania’s first democratic elections. However, widespread protests, fueled by dissatisfaction with the electoral outcome and the continued dominance of communist-era elites, marked the birth of a **proto-civil society**. These grassroots movements, while nascent, signaled Romania’s delayed yet determined effort to develop an organized civic opposition, akin to Poland’s Solidarity movement, albeit with a lag of two decades. The protests culminated in violent crackdowns following

the FSN and Iliescu's electoral triumph. In June 1990, miners were infamously called in to "clean up" University Square in Bucharest, the symbolic heart of the protests. Despite this brutal suppression, the grassroots movement persisted. By November 1990, it had evolved into a formal organization, laying the foundation for a more institutionalized civil society. Throughout the early 1990s, this movement consolidated as an NGO, playing a pivotal role in Romania's political landscape. Its efforts culminated in the formation of the Romanian Democratic Convention (CDR), a civic-opposition coalition that eventually triumphed in the 1996 elections. This victory marked Romania's first genuine democratic transfer of power through elections, a milestone achieved seven years after similar transitions in other Central and Eastern European countries.

At a deeper level, the dawn of Romania's transition found a nation without any democratic experience, save for the fading memories of older generations of the flawed pluralism of the interwar period. Decades of repression had not only eradicated political pluralism but also banned social sciences from universities and topics related with governance from the public conversation, leaving few voices in early 1990 with the political knowledge or credibility to chart a clear course for reform. The starting point of the transition had been marked by vague and broad societal aspirations for a "return to Europe." However, this ambition lacked a unified vision. In the absence of a legitimate opposition or a coherent intellectual consensus on the meaning of liberal democracy, the direction of this "return" was unclear. Would it involve a restoration of interwar Romania, complete with monarchy and historical parties, under the premise that the communist takeover imposed by the USSR from 1945 to 1947 was illegitimate and the nation could simply reset the clock? Or should it aim for alignment with the contemporary West, following the trajectory of neighboring Central and Eastern European countries? This lack of clarity underscored the immense challenges Romania faced in forging a cohesive path toward liberal democracy.

The only shared vision of Romania's "return to Europe" in 1990 rested on three broad aspirations:

- Seeking revenge against those who had deprived the population of both prosperity and freedom.
- Achieving the economic prosperity of the West
- Reclaiming personal agency by eliminating state repression and fear, particularly after the traumatic experience of totalitarian pro-natality policies and anti-abortion measures, but also the supression of freedoms to travel (even within the country), dress as you like or own property.

"Revenge" found a swift yet superficial outlet in the summary execution of Nicolae and Elena Ceaușescu on Christmas Day 1989. However, meaningful retribution, such as a lustration process akin to those implemented in other Central and Eastern European countries, was absent. Measures to exclude former communist elites from power during a transitional "cooling-off period" failed, as Romania's post-communist government was dominated by the second echelon of the Communist Party and the secret police—groups deeply invested in maintaining their influence. The lack of deeper accountability left a

lingering sense of injustice. This unsatisfied desire for revenge would resurface in later years, as more Romanians grew disillusioned with the consolidation of political and economic power by the same old elites, perpetuating the very inequalities the revolution had sought to eliminate.

As for the machinery of oppression, its remnants were never fully dismantled. In December 1989, many of the most feared Securitate generals briefly went into hiding, only to re-emerge later as businesspeople or even return to their previous roles in the newly restructured intelligence services. Therefore dismantling of the Securitate in December 1989 proved temporary. By March 1990, the FSN reinstated an intelligence service under the guise of the Romanian Intelligence Service (SRI). The justification for this rapid re-establishment was a pretext: an artificially created ethnic conflict in Târgu Mureș (in Transylvania). More than 40% of the SRI's staff, particularly in senior positions, were directly transferred from the old Securitate. This continuity within the intelligence apparatus symbolized the broader failure to fully break with the oppressive structures of the communist era, allowing old networks to persist under new guises.

Romania's path to economic prosperity required a protracted and painful transition marked by liberalization, privatization, and the emergence of a private sector. After the deprivation of the 1980s, many were willing to endure sacrifices, provided there was a clear prospect of a brighter future. However, the unfinished political transformation undermined these efforts, as wealth distribution in the 1990s was heavily influenced by appropriation schemes benefiting those close to power. Economic restructuring between 1990 and 1996 proceeded at a far slower pace than in other Central and Eastern European countries. Reluctant to relinquish control, the government liberalized the economy hesitantly and in ways that prioritized incumbent elites. Shady privatizations of state assets enriched the well-connected, further entrenching inequalities.

One of the most contentious issues of this period—still unresolved today—was the restitution of property confiscated by the communists in the late 1940s and early 1950s. The process was slow, inconsistent, and fraught with loopholes that allowed the former communist elite to retain control over significant assets, including real estate and businesses; it dragged on for almost 20 years. Meanwhile, dispossessed owners endured decades-long court battles in pursuit of justice, leaving the scars of economic and social injustice deeply embedded in Romanian society.

The immediate need for personal agency was quickly addressed by the interim government's first measure in late 1989: the repeal of Ceaușescu's draconian decree banning abortions. This symbolic act marked a liberation from one of the most oppressive aspects of the regime. However, decades later, with the resurgence of far-right conservatism, issues surrounding bodily autonomy—including abortion and LGBTQ+ rights—have once again become contentious.

On the other hand, it is precisely the traumatic memory of constant surveillance and authoritarian control which left many Romanians with a pronounced inclination toward

individualism and resistance to legitimate collective authority. This legacy helps explain the challenges faced today in forming civic groups or organizing coordinated action in support of public goods, such as improved urban planning or environmental protection. The deeply ingrained mistrust of collective structures continues to hinder efforts toward collaboration for the common good.

These three dimensions of transition – revenge, prosperity and agency – have remained deeply relevant in Romania's political and social landscape to this day. The failure to address these issues decisively and justly during the initial phase of the transition is a key factor behind the erosion of Romania's liberal democracy in recent years. Unresolved inequalities, lingering injustices, and unfulfilled aspirations continue to shape the country's trajectory, highlighting the enduring consequences of the compromises made in its formative years.

Unlike its Central and Eastern European neighbors, Romania lacked a clear direction in the early post-communist years of 1990-1995. While the Visegrad countries had begun laying the groundwork for alternative networks and political forces a decade earlier, Romania only gradually followed the Visegrad blueprint, with a delay. Despite local uncertainties, the country was increasingly drawn westward by a powerful gravitational pull, with the West offering the ultimate model of economic prosperity and individual freedom. This **westward orientation** was reinforced by the collapse of the Soviet Union, which deprived Romania's political elite of a viable alternative to align with, both politically and ideologically. The pro-Soviet second echelon of the Communist Party—who had initially attempted to steer Romania closer to Moscow—found itself adrift as the USSR disintegrated in 1991, turning its focus inward. Meanwhile, Ceaușescu's national-socialist faction, long discredited, left no coherent competing narrative for the country's future.

The dissolution of the USSR and the end of the Cold War also coincided with a global shift in sentiment, where liberal democracy appeared to be the inevitable endpoint of human progress. This belief, popularized by the triumphalism of the 1990s, trickled into Romanian society, shaping aspirations and expectations for the country's post-communist transition. While the path remained uncertain, this broader ideological momentum provided a framework for Romania's gradual alignment with the West.

Despite the post-communist elite's continued hold on power, Romania experienced significant political and societal shifts in the early 1990s. The emergence of an authentic civil society, the first victories of alternative political forces in the 1992 local elections—particularly in Bucharest—the growing credibility of opposition parties, and the successful transitions of other CEE countries gradually eroded confidence in the softline communist government. This combination of internal and external pressures fostered a growing consensus among Romania's key political players that the country's future lay in joining the European Union and NATO.

This direction was first signaled in 1993 when Romania signed the "European Agreement," declaring its intention to eventually join the EU and access its funding mechanisms. The

decisive moment came in 1995, when all political party leaders signed the **Snagov Declaration**. This joint statement confirmed Romania's unwavering commitment to EU and NATO integration, cementing a path that had been tentatively opened just two years earlier. This act of political unity marked a turning point, aligning Romania's trajectory with that of its neighbors and confirming its willingness to join the broader European family (and benefit from EU funds).

By 1996, the erosion of confidence in the first post-communist government and the growing cohesion of the opposition paved the way for Romania's first peaceful real transfer of power. In late 1996, the Democratic Convention won both parliamentary and presidential elections. The subsequent government (1997–2000) was notably reformist, putting Romania's EU accession on an irreversible course. This period saw serious economic reforms under the guidance of successive stabilization programs from the IMF and World Bank. The government finalized economic liberalization, restructured inefficient state-owned industries that had drained the budget, and made strides toward aligning with EU standards. However, despite the coalition's goodwill and public willingness to endure economic hardships for a better future, the administration faced significant challenges.

The coalition suffered from a shortage of competent specialists, leadership weaknesses, and an inability to overcome resistance from a largely unreformed civil service and intelligence apparatus. Persistent personality clashes within the ruling coalition further undermined its effectiveness. The late 1990s also brought severe economic crises, exacerbated by the collapse of dubious pyramid schemes orchestrated by former Securitate officers and a near-collapse of the banking system, caused by unpaid loans issued to individuals and businesses linked to the previous government. The judiciary, still largely unreformed, failed to hold perpetrators accountable. Additionally, the sensitive issue of property restitution for assets confiscated by the communists remained unresolved, fueling discontent. By 2000, these failures led to a landslide defeat for the reformist coalition. The incumbent president chose not to seek a second term, acknowledging his "defeat by the System." The presidential runoff was a stark reflection of Romania's political disillusionment, pitting the soft-communist Ion Iliescu against the far-right, former communist Vadim Tudor. Iliescu's victory marked the return of the post-communist elite, with the Social Democrats—a rebranded successor of the early FSN—resuming control.

Despite this political step back, Romania's EU accession process continued, driven by strong external conditionality. The EU's influence acted as a powerful anchor for reforms, particularly in areas such as anti-corruption. Confident of retaining power beyond the 2004 elections, the Social Democrats adopted key legislation, including the establishment of a specialized anti-corruption prosecutors' office, without fearing the potential implications for their own interests. This external pressure proved instrumental in keeping Romania on the path toward EU integration, even amid internal political instability.

The final years of this period saw a significant shift with the victory of a largely reformist coalition in the 2004 elections, composed of liberals and democrats, and the election of the pushy Traian Băsescu as president. Just months before the elections, the European Union

gave its approval to conclude accession negotiations with Romania. However, it imposed several critical conditions related to judicial reform and political integrity, with the warning that accession could be delayed by a year if progress faltered.

This external pressure spurred a wave of radical anti-corruption reforms. The newly elected government appointed an incorruptible and competent justice minister, who introduced competitive selection processes for chief prosecutors and championed legislation aimed at increasing transparency and accountability. Measures included the introduction of detailed and publicly accessible asset and interest declarations, as well as the creation of the National Integrity Agency (ANI), a body empowered to investigate and penalize breaches of integrity. Between 2004 and 2007, these reforms began to yield tangible results. High-profile investigations were launched against senior politicians, magistrates, and civil servants, signaling a shift in Romania's approach to combating corruption. These efforts were instrumental in meeting EU conditions for accession and represented a turning point in the country's broader fight against entrenched corruption.

Foreign support for liberal democracy

All these developments did not take place in a vacuum. Substantial foreign assistance was critical, particularly given the country's dire economic situation in the late 1980s, which was far worse than that of its CEE neighbors. Much of this economic aid was tied to commitments for political reform, aligning with broader efforts to democratize and integrate Romania into Western institutions. Romania's "international partners" in the 1990s and early 2000s faced challenges similar to those confronting Romanian society: how to democratize and "Westernize" a post-totalitarian country that, at the outset, lacked a solid local foundation for democratization. These partners encompassed a wide range of actors, including Western governments, international organizations, private enterprises, and networks of businesses, professionals, civil society, and unions. Their engagement took various forms, interacting not only with state authorities—central and local governments, the judiciary, and the legislature—but also with civil society, media, and labor unions.

The push toward liberal democracy was thus shaped by two main forces:

- **Internal factors**: Civil society and the genuine political opposition, although the distinction between these two was often blurred, as seen in other countries in the region.
- **External factors**: Political and economic conditionality imposed on Romanian state authorities as part of the EU and NATO accession processes, supplemented by targeted support for alternative actors such as the opposition, civil society, media, and trade unions.

These dual forces worked in tandem, driving Romania's transformation and ensuring that the country remained on a trajectory toward liberal democracy, even amid domestic uncertainties and challenges.

Civil society developments

As previously noted, Romania's civil society began to take shape from a "core" of dissident intellectuals, gradually expanding through protests against the FSN. These protests, organized by students, professionals, and urban elites, were further supported by groups such as former political prisoners. The Civic Alliance emerged as a key player in this nascent civil society, blending elements of Poland's Solidarity—as a broad horizontal network—and the Czech Civic Forum, though with weaker connection to labor unions than the Polish counterpart. The catalyst for this movement was the overwhelming defeat of the historical parties in the 1990 elections, which highlighted the near-total political domination of the communist softliners. The spontaneous protests that followed, led by students, intellectuals, and urban elites, reflected a deep frustration with the perceived betrayal of the revolution's ideals and the re-entrenchment of former communist power structures. From these early ad hoc demonstrations, the Civic Alliance became a focal point for organizing and articulating the aspirations of Romania's emerging civil society.

In November 1990, the founding members of the Civic Alliance organized a kick-off event that became one of Romania's largest protests, drawing over 400,000 participants. This mass demonstration reflected widespread disappointment at the return of the former communist elite to power and deep anxiety over Romania's uncertain future—whether it would "return to Europe," remain in a geopolitical gray zone, or align with the still-existing USSR. The Civic Alliance quickly evolved into a grassroots movement, benefiting from the active support of Romania's first free press. The daily newspaper România Liberă, with a circulation of 1.5 million, even printed membership forms to enable active citizens to join the movement. The Alliance's most significant achievement was fostering civic solidarity in a society that had been deeply atomized by decades of repression and surveillance under the communist regime. By connecting citizens and nurturing a sense of collective purpose, the Civic Alliance addressed the country's severe deficit in social capital, an essential first step in rebuilding civil society.

The Alliance also overcame a key shortcoming of the "historical parties" as legitimate opposition: their leadership was dominated by elderly figures from the Liberal and Peasants' parties, most of whom had launched their political careers in the 1940s. A generation born under communism was largely absent from the political arena, and the historical parties' top leaders had spent much of their lives in exile, further limiting their resonance with the broader population. Led by prominent intellectuals and public figures advocating for pluralism, democracy, Westernization, and freedom of speech, the Civic Alliance drew its strength from regular citizens. Members used the Alliance's local networks to initiate grassroots civic projects even in non-political areas, laying the groundwork for a more active and engaged civil society. Over time, the Civic Alliance split into various factions. Some members entered formal politics, with the establishment of the Civic Alliance Party in 1991, while others remained active in civil society or joined the media. Despite its eventual fragmentation, the Civic Alliance movement played a foundational role in Romania's

transition, sparking the development of a vibrant civil society and enabling collective action in a post-totalitarian context.

The Civic Alliance (AC), as a genuine grassroots movement operating on a volunteer basis, played a pivotal role in laying the groundwork for other forms of organized civil society in Romania. Its influence extended to the emergence of **think tanks and independent media**, both of which became critical components of the country's democratic development in subsequent years. During the early 1990s, the boundaries between various elements of civil society—formal and informal organizations, the free press, opposition parties, and independent labor unions—were fluid. Key figures often shifted roles across this spectrum, reflecting the nascent and dynamic nature of Romania's public sphere and a collective urgency to compensate for the decades lost under Ceaușescu's Stalinist regime. While other countries in the region had begun liberalizing well before 1989, Romania's transition was a belated and accelerated attempt to catch up, with individuals taking on multiple roles to fill the void left by decades of repression and isolation. This fluidity underscored both the challenges and the determination of a society striving to rebuild its democratic foundations.

Despite its initial impact, the Civic Alliance was relatively short-lived as a mass movement. Divergent opinions, strong personalities, and conflicting visions for the country's path forward led to fragmentation within months. The reliance on volunteerism, while central to the Alliance's grassroots ethos, also posed significant challenges to its organization and sustainability beyond the initial wave of enthusiasm. Some AC members became more active in other organizations, such as the Group for Social Dialogue (GDS), Romania's first NGO, established in December 1989. GDS generated revenue through its publication of a weekly op-ed journal, which remains in circulation today. Other AC members formed a "technocratic elite" that later established think tanks, while others entered the burgeoning media sector.

Media itself emerged as a new civic profession in the 1990s, having no precedent under communism, which had eradicated any semblance of a free press. Many journalists came from unrelated professions such as engineering and hard sciences, fields less compromised during communism compared to journalism or social sciences. The written press experienced a peak in circulation during this period, as the public eagerly consumed the free flow of information. However, the content of the media was often dominated by opinion pieces, subjective reporting, and unverified information, as proper journalistic standards were slow to take hold. This reflected both the inexperience of many new journalists, who had entered the profession without formal training, and the broader challenges of establishing a culture of independent and credible reporting in a society emerging from decades of propaganda and censorship. But in any case, its commercial success enabled journalists to sustain their livelihoods through media outlets, independently from the state. Think tanks, by contrast, relied heavily on foreign funding, as their purpose was not immediately clear to the general public. Their financial sustainability depended on donor support rather than public revenue, unlike the media.

The 1990s thus marked a gradual opening of Romania's public space, with enthusiastic civic actors and a relatively flourishing independent press breaking the state's monopoly on information. This included an end to the dominance of state-controlled public television and communist-era newspapers. These developments, while uneven, laid the foundation for a more pluralistic and engaged civil society in Romania's post-communist transition.

Foreign assistance to civil society

Foreign assistance played a crucial role in Romania's democratization process, particularly in supporting civil society. However, as will be exemplified below, there was significant confusion about the *theory of change*: how to intervene, where to focus efforts, and what concrete results would best contribute to the ultimate goal of establishing liberal democracy. This lack of clarity makes it challenging to evaluate the precise impact of individual programs and donors on the democratization process. Even the ex-post evaluations conducted by donors, often intended to provide accountability to their constituencies, frequently appear as retrospective justifications for previously granted aid. These assessments may be biased, reflecting the priorities and perspectives of the donor rather than offering an objective analysis of their actual impact.

Only through retrospective analysis of the support programs can a clearer understanding emerge of the strategies and underlying assumptions of each international partner. This examination reveals that, as illustrated below, different donors often had varying interpretations of the final goal of democratization, as well as differing approaches to achieving it. For instance, some focused on building institutional frameworks; others prioritized empowering grassroots organizations or supporting independent media; still others emphasized political reforms or judicial accountability.

These diverse representations and strategies underscore both the complexity of Romania's transition and the varied contributions of its international partners. Attempting to assess the volume and priorities of external assistance for civil society in the 1990s is challenging today, given the absence of widespread internet access at the time and the lack of coordination platforms to consolidate such information. Despite these limitations, some key components of foreign assistance can be identified below.

A. US public (USAID, NED, IRI, NDI, programs of US Embassy)

The underlying assumption behind much of the US foreign assistance was that Romania's liberal democracy should be a mirror image of the US. The implicit theory of change held that breaking the monopoly on power was essential for democracy. This meant strengthening networks and centers of influence independent of state authority, including opposition parties, media, labor unions, businesses, and enhancing the credibility and substantiveness of electoral processes (both in terms of organization and external monitoring). From the US perspective, civil society worth supporting consisted primarily of advocacy groups and watchdog organizations. Think tanks were expected to propose

alternative policies, advocate for them as their US counterparts normally do, and function as checks on government actions.

A notable feature of the US approach was the skepticism toward local actors, stemming from a perception of limited know-how and experience in democratic practices. As a result, much of the assistance was funneled through branches of U.S.-trusted organizations, often led by American nationals, to ensure alignment with the envisioned liberal democratic model. This strategy reflected a combination of pragmatism and a desire to directly shape the development of Romania's civil society in line with American ideals. It was also probably based on the experience of US assistance in what was then called the Third World – and today the Global South.

Adding to the complexity of US-Romania cooperation in the 1990s was the overlapping and often conflicting priorities among various forms of bilateral engagement. The same American institutions simultaneously worked with the Romanian government, supported the political opposition and civil society, and monitored elections. This multifaceted approach created inherent conflicts of interest:

- Agencies such as the State Department and the U.S. Embassy maintained official bilateral relationships with the Romanian government, seeking to promote reforms and cooperation on shared geopolitical goals.
- Programs like those of USAID aimed to strengthen political and civic opposition to foster the division of power, often challenging the very government with which other U.S. entities were working.
- Organizations like the National Endowment for Democracy (NED), International Republican Institute (IRI), and National Democratic Institute (NDI) provided oversight to ensure free and fair elections, introducing further tension by holding the government accountable for democratic shortcomings.

This overlapping engagement not only created confusion but also fueled suspicion within the ruling party FSN. It offered them a convenient pretext to portray civil society and Western influence as subversive, planting the seeds for anti-Western propaganda. This rhetoric, which accused civil society organizations of being "foreign agents," would resurface with greater intensity in Romania's political discourse after 2012-2014, undermining the credibility of civil society and complicating its work in promoting democratic norms.

Criticism of U.S. public and semi-private organizations' support for Romanian civil society in the 1990s focused on several key issues:

- Bureaucratic intermediation: the reliance on local branches of U.S.-trusted organizations initially created excessive bureaucracy, slowing down implementation and alienating local actors.

- Lack of local knowledge: foreign organizations often displayed a limited understanding of Romanian realities, leading to interventions that were sometimes misaligned with local needs and contexts.
- Accountability dilemma: foreign-funded think tanks and advocacy groups faced a fundamental question of accountability: Were they answerable to the Romanian public or to their foreign donors? This raised concerns about whether grantees truly represented the interests of Romanian citizens or simply excelled at writing project proposals that appealed to donor priorities.

This disconnect had lasting consequences. First, the perceived lack of accountability and local grounding of think tanks and watchdog organizations became a primary argument used to discredit civil society, particularly in later waves of anti-foreign propaganda. Second, these organizations struggled to secure financial or organizational support from local constituents, leaving them heavily reliant on foreign donors, a situation that persists today.

However, while some light criticism could contribute to fine-tuning and adjustments so that the best democratization goals are achieved with the available resources – and indeed the constant reassessment of US support gradually transformed the approach of US donors in the most flexible, locally-adapted financial support today across the region -, in no way does such criticism justify today's sledgehammer approach to US foreign aid. For Romania, the expertise these groups of stakeholders developed, thanks to donor support, was simply invaluable, and no other actors seeking to democratize Romania could have played this role. US donor support enabled various Romanian stakeholders to propose alternative public policies, monitor government actions, and promote democratic norms in a country with no prior experience in these areas. Without foreign assistance, such initiatives would likely not have emerged.

The critical missing piece, for which neither civil society organizations nor their donors were prepared, was the gradual development of a strong link between CSOs and a local constituency. This connection would have been essential for ensuring long-term sustainability, fostering accountability mechanisms, and creating local buy-in from the public. The absence of this grassroots integration remains a challenge, hindering the ability of civil society to establish deep, enduring roots within Romanian society.

Between 1990 and 1994, total U.S. publicly funded assistance for democracy in Romania ranged from $1.2 million in 1990 to about $2.3 million in 1994. This funding encompassed support not only for civil society organizations but also for the public administration, media, and unions, which collectively accounted for the bulk of the resources. These amounts underline the limited scope of support: with just $1–2 million per year, short-term funding (typically 2–3 years), and shifting donor priorities, expectations that Romania could rapidly transition into a full-fledged democracy with self-sustaining, locally grounded NGOs were highly unrealistic. However, in retrospect, what was indeed achieved with these resources - the very emergence of the first think tanks, watchdogs, media, advocacy groups, getting the very first know-how from the West - was nothing short of extraordinary.

Recognizing the limitations of earlier efforts, U.S. donors shifted strategies in the 2000s, establishing the CEE Trust (Central and Eastern European Trust), which included contributions from organizations such as the German Marshall Fund (GMF) and the Open Society Institute (OSI). This initiative aimed to provide more structured and regionally focused assistance. Between 2000 and 2012, the CEE Trust allocated approximately $75 million across the broader CEE region. Funding was distributed through competitive calls, offering:

- Small grants (around $10,000),
- Medium grants (about $20,000),
- Larger grants (above $20,000).

This approach represented a more flexible and inclusive model, addressing earlier criticisms by enabling a wider range of NGOs to access funding. However, the scale and structure of the funding still reflected the ongoing challenges of fostering deep-rooted, self-sustaining civil society organizations in the region.

It is challenging to break down this regional assistance and determine the exact share allocated to Romania, as the funding was regional in nature and not always clearly divided by country. However, a general rule of thumb suggests that grants were distributed with some proportionality, slightly weighted by population size, to ensure fair representation across eligible countries. Using this approach, it can be estimated that Romanian civil society actors received a maximum of $8–10 million between 2000 and 2012 from the CEE Trust. This allocation reflects the broader pattern of supporting local organizations within the regional framework, while accounting for Romania's relatively large population and strategic importance in the region.

B. US private (such as the Soros Foundation)

The approach of the Soros Foundation in supporting civil society in Romania during the 1990s and 2000s was notably more decentralized compared to other initiatives. It was built on the assumption that locals, with their firsthand knowledge of on-the-ground needs, were best positioned to define priorities and direct resources. This decentralization aimed to empower individuals and local initiatives, providing them with education, equipment, and financial resources through flexible and locally-informed programs. A local office staffed by Romanians ensured better continuity and deeper understanding of local needs, allowing for a broader range of small to medium-sized grants, most of which were under $10,000—a modest sum by global standards but significant given Romania's dire poverty in the 1990s.

Scholarships were transformative for urban, educated youth, many of whom faced limited opportunities for higher education aligned with Western liberal values. These scholarships enabled students to study at Western-style universities, focusing on fields such as social and political sciences, journalism, law and economics. In contrast, Romanian universities in the late 1990s were still heavily influenced by professors who had taught Marxist-Leninist philosophy and communist propaganda, with little exposure to Western academia. The most

enduring impact of the Soros Foundation's support was not just in the individual projects it funded, but in the education and civic empowerment it provided to a relatively small but influential group of citizens. These individuals later emerged as key figures in Romania's civil society, independent media, and reformist politics, contributing to the country's democratic evolution. For a Romanian wishing to pursue education or academic careers in social or political sciences before the availability of ERASMUS in the late 2000s there were thus just two options. One was to study in Romania on outdated curricula, in universities were patronage was ripe and with professors disconnected from Western academic research. The alternative was to study abroad at modern standards, making use of the scholarships available via Fulbright (US, small numbers) or Soros (larger cohorts). Paying out of own pockets for foreign education was within reach only for the very few well-connected who had made fortunes in the shady 1990s and could afford the costs. The downside was in later times that individuals educated on such scholarships could be easily and systematically discredited as "Soros' people", as if members of a global / Jewish / financial conspiracy against "national interests", a consistent plot initiated by Viktor Orban after 2013 to disparage his opponents and copied successfully by other would-be autocrats across the region.

In terms of project financing, the Soros Foundation's support for local civil society organizations (CSOs) faced the same fundamental challenge as U.S. public funding: the absence of a strong link between these organizations and a local constituency. This disconnect meant that once the funding ended, there was little possibility of achieving locally-grounded financial sustainability. Furthermore, it was precisely this reliance on external support that provided ample opportunities for later demonization of individuals associated with the Foundation, as these figures often remained active in civil society or joined reformist political parties.

An additional challenge was the reliance on locals to lead and implement projects. This required careful identification and screening of individuals with existing social capital or the potential to build it. However, this approach carried the inherent risk of empowering individuals connected to former elites or ambitious figures whose commitment to liberal democratic ideals was superficial. Such risks are exemplified today by the trajectory of Hungary's Viktor Orbán himself, who initially benefited from similar support but later emerged as a key figure in illiberal politics and the staunchest opponent to an ageing Soros. At a smaller scale, Romania also experienced instances where public figures who had benefited from individual Soros grants or served as directors of the Soros Foundation later changed course and aligned themselves with counter-reformist forces. These shifts highlighted the inherent risks in empowering individuals without robust mechanisms to ensure their sustained commitment to liberal democratic principles.

Despite all these problems, the Soros Foundation became one of the most prominent donors to Romanian civil society during this period. Its total funding for CSOs grew tenfold within a decade, from $1.5 million in 1990 to $15 million in 1999, reflecting its pivotal role in

fostering the development of civil society in a country emerging from decades of authoritarian rule.

By contrast, it is hard to evaluate the volume of assistance by other US private entities, as well as to separate how much of their assistance was for civil society, per se, and how much for other actors, such as businesses. One example is the Center for International Private Enterprise (CIPE), an affiliate of the U.S. Chamber of Commerce, during Romania's 1990s transition to a market economy. CIPE focused on strengthening business associations, improving the business climate, and fostering economic growth. A key initiative was its seven-step reform agenda, empowering business associations to engage in policy-making and address collective action issues. But beyond support to the business community, CIPE also indirectly supported the creation of influential pro-business think tanks that advocated for market reforms and enriched public dialogue. While the exact value of its assistance is unclear, its contributions to institutional and policy development were significant.

C. EU / PHARE (and European bilateral)

The fundamental difference of European vs US support is linked to profound differences in European and US worldviews, and ultimately democracies, which is reflected also in the respective differing visions of civil society to be supported with priority. The European partners believe that civil society support should mobilize people to civic engagement and active citizenship. Put differently, the theory of change was that activizing citizens leads to substantive participation, hence democracy. The more groups are present, even sectorial, the better.

For the US, by contrast, the priority concerning civil society support was to develop advocacy, policy think tanks and watchdogs meant to operate in the broad, public interest. Other organizations for special interests, such as business associations, "thematic" civil society, or trade unions would emerge or evolve separately, supported bilaterally by sectorial networks, and would complement advocacy on government with their specific groups of interest. As a result, the civil society the US donors are willing to place their money on, in this view, should be more independent from any single group of interest and, in a way, "adversarial" to the state, holding government accountable on behalf of the broader public. This distinction thus highlights a fundamental divergence in how European and U.S. donors envision the role and priorities of civil society in fostering democracy.

In consequence, Europe focused on building a broad and diverse civil society, tailored to local needs and aimed at encouraging participation across society, in every field of interest. This approach aligns with the EU's vision of social dialogue, exemplified by bodies like the European Economic and Social Committee (EESC), which brings together labor unions, employers, and civil society to advise on policies. In this model, civil society worthy of support is seen as a partner rather than a critic, working with (already maturely democratic) governments to meet the Copenhagen criteria and advance democratization and liberalization on the path to EU membership.

While EU embassies worked directly with local CSOs by launching small grant calls in the range of $5,000–$15,000, the majority of European funding, primarily from the PHARE program, was funneled through specially created, quasi-independent entities like the Civil Society Development Foundations (FDSC), established across CEE in the mid-1990s. Romania's FDSC, founded in 1994, remains active today, managing EEA grants (from Norway, Iceland, Liechtenstein); a smaller grant program financed by Switzerland; as well as some private funding. In terms of scale, the PHARE program allocated €12 million for democratization and civil society in 1998, alongside €6 million for higher education—accounting for roughly 10% of Romania's total pre-accession funding.

The EU's philosophy of supporting civil society as a collaborator, rather than an opponent, to government is evident in the governance structure of PHARE funding from 2000 onwards. Funding for civil society, previously managed directly by the EU delegation in Romania, was channeled through the Romanian government, which acted as the implementation agency for PHARE. Between 1995 and 2000, the EU delegation had emphasized fostering a closer relationship between civil society and government, promoting the idea that collaboration would enhance democratic processes.

This approach had both advantages and drawbacks. On the positive side, it encouraged greater openness among government representatives to proposals and initiatives from civil society, creating stronger links between politics and the public. It aligned with the EU's vision of civil society as a partner in governance, where specialized organizations collaborate with a reformist government (a normal assumption for a EU member state), willing to integrate stakeholder input. For instance, a government eager to improve environmental or educational policies might welcome expert advice and support from specialized civil society organizations, making this strategy effective in such contexts.

However, the approach also had significant limitations. It worked well under reformist governments with external oversight and conditionality, but was far less effective with anti-reformist, patronage-based governments - and to EU's surprise, this would no longer be unthinkable even among its member states, particularly after the mid-2010s. In such cases, the government was more prone to stifle criticism and monitoring rather than accept alternative views. The extreme example is Hungary, where Orban introduced in 2023 a "Sovereignty Protection Office" to hunt down political or civic opponents and has recently vowed to outlaw organizations that have ever received USAID funding, following Trump's lead, and introducing a draconic "foreign agents bill" modelled on Russia and Georgia in May 2025 to stifle the last remnants of dissent from independent media and civil society. Governments unwilling to be scrutinized are unlikely to tolerate funding for organizations dedicated to holding them accountable. The main criticism of this strategy, in terms of consistency with the promotion of liberal democracy, is that it is **largely pro-cyclical:** it supports the development of civil society during periods of reform and good governance, when help may be less needed, but it slows down aid when governments are retrograde and resistant to reform, and when outside scrutiny would be needed most. In the worst cases, this approach can even foster pro-government clientelism within civil society, as organizations may become dependent on government-controlled funding and reluctant to challenge authority; it may also encourage spending EU funds on GONGOs, reinforcing illiberal anti-democratic governments against genuine civil society. This duality underscores the limitations of a model that assumes an enduring willingness to collaborate between civil society and government, regardless of political context. While precise

aggregate data on total EU and bilateral support for civil society is unavailable, it is estimated to have been around €15 million per year from 1998 until Romania's EU accession in 2007.

However the foreign assistance for civil society did not mean only financial aid. Other initiatives happened both from "bottom-up" demand and with support from international donors. Such examples are:

- **Capacity building for civil society.** A particular role was played by CENTRAS (Center for Assistance to Non-Governmental Organizations), established in 1995. Grasroots initiatives, small NGOs and networks exploded in the early 1990s but lacked know-how on organization, funding, project application to donors, mobilization etc, as well as in how they could make their voices better heard. CENTRAS was founded by a group of Romanian civic activists and professionals, with the support of international donors that recognized the need for a strong intermediary organization to build capacity within the NGO sector. Funding and technical assistance for it came from Western organizations, including USAID, the Open Society Foundation (Soros), and other international donors active in post-communist Eastern Europe.

  CENTRAS was established as part of a broader regional effort to strengthen civil society, modeled after similar centers in CEE countries. It focused on building capacity (training, consultancy to help NGOs develop institutional capacity, improve management, and implement effective programs); advocacy and networking (acting as a hub to encourage collaboration among NGOs and partnerships with public authorities, and advocating for a legal and institutional framework favorable to civil society); and resource center (knowledge hub, offering access to publications, research materials, and tools to support the development of civil society organizations). It held workshops on all key administrative processes related to NGOs, from the legal steps to setup the NGO to project planning, fundraising, PR & media. It also played a significant role in building NGO coalitions, facilitating various forms of collaboration, as well as raising awareness of the public on the importance of the civil society. Currently, CENTRAS no longer exists; its role in supporting civil society in terms of building administrative capacity has been taken over in part by the FDSC, at a much smaller scale and rather on an ad hoc basis, when small resources are found.

- **Broad coalitions for key legislation.** In the mid- to late 1990s, two major obstacles hindered civil society's effectiveness in Romania: the lack of public sector data and the absence of sustainable funding. Legislation such as the Freedom of Information Act (FOIA), decisional transparency laws, and the 2% mechanism for funding civil society required substantial pressure from both domestic actors and international partners to be adopted. While the specifics of their adoption varied, these critical reforms succeeded due to a combination of factors: a small group of reform-minded lawmakers, active NGOs, external conditionality tied to accession to the ECHR, EU, or NATO, and international donor support. Donors played a key role not only in

funding NGOs but also in transferring know-how. This included providing examples of FOIA, transparency, and fundraising legislation from Western countries and supporting advocacy efforts to draft and promote laws in line with international standards. These efforts were pivotal in ensuring access to public information and improving the sustainability of civil society organizations in Romania.

In terms of international partners support for the development of civil society, an important lesson can also be drawn from the development of civil society through collaboration with peer organizations. This is particularly evident in the case of large organizations focused on social services and environmental issues. These groups often complemented the state by addressing gaps in service provision, sometimes through public-private partnerships. Their success highlights the potential of peer support in strengthening civil society and fostering specialized expertise in areas where the state fell short. While not the focus of this report, this dynamic offers valuable insights into the broader development of civil society in Romania.

- ***Social***. The social sector is arguably the most dynamic part of Romania's civil society today, having evolved largely from the establishment of local branches or peer organizations in the 1990s. This development was fueled by global outrage over internationally broadcasted reports of Romania's orphanages, which revealed horrifying abuses of disabled children—a direct consequence of Ceaușescu's anti-abortion policies. These reports triggered a wave of humanitarian aid, the creation of local branches of major international social NGOs, and shaped Romania's international adoption policies for over a decade.

  Today, this sector is the most sustainable and resilient, consisting of several large organizations employing 100–150 people and managing annual budgets of €2–3 million from diverse sources[1]. Key lessons from their success include the **critical role of organizational know-how transferred from international peers and the importance of diversifying funding sources**. The long-term, well-targeted support from international networks provided these organizations with a strong blend of foreign expertise and adaptation to local conditions in their specific fields.

  Social NGOs also benefit from public subsidies for certain services, particularly in areas where public authorities lack the capacity to reach or identify beneficiaries. However, they have also secured sponsorships and private funding from companies and individuals, with the support of their international networks proving invaluable in developing these revenue streams. This combination of targeted know-how transfer, administrative capacity building, and funding diversification has ensured the sustainability and impact of Romania's social civil society organizations.

[1] Successful examples of organization in the social services which benefit cooperation with international peers or are branches of international organizations are Salvati Copiii (salvaticopiii.org, Save the Children Romania) and Motivation (social assistance for people with disabilities, motivation.ro)

- ***Environment.*** Environmental groups in Romania comprise grassroots movements and local branches of major international organizations like Greenpeace, WWF, and Bankwatch. Grassroots organizations began emerging relatively late, around the early 2000s, typically as small, single-issue, ad hoc movements, often informal. In contrast, the larger international "brands" were already well-established by this time and formed significant coalitions of 30–40 organizations between 2000 and 2004, becoming quite visible on key environmental issues. However, unlike social organizations, these environmental coalitions largely disbanded following the cessation of international EU and U.S. pre-accession funding. Despite Greenpeace and WWF possessing extensive global expertise in areas like volunteering, crowdfunding, and corporate fundraising, this know-how was not effectively transferred to Romania - which may suggest that deeper cultural or structural factors may be at play when it comes to building a local "buy-in" and a local constituency to ensure sustainability than donors often seem to assume. Today, these organizations maintain small Romanian branches with modest budgets, competing with other CSOs for limited international donor assistance.

  Several factors may explain this decline. These include the reduction in international donor funding and growing competition for scarce resources, lack of cohesion and internal competition within coalitions, insufficient organizational skills and over-reliance on volunteers, limited public engagement due to economic priorities, and a lack of visibility. The restructuring and closure of heavy industry in the 2000s, while addressing urgent environmental problems like CO2 emissions and industrial pollution, shifted public focus toward pressing economic and social challenges, leaving environmental concerns on the periphery of public attention. Such concerns would indeed re-emerge after 2013-2014, as the country's economy grew significantly stronger and post-materialistic concerns became more important on society's agenda, but they would generate informal, grassroots, mass spontaneous movements rather than organized, financially sustainable organizations dedicated to this purpose in the long term.

External conditionality as enhancer of civil society effectiveness

The second major driver of Romania's reforms toward democratization and a pluralistic society was the application of political and economic conditionality by international partners. This conditionality, tied to economic support (such as IMF and World Bank macrostabilization programs) or political support (accession to the EU and NATO), exerted significant pressure on the government to implement reforms.

Although not the primary focus of this report, it is crucial to acknowledge that conditionality became the dominant force behind Romania's democratization efforts, particularly after 2000. Western institutions acted as powerful external anchors with strong leverage, driving reforms, while civil society played a complementary role. Conditionality gained momentum only after Romania's political elite reached a consensus to align with the West in 1995, including the communist softliners, and following the start of EU accession negotiations in

1997. These developments solidified Romania's trajectory toward Western integration, making conditionality a key factor in its democratic transition. Thus, it was the emergence of civil society in the early 1990s, the public demand for Western-like prosperity and the disintegration of the USSR which pushed even the softline communist government to take some timid steps towards the EU; but it was EU accession, with all its conditions, norms, standards and requirements which ensured consistency for Romania's transition to liberal democracy regardless of whether the government was reformist (1997-2000, 2004-2007) or anti-reformist (by 1996, 2000-2004).

The first meaningful steps toward Romania's EU accession came with the reformist government of 1997, which replaced the first post-communist elite. This coalition brought together historical opposition parties, smaller pro-Western factions from the communist softliners, and members of civil society, including the political wing of the Civic Alliance. For Romania, 1996 was what 1990 had been for much of Central and Eastern Europe: a pivotal turning point. The unifying thread in this otherwise disparate alliance was a shared commitment to EU membership by a defined future date. EU accession demanded significant reforms: the restructuring of public administration, the establishment of a market economy, the separation of powers, and an independent judiciary. These reforms not only aimed to align Romania with EU standards but also contributed to "cleaning up" the public administration and fostering pluralism, which ensured a fairer distribution of resources across society.

However, the reformist government faced major challenges. While politically committed to change, it lacked the administrative capacity to implement sweeping reforms. Much of the civil service from previous regimes remained entrenched, limiting the government's ability to transform the governing structure. As a result, the shift in political elites brought only a partial change in Romania's governance, with holdovers from the old system retaining significant power to stall or undermine reforms—underscoring the need for sustained pressure from international partners to drive deeper change.

Civil society, developed with foreign assistance in the early 1990s, played a crucial role in Romania's democratization, particularly during the democratic consolidation and pre-accession phases from 1997 to 2007. Its impact was closely tied to external conditionality and took two main forms:

- **Monitoring reforms**: Programs like DFID/GRASP and the Dutch MATRA initiative, managed by the Dutch embassy, coupled support for public administration with funding for civil society to oversee reforms. Other donors, such as the World Bank, also consulted civil society in their government-financing programs, fostering accountability.
- **Aligning with reformists**: Civil society often formed ad hoc coalitions with reform-minded figures in public administration, a positive and significant, but unintended outcome of external conditionality. While reformists were a minority, even in the 1990s, conditionality amplified their voices and facilitated the gradual replacement

of entrenched old-guard figures in critical sectors like defense, the judiciary, and intelligence, especially under NATO and EU accession pressures.

In addition, civil society helped build public support for reforms, encouraged reformist actors, and exerted pressure on decision-makers. This alignment between external conditionality, reformist elements within government, and civil society proved a vital driver of Romania's progress during this critical period.

Conditionality was crucial in keeping reforms on track even after the reformist coalition lost the 2000 election, following a deep economic crisis and a collapse in political legitimacy. Despite the social-democrats (successors of the post-communist elite) enjoying near-total dominance in politics from 2000 to 2004, the prospect of EU accession compelled the government to push through difficult reforms.

By 2004, accession negotiations concluded with key conditions on anticorruption and integrity, making accession itself contingent on their fulfillment, with a potential one-year delay from 2007 to 2008. Notably, some of the most critical legislation for future anticorruption success was adopted during this period. Ironically, this occurred partly because the social-democrats, confident of retaining power, underestimated the long-term impact of these reforms. After the reformist government took office in 2005, it began enforcing these laws, which became central to judicial reforms and anticorruption efforts. Civil society leveraged this framework to raise public awareness about integrity, transparency, and anticorruption, further strengthening the push for accountability in governance. This synergy between external conditionality, legal reforms, and civil society action proved vital for Romania's progress.

Summary of foreign assistance to civil society in Wave 1

To summarize, the approach of foreign partners in supporting civil society during the first stage of post-communist transition, alongside broader efforts that indirectly strengthened its role in democratization, can be outlined as below.

1. Early Transition Period (1990-1996)

The key priorities were:

- Basic democratic reforms: The foreign aid initially focused on helping Romania's transition from a single-party, authoritarian state to a multi-party democracy. The emphasis was on building democratic institutions, promoting political pluralism, and encouraging free and fair elections. Such support included technical assistance for public institutions (e.g. trainings for judiciary, for MPs, civil servants etc.); but also for alternative networks, such as trade unions, media, business associations.

- Civil society development: Early funding aimed to establish a civil society sector, encouraging NGOs to focus on human rights, minority rights, and civic education, as well as watchdog, policy think tanks.
- Media and freedom of expression: The U.S. and European organizations funded training programs for journalists and supported independent media outlets to promote freedom of the press.
- Human rights: Assistance programs from the EU / bilateral support of EU countries, the Soros Foundation, and US public and private support targeted human rights advocacy, fight against corruption, and the protection of vulnerable populations.

The major programs and donors were:

- USAID but also NED, IRI, NDI: They focused on civil society, independent media, and electoral support.
- The Soros Foundation: Provided significant support for the establishment of NGOs and the promotion of civil society initiatives on priorities defined bottom-up. It also supported with small amounts various individuals (e.g. scholarships to professionals from various fields, for basic equipment, professional training etc.); and provided scholarships for students to study social sciences at CEU in Budapest.
- PHARE Program (EU): Emphasis on institution-building, judicial reform, and support for the emerging civil society, with a view to enhance cooperation between the public sector and broader strata of society, mediated through civil society organizations.
- Peer support from large NGOs / business associations / networks. Trade unions, large international NGOs focusing on social services, children, poverty, minorities, environment etc actively sought like-minded individuals to start branches in Romania. While financial assistance was also provided in small amounts, the most consequential support consisted of know-how transfer, which proved essential for the sustainability to the present day; it was successful in social sectors, less so in environment.

2. Consolidation Phase (1997-2004)

The key priorities were:

- Judicial and institutional reforms: During this phase, the EU, through the PHARE program, intensified its focus on institutional reform and the judiciary, aimed at aligning Romania with EU norms. This required the adoption of a large body of legislation; institutional alignment; and provided an entry point for civil society monitoring / support of reformists in the system.
- Anti-corruption initiatives: International donors increasingly focused on combating corruption within government institutions, with civil society monitoring. This included legal reform efforts and supporting watchdog NGOs.

- Strengthening of civil society and advocacy: Foreign aid was geared towards building the capacity of NGOs to advocate for human rights, democratic reforms, and minority rights protection, but also towards expanding the types of civil society to new sectors, such as environment.
- Civic education and engagement: Programs and initiatives aimed at increasing civic participation, particularly identifying, targeting and training civil society leaders and teaching young CSOs how to operate.
- Economic reforms and market economy: Emphasis was placed on helping Romania transition to a market economy, which included funding for small businesses, entrepreneurship training, and economic policy advice. Developing a market economy was vital for the breakup of economic monopoly of the incumbent post-communist elite and had indirectly an impact on making the society increasingly pluralistic.

The major programs and donors were:

- European Commission (e.g. PHARE): Major contributions to judicial reforms, civil society engagement, and anti-corruption efforts.
- USAID and other US public donors, Soros: Continued to provide support for civil society strengthening, rule of law, and media freedom.
- The World Bank and International Monetary Fund (IMF): Focused on economic reforms and structural adjustment programs; while the main driver for reforms pushed by IMF and WB was conditionality on the government, it provided an entry point to civil society by monitoring and advocacy. For WB, lending to large sectors (infrastructure, social etc.) was accompanied by conditions to include civil society as observer of investments.
- Other EU bilateral, Council of Europe: Worked on democratization, human rights training, and legislative harmonization, mostly targeted at the public sector, but reinforced by civil society advocacy.

3. Pre-Accession and EU Integration Phase (2004-2007)

The key priorities were:

- EU Membership preparations: The primary focus shifted towards fully aligning Romanian legislation and governance structures with EU standards and adoption of EU directives, as well as efforts to meet the Copehangen criteria. Negotations on the 20+ chapters required sustained reforms in each of these sectors. The EC issued yearly progress reports, demanding stronger action on areas that were lagging (e.g. market economy, judiciary etc.). This included significant investment in public administration reform and anti-corruption efforts. They also had indirect contributions on democratization via the pressures to establish a fully functional market economy (which included, for example, conditions to privatize transparently

and competitively certain state-owned companies in sectors prone to corruption, such as energy, or the setup of independent regulatory authorities, including with civil society involvement).

- Judicial independence and rule of law: Continued focus on judicial reform to ensure the independence of the judiciary and alignment with EU requirements. Most importantly, it required the establishment of specialized anticorruption prosecution and monitoring of its operation, demanding clear results.
- Civil society and anti-corruption: Increased support for civil society organizations advocating for transparency and accountability in public administration; funding available under PHARE and US donors.
- Human rights and social inclusion: Emphasis on improving the situation of marginalized groups, but also issues such as property restitution and enforcement of legal rights.
- Media freedom: Efforts to strengthen independent journalism and counter political interference.

The major programs and donors:

- EU Programs (PHARE, ISPA, SAPARD): These programs provided technical assistance, capacity-building, and infrastructure development coupled with consultations with civil society.
- USAID & other US donors, including Soros Foundation: Focused on consolidating democratic institutions, civil society watchdogs and think tanks, and the fight against corruption.
- UNDP (United Nations Development Programme): Capacity building for NGOs, policy advocacy, multi-stakeholder dialogue. Key fields of support included environment (GEF small grants) and social / inclusion of marginalized groups.
- WB/IMF: Instrumental in supporting Romania during the deep financial crisis of the late 1990s; pushed for privatizations in a transparent manner, e.g. in the banking sector and cleaning up the sector of bad debts; provided a “scapegoat” for government for difficult political decisions, such as massive restructuring of energy-intensive and inefficient industries (heavy machinery, mining etc.). Economic, fiscal, and administrative reforms were essential to split the monopoly of previous political and economic elites, indirectly but essentially contributing to democratization.

Wave 2. Graduating to Europe

Romania's integration into NATO in 2004 and the European Union in 2007 represented, for Romanian elites, the successful culmination of the grand "national project" initiated following the Snagov Joint Statement in 1995. The landmark date of January 1, 2007 marked the conclusion of the "hard" external conditionality tied to reforms in the sectors targeted during accession negotiations. By the time of accession, Romania had achieved significant progress in transforming into a market economy, undergoing three peaceful changes in political leadership through largely free and fair elections, and establishing the foundational institutions of a liberal democracy. However, these institutions were still in their infancy and lacked the full societal "buy-in" required for true consolidation.

It is crucial to note that less than a generation had passed since the collapse of the communist regime. Many senior civil servants and public administration employees, along with numerous leaders in the newly liberalized economy, had reached professional maturity during the communist era. As a result, they retained informal networks, contacts, and practices shaped by that period. This is why administrative reforms in certain sectors, pushed by EU accession or IMF and WB macroeconomic and sectorial programs, and shaped by new public management theories prevalent in the West in the 1990s, led to incomplete and dissapointing results. For example, the split of the energy sector in a ministry, a regulator, and companies (production, transmission and distribution grids, supply, a power exchange etc.) did not automatically bring with it a fully competitive market, with various players operating at arm's length. Informal relationships among former colleagues which were friends, got married, spent holidays together, promoted relatives, de facto prevailed even after, on paper, individuals got to work in entities which were supposed to act as effective impersonal checks on each others.

In another example, the healthcare sector, the creation of a financing mechanism separate from the health ministry, with private and public service providers competing for funding to ensure good quality services to consumers did not eliminate the well-entrenched groups of interests which fully encompassed medical universities, hospitals' management, and financial flows. These continued to operate under different, more personalized incentives than those expected by reformers. The same took place in virtually every sector of the economy, from railways to education. All in all, the resilience of old routines, practices, incentives across the administration was substantial and significantly undermined the efforts to reshape the deep structure of Romania's society, and particularly its public bureaucracy, in the incredibly short time span from communism to EU membership. Many reforms took place in form and on paper, but not in essence, which facilitated automatic backsliding when external conditionality expired, with consequences visible today.

Beyond the judiciary, where the EU retained significant leverage through the Cooperation and Verification Mechanism (CVM) described below, reforms in other sectors—where accession negotiation chapters had been closed as early as 2004—stagnated and, in some cases, were even reversed. During the negotiations, conducted between 1997 and 2004, successive governments—whether progressive (1997–2000, 2004–2007) or retrograde and

anti-civil society (2000–2004)—were compelled to strengthen administrative capacity and demonstrate consistent progress. However, once the negotiation chapters were finalized, and particularly after the signing of the Accession Treaty in 2005, the EU's leverage to ensure continued progress diminished. This weakening of external pressure allowed entrenched patronage practices to resurface, leading to clientelistic appointments in ministries, regulatory bodies, and state-owned companies, as well as re-emergence of the patterns of behavior and former personal relationships exemplified above. The effects of this backsliding became increasingly evident between 2005 and 2007, as certain sectors of the administration—such as energy and environment—experienced deprofessionalization, particularly from appointments on personal connections rather than on competence, and the political and economic reform momentum began to wane.

A regrettable coincidence for Romania—and not just Romania—was that its EU accession in 2007 coincided with the global financial crisis of 2008–2009. The crisis cast doubt on the benefits of globalization and dampened hopes that Romania could quickly reach Western European living standards. Unresolved issues, central to Romania's democratization struggles in the early 1990s, began to resurface. Chief among these were the frustration over unfulfilled economic expectations post-accession and lingering desire for **revenge** rooted in the turbulent 1990s.

Grievances resurfaced against the post-communist elites, who continued to wield power with impunity - either in politics, or in businesses connected to the state or emerging from certain shady privatizations in the wild 1990s. A growing sense of injustice centered on unresolved matters from the chaotic transition era: the unaddressed legacies of the 1989 Revolution and the miners' violent intervention in June 1990; the haphazard restitution of property; widespread Ponzi schemes; fraudulent privatizations of key assets; the collapse of the banking system caused by preferential loans to insiders; and a nationwide racketeering network allegedly orchestrated by former Securitate officers. These systemic abuses, reminiscent of patterns seen across the post-Soviet space, produced major scandals. Yet, despite widespread awareness of the culprits, many of whom were tied to the ruling elite, justice was elusive. Neither the conservative government before 1997 nor the reformist administration of 1997–2000 had succeeded in holding them accountable.

In the years following EU accession, public anger was tempered by a belief that the judiciary was finally taking action. Indeed, by 2009–2011, Romania's anti-corruption drive delivered its first high-profile convictions of politicians, albeit slowly and with difficulty. However, progress stalled on the most significant cases: the Revolution, the miners' riots, and the banking sector quasi-collapse of the late 1990s. Victims saw no redress and the architects of these events retained their grip on Romania's politics, intelligence apparatus, and public administration.

Romania was clearly making substantial progress on **economic prosperity**, with visible signs of convergence, but the financial crash of 2008 introduced additional macroeconomic uncertainty. This was exacerbated by populist decisions made during the 2008 election year, such as unsustainable increases in pensions and salaries. The backlash came in the form of much-needed austerity measures in 2009–2010 aimed at stabilizing public finances, which

fueled frustration, particularly in the public sector. The private sector, meanwhile, was hit hard by the bursting of the credit-fueled real estate bubble in 2009. This left many burdened with debt and compounded the challenges of rising unemployment.

A significant difference compared to the harsher economic hardships of the 1990s was the absence of hope this time. During the transition period, the public had endured deprivation as a necessary but temporary cost of moving to a market economy, with the expectation of prosperity arriving at a fixed future date—namely, 2007, with EU accession. This time, however, there was no clear promise of better times ahead. Instead of serving as the anticipated escalator to rapid economic growth, higher living standards, and access to Western markets and investments, EU accession coincided with the global financial crisis. Improvements in wages, infrastructure, and public services proved slower than expected, while regional disparities persisted, despite the €66 billion in net EU funding Romania received between 2007 and 2023. Compounding the disappointment was Romania's poor administrative capacity, which delayed the use of EU funds. Implementation of EU-financed projects during the 2007–2014 financial cycle was slow, with the first grants only beginning to flow in 2009–2010.

EU accession also accelerated the brain drain and labor force loss through mass migration, a trend that had begun in the early 2000s when Romanians gained greater freedom to travel and work abroad. By 2010, at least three million Romanians had emigrated, with current estimates reaching as high as five million, including temporary and seasonal migrants. Initially, out-migration had significant positive effects. It alleviated social pressure in regions experiencing severe socio-economic distress, such as former monoindustrial areas hit by massive economic restructuring in the late 1990s, where the government failed (and had little money) to provide an effective social safety net or a "just transition." Migration also bolstered Romania's economy through a substantial inflow of remittances, which helped offset the widening current account deficit driven by increased consumption.

However, the downsides of migration were considerable. It deepened regional disparities, divided families, and left many children as "Euro-orphans." Additionally, it deprived Romania of a significant portion of its most active population, including both low-skilled workers and highly educated professionals. The economic crisis exacerbated these challenges, hitting all newly acceded countries particularly hard due to their reliance on foreign investment, remittances, and credit-fueled growth. Moreover, a certain perception of second-class EU membership emerged gradually, fueled by temporary restrictions on labor mobility imposed by some EU members, such as the UK, upon Romania's accession, as well as delays in Romania's admission to the Schengen zone in the early 2010s.

Despite this, Romanians remained consistently supportive of both the EU and NATO during the 2007–2014 period. Trust in EU institutions consistently surpassed trust in national authorities, reflecting the public's view of the EU and the "West" as external guarantors of accountability for domestic governance. Many placed their hopes in judicial reforms and anti-corruption measures driven by EU oversight, seeing them as key to addressing longstanding injustices.

Overall, despite significant challenges, the period from 2007 to 2014 saw a continued consensus on liberal democracy and Romania's "Western direction." Rights, freedoms, and the peaceful transfer of power through democratic elections seemed firmly established in the country's new status as an EU member. There was no viable alternative model to pursue. However, as Romania became increasingly aligned with the Western world, initial cracks in the unwavering belief in the virtues of democracy and liberalism began to emerge. Slogans like "1% vs. 99%" could be heard on Bucharest's streets, echoing global discontent. More significantly, austerity measures led to widespread protests by public sector employees, culminating in the resignation of the government in early 2012. Mass migration fueled debates about demographic decline and the erosion of national identity. At the same time, the external leverage that had been crucial in holding Romania's public sector governance accountable diminished significantly compared to the pre-accession period. Perhaps most crucially, Romanians placed excessive hope and unrealistic expectations on the judiciary to remedy all that was wrong in the public sphere—from political corruption to mismanagement, incompetence and dissatisfaction in the everyday interactions with the state.

Indeed, judicial reforms in Romania began to bear fruit, highlighted by the conviction of a former prime minister for corruption in the summer of 2012. This marked a major crisis and turning point in Romanian politics. In response, the entrenched post-communist elite orchestrated a "soft coup," impeaching the president with the intent to replace the chief anti-corruption prosecutor and disrupt the judiciary's work. The parliamentary coup was thwarted only through strong external intervention from Brussels and Washington. At the time, however, civil society's protests were limited, and the few vocal supporters of anti-corruption efforts were more effective in mobilizing pressure via Brussels and Washington than domestically. The general public's resistance to the coup was weak, possibly because the legal intricacies of the crisis failed to resonate widely. This lackluster public response underscored a deeper issue: the limited grassroots commitment to "Europeanization" and to the principles of liberal democracy, even years after Romania's EU accession. However, in light of the recent chaos in US, it may be the case that even in established democracies topics such as the separation of powers, rights, equality before the law, checks and balances do not widely resonate with the public and that liberal democratic institutions are just incredibly fragile everywhere.

Foreign support for liberal democracy in Romania

As outlined above, Romania's adoption of liberal democratic institutions, driven by the EU accession process, was largely superficial. Once external pressures diminished, deeper, more entrenched practices of patronage and clientelism began to resurface within the public sector. Romanian society had yet to fully embrace or internalize democratic principles such as the separation of powers, individual rights, and institutional accountability. This incomplete commitment to liberal democracy, with good accountability mechanisms, partly explains why the economic crisis of 2009 hit Romania particularly hard. In the electoral year of 2008, the government pursued reckless public spending, despite an economic growth rate of 8%. By the year's end, the consolidated budget deficit had ballooned to 5.5%, one of

the highest in the EU. This overspending was driven by measures such as pension increases, higher public sector salaries, and bonuses for certain categories of public administration employees. On the positive side, the crisis created a renewed need for external support, which was bound to be accompanied by conditionality, offering an opportunity for further reforms - or, at least, for a limited reversal of the backsliding that had already taken place.

As a result, between 2009 and 2012, Romania experienced a brief revival of "foreign watchdogs" as the country, facing pressing fiscal challenges and a need for structural reforms, turned to the IMF, World Bank, and European Commission for support. Two assistance programs, spanning 2009-2011 and 2011-2013, mandated several critical sectoral reforms in areas such as energy, transport, state-owned enterprises, public sector wages, and fiscal policy. These measures partially reversed governance backsliding in certain sectors, albeit temporarily. Notably, the most challenging reforms were those targeting appointments in regulatory bodies and state-owned enterprises, which aimed to shift from patronage-based practices to competitive, transparent, and meritocratic processes, and thus ensure that reforms that had been implemented halfway or just on paper gained more substance. Equally contentious was the elimination of discretionary bonuses in ministries like Finance. These bonuses, often exceeding regular salaries, served as a tool to sustain patronage networks by allowing supervisors to secure the loyalty of their subordinates through selective allocation.

External conditionality remained particularly robust in one critical area essential for keeping Romania on a liberal democratic trajectory: judicial reform and anti-corruption measures, in the continued Cooperation and Verification Mechanism (CVM). Justice reforms were a key prerequisite for Romania's 2007 EU accession, with the risk of a one-year delay if adequate progress was not achieved. In the final two to three years before accession, reforms included appointing individuals of proven integrity to lead anti-corruption prosecutions and enacting legislation on integrity. Notably, this involved establishing the National Integrity Agency (ANI), tasked with scrutinizing officials' asset and interest declarations.

To ensure the sustainability of these reforms, the EU had introduced a safeguard to prevent backsliding post-accession. The Cooperation and Verification Mechanism (CVM) was created for both Romania and Bulgaria, entailing biannual external monitoring of judicial reforms and the prosecution and conviction of high-profile offenders. Through regular feedback, external pressure to stay on course, and the conditionality of EU funds on continued progress in judicial reform, the CVM indeed provided a critical anchor. For several years after accession, it upheld progress in anti-corruption efforts, ensuring reforms were not prematurely reversed.

As it turned out, the CVM played a pivotal role in preventing the most severe reversals of judicial reforms. It acted as a bulwark against threats such as the 2012 "soft coup," which aimed to undermine anti-corruption prosecutors, as well as various forms of political interference in the judiciary and attempts to pass legislation that would have rendered anti-corruption efforts ineffective. Crucially, the mechanism provided several years of relative security and autonomy for prosecutors and judges to pursue increasingly complex cases. This period allowed the public to witness tangible benefits of EU accession, which

resonated on a deeper emotional and societal level than economic gains alone. Moreover, it gave anti-corruption efforts enough time to build broader societal support, fostering a lasting commitment to the fight against corruption.

Civil society developments

Since the early 2000s, Romania's civil society has grown increasingly diverse, encompassing a broad range of organizations. These include think tanks, watchdog groups, sector-specific organizations focused on areas such as the environment, social issues, and education, as well as local and grassroots initiatives. A significant milestone was the emergence of community foundations after 2007. Today, 19 such foundations operate across various cities, supported by technical assistance from the Association for Community Relations and financial contributions like matching grants from the Romanian-American Foundation. These community foundations play a vital role in mobilizing resources to address specific local needs. They have been instrumental in fostering local philanthropy, supporting grassroots initiatives, and strengthening civic engagement, thereby contributing to the development of a more participatory and responsive civil society.

While philanthropy began to gain traction, attracting domestic funding from individuals and corporations through mechanisms such as the 2% redirection scheme, tax-deductible sponsorships for businesses, and direct donations, **more abstract issues**—such as democracy promotion, civic education, liberal democratic values, government transparency, and accountability—**remained relatively neglected**. The prevailing belief that EU accession had resolved these issues and secured Romania's position as a stable liberal democracy contributed to this oversight.

However, growing dissatisfaction with poor government performance, slow progress in anti-corruption efforts, and frustration with clientelism in the public sector continued to generate a need for channels of expression. The disappearance of the Civic Alliance—a once-progressive grassroots civic and political force—from the public sphere after 2000 left a significant void. Additionally, the diminishing focus of donors on supporting watchdogs, think tanks, and media in new EU member states created another gap. Many civil society organizations shifted their attention to projects targeting non-EU countries, where funding remained available, or transitioned to entirely different fields of work.

As illustrated above, public support for reforms, including high-profile anti-corruption efforts, was initially lukewarm. For example, the 2012 "soft coup"—a deliberate and aggressive attempt to weaken anti-corruption efforts by dismantling checks and balances—and the 2013 attempts to amend the Constitution to curtail judicial independence met with only minimal public resistance. In fact, the most effective avenue for pressure for reforms was for the few think tankers and anticorruption activists which understood the broader institutional implications to appeal directly to stakeholders in Brussels rather than by mobilizing public attention at home. This lack of engagement underscored the difficulties in securing societal buy-in for reforms and protecting democratic principles. In retrospect, we see that liberal democracy can be equally fragile even in consolidated democracies - as the example of the on-going coup of the Trump-Musk loyalists in US confirms. Maintaining the

independence of institutions and capacitating them to withstand an ouslaught of autoritarian-minded putschists wielding unchecked power requires a strong civil society, civil service and judiciary integrity, and an alliance of supporters of liberal democracy across the board whose determination to resist exceeds the force to destroy them.

In the case of Romania, the disengagement of the public from the challenges to liberal democracy was, in part, a direct consequence of the "Europeanization" of the notion of civil society in Romania, the general expectation that civil society deserving further financial support is a partner, not a watchdog penalizing potential abuses of power. After the country's EU accession and the withdrawal of bilateral international partners, the continental philosophy of civil society began to dominate. This was reflected also in the availability of remaining EU funding, directed through the government, as well as in the availability of channels to voice civil society concerns, mainly in collaborative formats such as committees and oversight bodies where less contentious figures (if not outright government-friendly), were permitted to participate, requiring prior approval from the government or parliament. Such formats of participation include, for example, the Socio-Economic Council (providing consultative opinions on legislation), but also representatives of civil society in the Supreme Council of Magistrates or oversight boards of various institutions, from regulators to the Integrity Agency. According to this continental perspective, civic organizations were expected to represent the interests of various societal groups, aiming for negotiated compromises within a relatively benevolent and democratic political framework ensured by the state. In this model, civil society functioned as a mediator rather than an agitator. This approach also shaped expectations for public protest. Demonstrations were assumed to align with Western European trends, targeting mostly social issues like inequality or unpopular industries like banking or extractive companies. From 2012 onwards, we witnessed an increasing division of civil society between "compliant" and "contestant", as well as the emergence of campaigns to pressure or silence critical voices (infamous "lists" of "Soros-financed" NGOs or "traitors who complain to Brussels & Washington" started appearing in the media, sometimes endorsed and popularized precisely by prominent figures from "compliant" NGOs).

This continental paradigm of civil society's role thus not only failed to address Romania's specific political challenges, where robust civic activism was urgently needed to counter democratic backsliding and systemic corruption, but reinforced it. In practice, two distinct forms of civil society coexisted during this period and often intertwined: the consensual, European model, and the adversarial, US-inspired model. Yet, the EU was primarily prepared to support the former, perceiving the latter as "too political." The older, post-communist style of resistance against the state—reminiscent of Václav Havel's dissident activism—remained essential in Romania's context. However, this confrontational approach, albeit entirely peaceful, often sat uneasily with EU institutions and strategies, which prioritized dialogue and compromise over direct opposition based on clear moral grounds. This misalignment left a gap in addressing the pressing need for civic activism capable of challenging entrenched political and institutional failures. As a result, though the "adversarial" civic voices continued to exist, their effectiveness was limited by the lack of funding - both from a domestic constituency and from foreign donors. The effect was that

most such figures had to shift their professional interests elsewhere, either working in neighboring countries (where donors continued to support the "transition to liberal democracy"), or finding alternative jobs, from private sector consultancies to politics. The development on civil society mirrored exactly what was happening at the same time in Europe's politics: as Brussels embraced compromise and consensus by submitting for years to the demands of wanna-be tyrants such as Viktor Orban on every EU policy or political decision, instead of pushing back right from the start, the very liberal democratic principles inside the EU were gradually undermined, resulting in the existential crisis we face today.

A different type of civil society, more activist, more grasroots, started to emerge instead. Several issues over the years captured public attention and mobilized grassroots civil society in Romania, signaling the emergence of this new mixture of "anti-system" movements. The first significant protest occurred in 2013 in the town of Barlad and then in the small village of Pungești, Vaslui County, against Chevron's plans to explore for shale gas. This protest united environmentalists from urban centers with local networks and even the local church. Chevron's public relations missteps, the populist rhetoric of the prime minister, and possibly Russian interference (though never proven, unlike in Bulgaria) ultimately led to the project's permanent suspension. In a similar fashion mass protests erupted against the proposed Rosia Montana mining project in 2013 and 2014. Beyond its severe environmental consequences and the potential destruction of cultural heritage—concerns that resonated with urban elites and youth—the protests attracted a broad coalition. Participants ranged from those outraged by the perceived "tailor-made" legislation favoring specific interests, to left-wing opponents of large corporations, and nationalists who resented the exploitation of a national resource by a foreign company under unfavorable terms.

This diverse mix of protesters became a recurring feature of subsequent movements. Civic mobilization of this type is spontaneous on emotional topics, such as government decisions that trigger angry reactions from the public; they cannot penalize backslidings on relatively tedious subjects such as good governance, fiscal responsibility, or complicated discussions about amending the Constitution, though it is precisely the latter which are fundamental to maintain effective checks and balances and protect basic rights and freedoms, the very building blocks of liberal democracy. With carefully crafted propaganda, emotions can also be stirred and masses be mobilized for nefarious purposes, and we witness today the rise of extremism across the Western countries threatening to demolish liberal democratic institutions for good.

Similar coalitions and mass protests emerged during pivotal moments in later years: during the 2014 presidential elections, when the diaspora faced deliberate barriers to voting; after the tragic Colectiv nightclub fire in 2015, which claimed dozens of lives and exposed systemic negligence and mismanagement in the health care system; and in early 2017, when the government attempted to pass legislation that would effectively decriminalize corruption. These events marked the birth of a new type of grassroots civil society, rooted in opposition to systemic failures and united by shared discontent rather than ideological alignment. Its origins trace back to the Rosia Montana protests of 2013-2014, where diverse

groups came together to challenge a status quo they viewed as deeply flawed, and online communities were set up which could be more easily mobilized later.

This protest movement, which grew increasingly vocal after 2013, is largely volunteer-based, driven by emotion and anger. Social media plays a central role in its mobilization, serving both as the primary source of information for youth and the main platform for organizing protests. In many ways, the "Rosia Montana" civil society filled the void left by the disappearance of the Civic Alliance, emerging amid the decline of traditional media and the erosion of reliable information sources.

There is, however, a significant difference from the movements of the 1990s: the foundation of these new movements is not inherently more pro-Western than the state or corporations they oppose—nor is it less so. The old, overarching “catch up with Europe” narrative, once the main driving force of the civic, is conspicuously absent from this new story. As a result, this blend of social movements has gradually become a vehicle for a diverse array of anti-system initiatives, spanning progressive political parties, pro-justice civic demonstrations, but also more extreme or polarizing forms of mobilization. Anchored in grassroots action and heavily reliant on digital networks, these movements have become in recent years a defining force in Romania's shifting civic landscape. On the oher hand, the shift in accent has also crowded out more difficult discussions, on tradeoffs, deeper analysis and compromise. A typical example is the hollowing out of balanced public debates on topics such as the fine line between citizens’ privacy rights and the limits of powers for law enforcement, prosecutors, intelligence in combatting corruption.

Foreign assistance to civil society

Support for civil society underwent significant changes after Romania's EU accession in 2007. The prevailing assumption at the time, as indicated above, was that accession signified Romania's "graduation" into a higher league of countries—those fully compliant with the Copenhagen criteria. This implied that Romania had achieved maturity in key areas such as the rule of law, human rights, a functioning market economy, and the administrative capacity to meet its obligations as an EU member state. In practice this meant that:

The U.S. public support for Romania's public administration and civil society saw a significant reduction after the country's EU accession. The final USAID program dedicated to strengthening Romanian civil society, with a budget of $4.8 million, ran from 2005 to the end of 2007, including $2.4 million in grants for Romanian NGOs. Its primary aim was to enhance the organizational and financial sustainability of public policy and watchdog organizations.

Following accession, the U.S. redirected its focus to regional projects, concentrating on Romania's immediate neighborhood—countries not yet part of the EU. The establishment of the Black Sea Trust for Regional Cooperation (BST) in October 2007 marked a key milestone in this shift. A partnership involving the German Marshall Fund of the United States (GMF), USAID, the Charles Stewart Mott Foundation, and the governments of Romania and Latvia, the BST reinforced a trend that had begun in 2000, with U.S. donors increasingly prioritizing the broader region. The BST focused primarily on non-EU

countries in territories as diverse as the Western Balkans, Ukraine, Moldova, and Georgia, awarding approximately $2 million annually in grants. These grants supported initiatives promoting regional cooperation, good governance, security, trust in institutions, and citizen participation across the Black Sea region.

The Soros Foundation Romania underwent a gradual transformation after 2007-2010, transitioning from a foundation and grant provider to a civil society organization (CSO) focused primarily on policy analysis, largely carried out inhouse, essentially a think tank. By 2015, it had phased out operations entirely. From 2006 onward, its programs largely centered on research, including studies on inward and outward migration and their social impacts. Upon the permanent closure of its Romanian office in 2015, former staff members established a new NGO, the Center for Public Innovation, which now operates as a policy think tank.

Meanwhile, **Open Society Institute (OSI)** funding continued to be available but was redirected towards programs addressing the broader region, often delivered through initiatives like the CEE Trust. These efforts primarily targeted non-EU countries, reflecting a shift in focus by U.S. donors. As a result, the limited number of Romanian think tanks and watchdog organizations were encouraged to expand regionally and collaborate with NGOs in countries that had become the new focus of donor priorities. This shift had both advantages and disadvantages. On the positive side, it fostered regional sharing of experiences, enhanced exposure, and enabled the survival of Romanian think tanks, which still struggled to secure support from local constituencies. However, on the downside, the focus on regional work left Romanian think tanks with shrinking resources to address domestic issues, reducing their capacity to effectively monitor and influence local policy developments.

The discontinuation of **EU PHARE programs**, which had served as pre-accession support, marked a significant shift in funding for civil society in Romania. Post-accession, funding became part of the broader envelope of structural EU funds, primarily aimed at helping Romania's government catch up with the rest of the EU. This approach rested on two key assumptions:

- Romania's government was fully democratic and open to societal collaboration, enabling seamless cooperation between government and external stakeholders such as think tanks, research centers, and advocacy groups.
- Independent civil society organizations would no longer require EU "external" democratization support, as the country was presumed mature enough for such organizations to secure local funding and represent diverse societal interests, like in West European societies.

Both assumptions proved overly optimistic, as later evidenced by the stark democratic backsliding seen in new member states (NMS) like Hungary, Poland, and, more recently, Slovakia and Romania; while the unfolding coup in the US against public institutions and the rule of law ominously proves that no democracy, however consolidated, is to be taken

for granted. Under the new framework, civil society organizations were eligible to participate as partners or applicants in calls for funding open to the public administration. This "collaboration, not opposition" philosophy also shaped the institutional frameworks adopted by Romania in alignment with EU legislation. These included consultative bodies such as the Social and Economic Council (CES)—comprising employers, unions, and civil society—which provides advisory opinions on legislation, and transparency and freedom of information laws requiring public consultations and media access.

Even during the PHARE program, the EU Delegation had advocated embedding civil society funding within a governance structure where the government acted as the payment authority, though management and calls were handled by the Foundation for Civil Society Development (FDSC). Post-accession, the "bona fide cooperation" principle was applied in full, effectively excluding watchdogs and advocacy groups critical of the government from EU funding opportunities - what government would be willing to direct EU funds precisely towards the critics? Funding was largely restricted to NGOs delivering public services (e.g., social assistance), with additional grants often favoring government-organized NGOs (GONGOs). Simultaneously, EU embassies and or other European party foundations, such as KAS, FES, and the Naumann Stiftung, continued directing their support toward non-EU countries with EU accession aspirations or involvement in the Eastern Partnership. Similar to the shift seen in U.S. funding, this strategy drove Romanian civil society organizations to pivot towards regional projects, diverting their focus from critical domestic issues.

The EEA grants, funded by Norway, Liechtenstein, and Iceland, as well as **Swiss grants**, became important sources of civil society support post-accession. These countries are required to provide funding to civil society as part of their agreements with the EU and opted to use the mechanism originally developed under PHARE: full management of funds by the local actor FDSC as the grant manager. For the 2009-2014 period, EEA grants amounted to €36.33 million, primarily targeting social justice, sustainable development, and welfare services for vulnerable groups.

However, the EEA grants system faced a significant shortcoming: the prolonged process of governance approval, especially the time-consuming selection of the grantmaking organization (FDSC) and the delayed program kick-offs. As a result, funding arrived in waves, with 3-4 years of significant availability followed by similar periods of inactivity. The same applies to the current cycle. This inconsistency undermined the sustainability of recipient organizations, effectively limiting eligibility to NGOs with the administrative capacity to manage complex projects, navigate extensive bureaucratic requirements during funding "peaks," and secure alternative resources to survive during "lows." The variability of this funding source introduced financial instability, making it challenging for many civil society organizations to plan long-term or develop sustainably. Many smaller NGOs, particularly those operating outside major cities, and those with limited administrative capacity and ability to survive long periods of “drought” were forced to shut down after Romania's EU accession. What is more, the overall grant scheme requires negotiations with and an initial approval of the government and, as the experience of Hungary shows, the

opposition of the government could block the availability of grants to civil society and independent media altogether.

Domestic Funding, a relative novelty, has indeed become more common. NGO funding in Romania has increasingly relied on domestic sources, primarily through the "2% mechanism" for individuals and tax-deductible corporate sponsorships (now increased to 3.5%). These mechanisms collectively provide a significant stream of income, estimated at €25-35 million annually from the "2% mechanism" and €120-150 million from corporate sponsorships. While this funding has become a reliable resource for certain organizations, it primarily benefits charities and causes with widespread emotional appeal, such as child welfare, animal protection, social services, and a significant number of religious activities.

Corporate sponsorships, however, come with risks of abuse, including potential use for tax evasion or patronage schemes. Additionally, the effectiveness of these mechanisms depends heavily on societal "buy-in" for specific causes. Emotional and tangible issues – the “big fauna” of social activism – tend to attract more support, whereas abstract or contentious topics like investigative journalism, human rights advocacy, watchdog activities, good governance, rights, Constitutional checks and balances, or strategic litigation receive far less attention. Organizations successful in leveraging these mechanisms often benefit from a network effect, where their visibility and reputation attract further funding through word of mouth. Conversely, NGOs working in politically sensitive areas face significant challenges. Thus, individual and corporate donors may fear retribution, particularly because donations through these mechanisms are facilitated by state agencies, such as the fiscal authority, which have full information about who donates to what organization. As a result, these mechanisms are largely inadequate for sustaining organizations operating in these critical, but less popular, fields.

The situation has grown increasingly dire, entering a vicious circle in recent years. As the Romanian state, like others in the region, has regressed into illiberalism, the need for civic activism has become more pressing. Yet, this very regression has heightened fears among individuals and companies, discouraging them from supporting such causes. A particularly acute version of this vicious circle unfolds in local communities. One development on which EFOR has undertaken in-depth research for more than a decade is the discretionary allocation of central government resources to local administrations in exchange for political support and onerous contracts to politically-connected businesses. This has de facto feudalized a part of the local administration, with local, all-powerful “barrons” and pockets of systemic poverty. As local governments become more entangled in clientelistic networks reliant on central allocations for investments, and as mayors aligned with ruling parties leverage patronage to secure votes, the space for independent civic activism and investigative media at the municipal level shrinks. This dynamic stifles critical voices and further entrenches the cycle of illiberal governance and diminished accountability.

The paradox is that this shrinking space and dwindling resources for watchdog organizations and local media are occurring in a context where the country is becoming wealthier, not poorer. Despite Romania’s impressive economic growth, the consolidation of illiberal practices and clientelism at both national and local levels has curtailed the capacity

of civic actors and independent media to hold power to account. This underscores the disconnect between economic progress and democratic resilience, where increased prosperity does not necessarily translate into stronger support for transparency, accountability, or civic engagement. At the same time, this disconnect - reflected also in an increasing rift between the more progessive society and retrograde politics - is also deeply felt by various groups in society and contributes to increased resentment and radicalization.

The decline in foreign funding, coupled with the shift toward domestic and charity-based funding, has had profound effects on Romania's civil society landscape:

- **Virtual disappearance of certain sectors:** Some sectors, such as broad environmental coalitions, have been virtually wiped out. Former grant-making organizations have transitioned into grant-seekers, competing with local NGOs for increasingly scarce foreign funding. This shift has further fragmented and weakened these sectors.
- **Survival of diversified and professionalized sectors:** Larger social NGOs, which diversified their funding sources and benefited from know-how support during the early 1990s, have managed to endure. These organizations often provide more effective and targeted social assistance than public institutions, particularly in areas or communities that are less accessible to the state.
- **(Semi-)survival of watchdog and advocacy organizations:** These groups have managed to persist, primarily due to their ability to operate with relatively small budgets and/or in international partnerships. Their main sources of funding include the Norway/EEA grants and the remaining bilateral support. However, many staff members of watchdogs and think tanks rely on better-paid secondary jobs in international consultancies or the private sector to sustain their involvement in non-profit activity. Given the shifts in donor funding, they also tend to focus more on regional initiatives, getting more involved in democratization efforts in non-EU members than at home. Since 2014, an additional risk has emerged: individuals in these roles often transition into reformist politics or take positions in the Brussels think tank community or EU institutions, reducing the talent pool for domestic civic activism.
- **Emergence of grassroots organizations:** Small, voluntary grassroots organizations with limited funding, such as community foundations, have gained prominence. These groups have mobilized around significant social causes, exemplified by the Roşia Montana protests. However, this form of mobilization, often driven by anger and indignation, operates in cycles of intensity, with peaks and troughs over time. While it can generate significant momentum for specific causes, it also carries the risk of fueling populism, which may inadvertently undermine the broader democratic and reformist goals of civil society.

Summary of foreign assistance to civil society in Wave 2

Thus, the approach of foreign partners in the post-accession and early EU membership phase—focusing on civil society while also incorporating broader efforts that indirectly bolstered its role in democratization—can be summarized as follows.

The key priorities:

- Sustaining democratic institutions: Following EU accession, foreign aid indeed prioritized consolidating democratic reforms, promoting good governance, and strengthening public administration. However, the majority of financial support was funneled directly to the government. This approach was based on the assumption that EU membership inherently ensured compliance with the Copenhagen criteria for liberal democracy and that the government would be fully open to collaboration with civil society.
- Civil society and good governance: Donor priorities shifted primarily to non-EU countries in the region, focusing on strengthening civil society's capacity to monitor government actions, advocate for reforms, and promote citizen participation in governance. Romanian watchdogs and think tanks adapted by forming regional partnerships, coalitions, and sharing know-how to qualify for funding. Limited funding remained accessible for activities in Romania through competitive regional calls, such as those from the Black Sea Trust or CEE Trust.
- Judicial reforms and rule of law: Monitoring and financial support continued, especially under the EU's Cooperation and Verification Mechanism (CVM), to safeguard judicial independence, ensure accountability, and combat corruption. Civil society found an entry point by working with reformist stakeholders in the government and judiciary, lobbying Brussels for stronger conditionality, and raising public awareness about the importance of judicial reforms and anti-corruption efforts.
- Social inclusion and human rights: Donors supported social programs aimed at reducing disparities, improving the integration of Roma communities, combating discrimination, and fostering social cohesion. While significant funding was allocated through EU structural funds incorporated into the national budget, poor absorption rates and limited administrative capacity hindered efforts to address regional imbalances effectively.
- Youth and education: Increased emphasis was placed on youth-focused programs, promoting volunteerism, active citizenship, and educational reforms. The ERASMUS program, in particular, emerged as a key initiative, enabling cross-border education, skill development, and intercultural exchange - largely replacing

and significantly scaling up educational opportunities available in the 1990s via Soros and Fulbright.

The major programs and donors were:

- European Structural and Investment Funds (ESIF), with a focus on social inclusion, capacity-building, and institutional development and funds channeled through Government.
- European Economic Area (EEA) and Norway Grants, offering significant funding for civil society initiatives, social programs, and human rights projects.
- USAID continued until 2008 with a focus on civil society and anti-corruption efforts.
- Open Society Foundation and other private foundations provided continuous support for civil society development, media freedom, and human rights advocacy.

Wave 3. Polarization

Romania's increasing integration into Europe and the global sphere brought its political regime into closer alignment with international trends and exposed it to the shifting tides of global political and social developments. The global landscape underwent a profound transformation after 2013–2014, marked by the erosion of consensus around liberal democracy. This shift facilitated democratic "backsliding" in countries where institutions remained immature or reforms incomplete. While established democracies elsewhere simply changed direction towards a new model diverging from the classical “liberal democracy”, former communist countries seemed to backslide into previous stages of poor governance, weak institutions, and increased authoritarianism, as if the transition were neither complete, nor “real”, beyond a superficial copying of Western insitutions. This trend culminated in late 2024 - early 2025, with the victory of MAGA in US and the resurgence of extreme populism and anti-reality politics fueled by social media algorithms, which shake the very foundations of liberal democratic institutions.

The decline in faith in liberal democracy stemmed from multiple global factors, which have always been a strong influence in Eastern Europe - but now turbo-charged by developments around the globe. Chief among them were Russia’s ambition to resurrect as an imperial power and China’s increasingly assertive authoritarianism following Xi Jinping's ascent to leadership in 2012. In the 1990s and 2000s, Russia had endured significant upheaval after the collapse of the USSR, eventually achieving economic stabilization with rising oil and gas revenues in the early 21st century. Meanwhile, China emerged as an economic juggernaut, but it was not yet a direct challenger to global players such as the United States or the European Union. At the time, Beijing's approach was pragmatic and business-focused, cooperating with the liberal world in foreign policy and refraining from overt authoritarian expansionism. Despite the global financial crisis of 2008 and lingering socio-economic discontent, Western economies had resumed relative growth and stability by the early 2010s. During this period, neither Russia nor China had the capacity—or the expressed intent—to openly challenge the post-World War II international order. However, this equilibrium was fragile and short-lived. As the ambitions of Moscow and Beijing hardened, their disruptive potential began to ripple outward, undermining democratic consolidation in younger democracies like Romania, but increasingly so even in well-established liberal democracies in the West.

The initial turning point came with Russia's invasion of Ukraine in 2014, marked by the annexation of Crimea and the destabilization of Donbas. This had followed Ukraine's successful Euromaidan movement and its decisive pivot toward the West. For Romania and its region, these events re-established Russia's relevance, both as a credible threat and as a source of political ideas. While Russia's imperial worldview and its reliance on political coercion to maintain a "sphere of influence" predated this moment, the scale of its ambitions had escalated to a tipping point from which they could only accelerate, posing the Eastern part of Europe in immediate danger, from political subversion to military occupation.

Simultaneously, China's leadership under Xi Jinping grew increasingly authoritarian and assertive, marked by intensified domestic repression and an aggressive foreign policy. Through the Belt and Road Initiative (BRI) China sought to expand its economic and political footprint across Africa, Europe, and Central Asia. These projects, often driven less by economic logic and more by geopolitical strategy, aimed to secure dominance in key markets and, ultimately, leverage economic dependencies for political influence. China's strategy found fertile ground in countries with weak governance—an approach reminiscent of Russia's energy-driven leverage over former Soviet states and replicated in the West through initiatives like the Nord Stream pipelines. Although the extent of explicit collaboration between Russia and China remained unclear, authoritarian regimes often emulate one another, engaging in "authoritarian learning." Practices such as economic coercion, judicial manipulation, and electoral engineering spread through mutual observation and adaptation; recent scholarship examines the complex ways in which authoritarian regimes across the globe, though not necessarily sharing common ideologies, do support each others providing assistance to repress internal dissent, bypass international sanctions and economic isolation, and share surveillance technology against their own populations. The most shocking blow to the liberal democratic order came when the US, under the new Trump administration elected in November 2024, showed immediate appetite for engaging in practices very similar to authoritarian regimes, raising fundamental questions about the cohesion of the West and the resilience of the international rules-based order established in the latter half of the XXth century and largely reliant on US stewardship.

For fledgling democracies like Romania, where liberal institutions had shallow roots, the rise of Russia and China presented an unsettling challenge. Some political elites found the authoritarian model, exemplified by strong leaders with ostensibly successful economies, particularly seductive. This appeal was epitomized by figures like Hungary’s Viktor Orbán, who viewed such regimes as justifications for eroding democratic norms. Under this framework, measures such as weakening checks and balances, undermining judicial independence, and manipulating electoral laws became tools to entrench incumbents and solidify power, undermining democratic consolidation in the region. It is no wonder that Orban, as well as other figures with autocratic aspirations such as Fico in Slovakia, have sharply positioned themselves lately as adversaries of the free world and aligned fully with Putin - and now Trump. As the EU, the seemingly last remaining bastion of the free world after US went full MAGA, scrambles to consolidate around liberal democratic values, the mission of Fico, Orban and extremists is to undermine EU’s cohesion and its ability to defend itself against the Russian onslaught. For Romania, wedged in between war-torn Ukraine and Putin-Verstehers in Hungary and Serbia, maintaining political and social stability became increasingly difficult at the end of 2024. With the covert support of Russia, extremists won over a third in Parliament and almost installed a pro-Russian president. This happened both as a result of Russian interference and on the background of massive public discontent with the clientelism, corruption and poor public sector governance of the ruling coalition.

The rise of authoritarianism in China and Russia had coincided with rapid technological advancements, including the proliferation of social media networks and artificial intelligence (AI), as well as tools that facilitate mass surveillance and control. In Central and Eastern Europe, countries like Hungary also embraced Chinese technology for surveillance purposes, reflecting a troubling convergence of technological and authoritarian trends. Social media, meanwhile, became a double-edged sword, fostering echo chambers, amplifying fringe conspiracy theories, and exerting outsized influence on democratic processes—phenomena exemplified by events like Brexit and the election of Donald Trump in 2016. The takeover of Twitter (now X) by Elon Musk and its use before and after the elections in the US is the ultimate example of how manipulating social media algorithms can make anti-reality win elections and capture a democratic state.

These trends had gained momentum after the COVID-19 pandemic of 2020–2021. Prolonged isolation, heightened anxiety, and restrictive government measures fueled conspiracy theories and distrust in authorities, providing an ideal entry point for Russian influence. In Romania, the mainstream media's declining credibility led many to rely on platforms like Facebook and TikTok as their primary sources of information, exacerbating the vulnerability to disinformation[2]. Russia's full-scale invasion of Ukraine in 2022 intensified its hybrid warfare against the West. Sabotage of critical infrastructure, terrorist attacks and unprecedented disinformation campaigns aimed to weaken Western unity and undermine public support for Ukraine. Anti-Ukraine narratives, combined with fears about European energy dependence on Russia, highlighted the scale of the challenge posed by Moscow's propaganda machine.

The crisis reached paroxistic levels with the change of US leadership once Donald Trump scored a clear victory in the presidential election of November 2024. The MAGA-team, now controlling the Congress and the Supreme Court, set about overhauling and dismantling the entire political and administrative system of the US in a blitzkrieg in the first few weeks after taking power. Giving a free hand to the techno-oligarch Elon Musk and demolishing the delicate checks and balances that are the very foundation of liberal democracy in the US, the new Trump administration also reversed America's projection on the global stage by 180 degrees - with uncalculable consequences for younger democracies, which looked up to US as a model. Trump is openly aligning with Putin against Europe and Ukraine, while the EU recovers from shock and denial, oscillating between placating Trump and confronting the new anti-liberalism of American power. Particularly for countries like Poland and Romania, which had strong strategic partnerships with US on which they had relied more than on other EU countries for defense in case of Russian aggression, the change of US policy and the withdrawal of the US altogether from Europe is devastating. A new geopolitical reality in which US eagerly not only relinquishes its leadership of the liberal democratic world, but outright embraces the values of illiberalism is gradually taking shape. The immediate practical consequence of Trump and Musk's coup was that all foreign aid

[2] Twitter, now X, never had any real traction in Romania.

supplied by the US across the globe, from humanitarian to promotion of liberal democratic values, has collapsed, taking along with it also the positive soft power of US that had been built over the past 80 years, as well as its promotion of liberal democratic values, inlcuding across Europe and in Romania specifically. In exchange, US has become a major source of global instability alongside its former long-standing opponents, pushing heinous propaganda, promoting illiberal values among its former allies, threatening with trade war and territorial occupation, and bluntly interfering in others' democratic elections by openly siding with extremists. In retrospect, it is remarkable to what extent the entire liberal democratic foundation of the post-World War II global order, but also particularly with regards to countries beyond the former Iron Curtain, was underpinned by US influence — on absolutely meager amounts of money. USAID had budgets of about 40 bn USD for its entire humanitarian and democratization work across the globe (humanitarian aid being over 90%). Aid for democratization distributed via State Department, NED etc., at least temporarily frozen across the board and likely to also be cut permanently in the future, is even smaller. Thus, the US not only shifted away from the active promotion of liberal democracy, but became the anti-model, with potentially incalculable consequences for young, fledgling democracies such as Romania.

Despite their ambitions, Russia and China, and now the MAGA movement in the US, have failed to offer a coherent, internally consistent alternative to the Western liberal democratic model. Their goal is not necessarily to present a viable ideological competitor but to exploit and deepen fractures within Western liberal democratic societies. By eroding public trust in institutions, the rule of law, and liberal democratic values—including minority rights—they aim to destabilize the consensus underpinning the post-World War II international order. Instead of a unified ideology, authoritarian regimes promote a **fragmented array of narratives to challenge key pillars of the liberal world**. They champion concepts like "sovereignty" and "anti-colonialism" as counters to international law, "multipolarity" as a rejection of liberal international cooperation, "free speech" as opposed to factual information, and "might makes right" in opposition to minority protections and self-determination. Instead of proposing a utopian vision for the future, as XXth century ideologies proposed, this movement seeks to rewrite the past (revisionism) and freeze the present into perpetual resentment against imaginary historical injustices. If it were to have a name, the new ideology could simply be called anti-reality - pushed by a constant barrage of propaganda facilitated by technology (social media and AI). However, anti-reality must rely on a certain appeal to various groups in the real society, e.g. social conservatives. The rhetoric about the "traditional family" as an antidote to LGBTQ+ rights resonates globally, forging unlikely alliances with conservative networks in Western societies, from religious organizations to intellectuals on the right. So too the appeal to racism, mysoginy, or criminality mobilizes certain social groups who have now a legitmized channel to vent resentment in the open.

This ideological assault has driven sharper divisions between political extremes on both the left and the right, further polarizing societies. Moderates find themselves caught in the crossfire, struggling to defend the liberal democratic consensus against a cacophony of

competing and destabilizing narratives. Through these efforts, **authoritarian regimes exploit the very freedoms of open societies** to weaken their resilience from within.

Self-serving politicians in the West have long exploited the attacks on liberal democracy orchestrated by China and Russia to consolidate power, often at the expense of democratic norms and sometimes for personal gain. Viktor Orbán's term "illiberal democracy," introduced in a 2014 speech at a political summer school in Romania, is a telling example. These leaders engaged initially in transactional politics, offering their constituencies "cheap energy" and identity-based rhetoric in exchange for freedoms and the rule of law. This trend is not accurately described as "backsliding." While it may resemble a return to poor governance in CEE, it is better understood as **another facet of globalization**, reflecting the region's increasing alignment with broader Western trends. As the US took a U-turn in early 2025, it is astonishing to watch illiberal actors in Romania and the region suddenly professing pro-American allegiance - and turning their guns to attack Europe. It its turn, Europe is gradually recovering from the shock of finding itself in the leading position of the liberal-democratic camp, while being challenged also from within by rogue actors such as Orban, Fico and political parties at both extremes. Elections in 2025 in Germany, Romania, Czechia thus became outright existential for European unity. So far, it is unclear whether the aggressive support by malign foreign actors such as Elon Musk or Russia and China via social media, probably matched by covert financing of communities in the offline, would succeed in dividing Europe and demolishing the last bulwark of liberal democracy; there are signs also of an opposite consolidated reaction, both in European politics and societies.

Romania was not immune to the global drift toward illiberalism and authoritarian tendencies of the past decade. On the contrary, various segments of society and factions within the public administration—spanning the judiciary, secret services, and local governments—found alignment with ideas circulating globally. The intensity of these evolutions mirrored regional and global trends. **Several important developments** stand out.

Extremist and anti-system ideas with roots in the past

While Romania's accession to the EU and NATO helped "clean up" some institutions like the military, secret services, and public administration, these reforms were only partial. Elements of the former communist *nomenklatura* and Securitate remained, retreating but not disappearing entirely. According to informal accounts from experts involved in the negotiations, the "lustration" of intelligence services was superficial at best. For example, the Romanian Intelligence Service (SRI) demoted some of its previous generals, while the Foreign Intelligence Service (SIE) resisted any such efforts outright. By 2012, retirees from the Securitate were publicly active, organizing protests or publishing "lists of undesirable intellectuals." These efforts were on the fringe at the time, with little public traction; today, they look much more sinister, as "blacklisting" is already gaining speed in neighboring Hungary and is called for also by Romanian extremist politicians ahead of elections they still stand a good chance to win. Similarly, extremist gatherings commemorating interwar far-right movements (*Legiunea*) or revisionist (unionist) events organized by figures like George Simion had limited appeal but were tolerated, if not tacitly encouraged, by

authorities. As it turns out from recent investigations of Romania's authorities in Russia's influence networks, there has been a long-standing fight behind the scenes between pro-Russian and pro-Western factions in Romania's state apparatus, and the fight has just become openly visible.

The rise of the extremist AUR party during the COVID-19 pandemic brought these undercurrents to prominence for the first time in 2020. AUR's initial funding came from individuals linked to the Securitate, highlighting the persistence of ultranationalist and xenophobic ideas rooted in both Ceaușescu-era propaganda and older interwar extremism. These currents had lingered in various circles, from retrograde academics and Orthodox priests (many with careers dating back to Ceaușescu's time) to soccer fan groups.

Mainstream parties, particularly the PSD, frequently employed economic nationalism to justify poor governance, promoting measures like overtaxing foreign investors, resisting energy market liberalization, favoring local oligarchs over foreign businesses, and opposing EU criticism - and normalized extremist ideas in the process. During the pandemic, social media-fueled radicalism amplified these narratives, allowing fringe ideas to coalesce into a political force that ultimately gained parliamentary representation. Extremist politicians, seen as more authentic and consistent in their messaging, outshone mainstream parties attempting to adopt similar rhetoric, proving that "people prefer the original, not the copy."

Russia, or the local incompetence and corruption?

On multiple occasions, government policy decisions in Romania in the past decade raised questions about whether they were driven by local corruption or influenced by Russian interests. The energy sector provides some of the most notable examples. For instance the decision to delay the liberalization of the gas market in the 2000s and 2010s was publicly framed as economic nationalism, allegedly to protect local industry, particularly a major oligarch in the fertilizer sector. However, it also aligned with Russia's interests by preventing Romania from achieving energy independence and becoming a regional competitor to Gazprom.

Similarly, Prime Minister Victor Ponta's moratorium on shale gas exploration, introduced in 2013 after becoming PM, was justified as a response to public protests and framed as a populist measure - though it was possibly a strategy to strong-arm Chevron for side-kicks, as he signalled immediate willingness to lift the ban to support the country's energy independence. Yet, his inconsistent moves also effectively blocked the development of shale gas by a U.S. company, potentially benefiting Russia by limiting Romania's energy diversification. Notably, similar protests in Bulgaria were demonstrably fueled by Russian influence, raising questions about whether the Romanian protests were equally manipulated. Finally, the imposition of steep taxes on offshore gas projects in 2018 was presented as a populist effort to maximize public revenue. However, the move significantly discouraged investment, particularly from Exxon, in the Black Sea gas reserves. Whether this outcome was the result of short-sighted populism, or an attempt to extract rents, or deliberate interference to block Western energy companies remains unclear. Such policy choices, often

cloaked in economic nationalism or public interest narratives, left room for speculation about whether they served domestic political interests or aligned with broader geopolitical agendas, particularly those favoring Russian influence.

Thus, the political consensus of 1995 which clearly anchored Romania on a pro-Western track made politically unacceptable a pro-Russian stance aknowledged in the open; if certain elements of the state remained connected to Russian interests since, this was carefully hidden from the public view. It was only after the cancellation of the presidential elections in late 2024, and after two months of relative silence, that public authorities in Romania pushed through in late February a massive effort to reveal and dismantle deep Russian connections within the Romanian state and society. The very existence of such ties came initially as a shock to Romanian public opinion, but illustrate that the pro- and anti-Russian forces inside state institutions were of comparable weight.

The anti-anti-corruption motive

As from 2010 to 2019 Romania's judiciary increasingly convicted high-ranking politicians, magistrates, civil servants, and businesspeople, and as judicial independence remained a priority for Brussels, key government figures—while ostensibly pro-Western and pro-EU—began adopting rhetoric centered on "sovereignty" and resisting perceived interference from the EU. Phrases like "no colony of Brussels" and economic nationalism became hallmarks of this discourse, particularly under anti-reformist governments, primarily led by PSD but also, to a lesser extent, by parties like PNL.

Prime Minister Victor Ponta (PSD) exemplified this trend. While professing alignment with EU values, he simultaneously cultivated relationships with authoritarian regimes. This included signing a 2013 Memorandum with China to develop infrastructure projects under the Belt and Road Initiative, attending the Sochi Olympics, and participating in the European Games in Baku, events hosted by authoritarian leaders. These actions highlighted a dissonance between the government's pro-European posture and its tacit endorsement of illiberal and autocratic practices, undermining Romania's judicial reforms and democratic consolidation. It is no wonder that, alongside candidates from the extremist parties such as Simion, in 2025 Ponta vigorously signalled alignment with the new US Trump administration. His example, as well as others, illustrate that even allegedly pro-Western political parties PSD and PNL were quite permeable to Russian influence - and that Romania's path to liberal democracy, as opposed to *Russki Mir*, should never have been taken for granted.

The big tent of anti-system protests

After 2014, Romania saw the emergence of alternative civil society models claiming a right to voice and recognition, many aligning with socially conservative, nativist, and anti-globalization sentiments. These grassroots movements often had diverse motivations and participants, with origins traceable to the *Roșia Montană* protests, which united individuals with varying grievances. Subsequent protests reflected this diversity: in 2014, demonstrations arose against barriers to diaspora voting during presidential elections; in

2015, the *Colectiv* tragedy sparked outrage over corruption and poor governance; in 2016–2017, protests targeted attempts to weaken the judiciary and block anti-corruption measures; and in 2018, large-scale protests condemned PSD's governance, particularly efforts to grant politicians immunity from prosecution.

All these events brought together disparate groups—pro-West liberals, hard-left activists, right-wing nationalists, soccer fan clubs, and more—creating a broad coalition united against PSD, which had held power for much of the decade. The PSD's measures, from restricting diaspora voting to passing controversial legislation shielding politicians from prosecution, catalyzed widespread anger and mobilized this diverse civic movement. The protests succeeded in achieving mass participation precisely because they transcended ideological lines, attracting intellectuals alongside radical soccer fan groups. However, the porous boundary between civil society and politics meant that this mobilization also fueled the rise of anti-system parties, amplified anti-system rhetoric, and contributed to societal radicalization; again, this type of resentment is an easy entry point for potential Russian influence. Anger at the incompetence and clientelism of public administration further deepened the divide between an increasingly progressive society and a retrograde political elite, heightening tensions across the political spectrum. It contributed to the deterioration of trust in democratic institutions and values.

The growing influence of intelligence services

After 2014, with the election of President Klaus Iohannis, Romania's intelligence community gained increasing powers, continuing a trend that had started under President Traian Băsescu but became more pronounced over the past decade. Under the pretext of fighting corruption, and due to the failure of civilian structures to maintain control, the intelligence community expanded its influence, particularly in surveillance and interference in prosecutorial work. Although some measures to enhance intelligence powers were blocked, such as by rulings from the Constitutional Court, anticorruption prosecutors increasingly relied on intelligence agencies to gather evidence for high-profile cases.

This growing influence led to societal divisions. Some citizens prioritized efficiency and rapid results in prosecuting corruption, while others viewed unchecked intelligence powers as a serious threat to democracy. Unrealistic public expectations further compounded the issue, with many assuming that anticorruption efforts alone could solve systemic governance problems—an easier alternative than assuming civic responsibility through voting or active opposition. Responding to public pressure, both prosecutors and intelligence services occasionally overstepped their roles, whether from genuine intentions or authoritarian impulses.

Civilian oversight of intelligence services remained ineffective. Parliamentary committees tasked with monitoring these agencies were largely symbolic, with members often appearing more aligned with the services than as independent overseers. Meaningful discussions or criticism of intelligence activities were absent, leaving their operations opaque. Adding to the problem was a new patronage scheme involving academic

qualifications obtained in "special" institutions. Increasing numbers of government officials, parliamentarians, and civil servants became graduates of universities tied to the intelligence or military communities, earning degrees—bachelor's, master's, or doctoral—that served as a prerequisite for occupying key positions. This trend became so widespread that securing such a degree appeared essential for advancement, further entrenching the influence of the intelligence community in Romania's governance structure.

Bigger budgets, more clientelism

Economic growth in Romania led to a significant increase in resources available for the national budget. While EU funds are subject to stringent oversight and audits by EU institutions to prevent misuse, national budgets are regulated solely by domestic checks and institutional supervision. This disparity created opportunities for less transparent financial practices. One persistent issue, as explained above, has been the discretionary allocation of central budget funds to local administrations for infrastructure projects such as utilities and roads. This practice, ongoing since at least the 2000s, intensified with larger sums available, reaching up to €30 billion allocated for between 2020 and 2030. The mechanism is straightforward: the central government distributes funds to local authorities in a non-transparent manner. These funds are then contracted to favored construction companies, establishing a patronage network that links central and local governments with segments of the private sector.

This approach has a dual negative impact. First, the substantial national budget resources crowd out EU cohesion grants, which require stricter compliance and controls. Second, the lack of transparency and accountability fosters inefficiency and corruption, undermining the potential for equitable and effective infrastructure development. This systemic issue highlights the risks of unchecked national budgetary practices, particularly when resources exceed those provided through EU mechanisms.

Adverse selection and privileges in the public sector

The continued deprofessionalization of Romania's public sector, which began after EU accession, has significantly accelerated in recent years. Romania reverted to entrenched practices of patronage and clientelism, which had been only partially curbed by external pressures from Brussels. Following the end of the IMF, World Bank, and EU post-crisis recovery programs of 2009–2013, patronage systems regained full force, leading to the rapid counterselection of key personnel across ministries, agencies, and central and local administrations. Patronage mechanisms proved self-reinforcing, as each group consolidated its own privileges by leveraging available resources and excluding others.

One of the starkest examples of this dysfunction is within the judiciary, where magistrates have pursued lawsuits for higher pay and pensions—cases that are then adjudicated by fellow magistrates. Politicians, seeking judicial support, approved laws enabling early retirement in the mid-40s, granting "special" pensions outside the contributory scheme, and other dedicated privileges. These measures have created not only a massive budgetary

burden—amounting to almost 1% of GDP—but also widespread inequities and public discontent.

Politicians, learning from the experiences of Hungary and Poland, moved cautiously to curtail anti-corruption efforts, adopting a gradual, less conspicuous approach to avoid triggering public outrage. Legislative changes included altering the competencies for investigating judicial corruption, creating perverse incentives and allowing leverage over inconvenient prosecutors and judges. Simultaneously, the creeping capture of the Superior Council of Magistrates by anti-reformist factions further eroded judicial independence. This led to a sharp decline in high-profile corruption cases, effectively dismantling one of the primary mechanisms for addressing public anti-system anger—convictions of corrupt officials. As frustrations grew, the perception of a society divided into two castes—privileged "specials" and ordinary citizens—became increasingly entrenched. Combined with political arrogance, lack of accountability, and glaring incompetence, these factors contributed to an explosive social climate that culminated in a political crisis by 2024. What is most concerning is that even after the unthinkable happened – the victory in the first round of the elections of a fringe candidate – the response of the state, the arrogance of key political players, the lack of accountability and the impunity of all decision-makers responsible for the situation continued to build the tensions in society that could trigger an even worse explosion in 2025.

This risk is further compounded by the new developments across the Atlantic, where the new US administration's blitzkrieg against checks and balances is eerily reminiscent of Romania's experience of the presidential impeachment in 2012 to take control of the judiciary. Given the power of example, a radical political majority that could have taken shape if presidential elections in May 2025 brought an extremist to power would be much more inclined to copy the US, as this time there will be encouragement instead of pushback from Washington DC. An outright chilling fact is that the Trump team openly supported extremist parties and candidates in Germany and Romania, while pressuring Romania's government to interfere in the judiciary to free the infamous Tate brothers, US citizens charged with rape and human trafficking, but MAGA supporters. The US also signals to Russia it could withdraw its troops from Eastern Europe, shows more openness to China than to its Western allies, and has turned against Ukraine.

However, this brutal interference and the shock at US's U-turn also caused a backlash across all Western allies, from Canada to Germany and France and to Romania. For the time being, it has clearly galvanized Europe into being more cohesive and determined on building strategic independence and military prowess; it limited the gains of the extremes in German elections; and it was probably a key trigger for Romania's high profile investigations in early 2025 concerning Russian networks, interference in the elections of 2024 and plans for an outright state coup. Despite the shocking results in the first round of the presidential elections in May 2025, with the extremist and pro-MAGA candidate securing a clear win against the reformist, the second round mobilized a significantly higher number of voters as a backlash to the anti-reality ideology. Equally importantly, though, in

both November 2024 and in May 2025, the electorate gave a clear vote of no confidence to the main parties. Two thirds voted against PSD and PNL and eliminated from the second round all the candidates, formal and informal, of the two parties currently in government.

Case Study: The Rise of Călin Georgescu

The presidential elections in Romania in November 2024 appeared to be a "black swan" event: an independent candidate, seemingly emerging from obscurity, won the first round and seemed poised to become the next president—until the Constitutional Court annulled the elections just two days before the second round. Călin Georgescu, the candidate in question, was a fringe figure who promoted conspiracy theories, ultranationalist rhetoric, and New Age concepts, while successfully projecting an image of competence to an audience unable to make sense of his convoluted speeches. However, Georgescu's rise and fall are not anomalies; instead, they expose the structural weaknesses and challenges facing Romania's liberal democracy.

Călin Georgescu is far from a newcomer. On the contrary, he is a representative of the "old guard" of the Communist Party, groomed and promoted by the pre-1989 elite to various positions of power even before the fall of communism. His rhetoric is essentially a distilled version of the nationalist propaganda of the 1980s, itself partially rooted in the far-right extremism of the 1930s. It includes exaggerated nationalism, ancestor worship, fabricated historical narratives asserting Romanian genetic superiority, and incoherent far-right philosophies interspersed with outlandish conspiracy theories and feel-good self-help platitudes, all professionally packaged. Georgescu parroted Russian propaganda with his irredentist claims that Romania should seek the return of a part of Ukraine, and his positions are presented by Russian propagandists to domestic audiences as Romania's foreign policy priority.

Georgescu's success was built on the complete discrediting of Romania's political class over the past decade. While the anti-system vote was initially directed toward the reformist, liberal USR party in 2019–2020, the pandemic provided fertile ground for far-right extremists to capture this sentiment. The right-wing AUR party garnered 9% of the vote in the 2020 elections, primarily appealing to those most affected by pandemic restrictions. Many of its voters had previously supported USR, particularly in the diaspora. This shift toward extremist parties accelerated after USR's brief stint in government during 2020–2021, where it lost its anti-system appeal by assuming responsibility for unpopular pandemic policies, such as managing the vaccination campaign.

The unnatural coalition between PSD (Social Democrats) and PNL (Liberals) further eroded public trust. PNL and President Klaus Iohannis had campaigned on an anti-PSD platform but later formed a supermajority coalition with their former rivals, alienating their base. Many voters saw this as a betrayal, reinforcing the belief that political parties and their leaders were merely puppets of the intelligence services. What is more, George Simion, the leader of AUR, is likely himself a creation of the intelligence services, designed to scare the electorate into voting for a "coalition for stability" between PNL

and PSD. All these factors fueled the rise of more radical figures, with segments of AUR's base shifting toward "authentic" personalities like Diana Șoșoacă and Călin Georgescu.

Georgescu's campaign mobilized over two million votes, achieved through a combination of online and offline strategies. Media investigations revealed several key factors behind his success:

- Russian Influence: Russian funds financed a large-scale advertising campaign on TikTok, exploiting the platform's vulnerabilities to hyper-viralize content. But a part of the campaign was also financed by a "pro-European" party, the liberals (PNL), hoping to push their own candidate in the second round by having Georgescu gain a share of Simion's supporters. In addition, there are media investigations indicating that Georgescu's campaign benefitted at least campaign know-how from MAGA figures.
- Sleeper Accounts: Thousands of seemingly benign social media accounts, previously posting cat videos or cooking tips, suddenly began sharing pro-Georgescu messages, achieving massive outreach on platforms like TikTok and Facebook.
- Far-Right Connections: Georgescu maintained ties with individuals linked to far-right extremism, including a figure organizing a Wagner-style mercenary army in Congo and paramilitary camps for children. His entourage also included individuals associated with interwar fascist celebrations.
- Telegram Coordination: Campaign logistics were managed through Telegram, an unpopular platform in Romania, further hinting at Russian involvement.
- Activated Networks: Grassroots groups and figures with unrelated profiles were suddenly mobilized to support Georgescu. Examples include a cult-like cooperative organizer targeting professionals, an engineer reputed for "inventing incredible technologies," taxi drivers in Bucharest who uniformly promoted Georgescu to customers using scripted messages, as well as many others.

Despite the professionalism of Georgescu's campaign, the Romanian state's response was an utter failure, suggesting either penetration by Russian interests, unparalleled incompetence, and outright active support for political gains, grossly miscalculating the end-result. Key failures included:

- Lax Oversight: The Permanent Electoral Authority failed to investigate Georgescu's campaign funding, allowing him to claim a zero-budget campaign without scrutiny, while favoring also law violations by the incumbent coalition.
- Constitutional Court Controversies: In the lead-up to the second round, the Court made decisions widely perceived as favoring PSD/PNL, including:

    - Disqualifying Diana Șoșoacă based on interpretations of her behavior, likely to ensure George Simion's advancement as Marcel Ciolacu's opponent.
    - Ordering a recount of first-round votes based on minor irregularities but validating the results before the recount was completed.
    - Ultimately canceling the first round entirely without clear justification, extending President Iohannis's mandate beyond constitutional limits.
- Intelligence Failures: No warnings came from intelligence agencies, police, or organized crime prosecutors regarding Georgescu's networks. It was only after investigative media and NGO reports exposed the situation that President Iohannis convened the Supreme Defense Council, where intelligence agencies largely repeated publicly available information.
- Election Monitoring Restrictions: NGOs were barred from observing the recount, and court challenges were either dismissed or delayed until after the recount had concluded, further undermining trust in the electoral process.

In stark contrast, the Republic of Moldova held a referendum and presidential elections two months prior to Romania's, also facing significant Russian interference. Moldovan authorities responded decisively by investigating media reports, dismantling bribery networks, and safeguarding the electoral process, preserving public confidence in their institutions. Romania's failure to do the same highlights the vulnerabilities in its democratic system and the challenges of countering hybrid warfare. As the Romanian Constitutional Court cancelled the elections in an unprecedented move, and given the pressures of the US administration on Romania as elsewhere to allow fringe candidates to run, the risk that the rerun of the elections in May 2025 would lead to a windfall victory for Georgescu was increasing.

After the botched elections there followed two months of apparent silence - in which the former president Iohannis continued his previous mandate, the former prime minister Ciolacu was reconfirmed as PM, and everything seemed to settle in an abnormal business-as-usual despite the electorate clearly voting en masse primarily against these two wildly unpopular figures and their behind-the-scenes power games with support from the intelligence against electorate's preferences. However, after the resignation of president Iohannis in early February (prompted by the prospect of a shameful impeachment by the extremists), and, most importantly, after the repeated US interference, there was a sudden opposite reaction. In late February-early March, a series of high-profile investigations of the Romanian prosecutors revealed dubious connections between Georgescu and a far-right, Wagner-like mercenary group leader; stronger evidence of links with Russia; as well as complicities with Russia from a group of individuals who intended to organize a coup to take over power in Romania. The head of the Electoral Permanent Authority was also dismissed, at least partly because of his connections to Georgescu and the Authority's failure to investigate campaign financing.

The picture taking shape recently, at least in the public opinion, is that in reality the commitment to full Westernization was not unanimous among state institutions, and that for the first time the conflict between pro-West, pro-Russian factions in government now erupts in public view. So far, it is unclear to what extent the investigations will lead to an effective "cleaning up" of the Romanian state from Russian influence or if, on the contrary, the pro-Russian faction would prevail after elections in May, if an extremist candidate were to win. While the powers of the president are rather limited, the election of a pro-Russian candidate in May (whether "true believer" or opportunistic) could easily reshape the Parliamentary majority and the government of the country into an effectively pro-Russian one.

The second round of the elections in May pitted two new figures against each other: the reformist Nicușor Dan, founder of USR, and the "mainstream extremist" George Simion, president of AUR. Simion sought to build a larger base appealing both to the regular moderate "anti-system" voters, and to the radicalized Călin Georgescu base. The strategy ultimately failed, as Simion's inconsistencies of messages for his different target groups became apparent. However, also in the May 2025 elections there was significant manipulation of social media; extensive, vitriolic disinformation; and massive grassroots mobilization, particularly in several countries with large Romanian diasporas. The fact that a victory for the extremist candidate would have tipped the overall political balance is evident from the mass migration of MPs from one extreme party (POT) who became „independents" and the resignation of the PM. This would de facto allow the new president to shift the Parliament majority accordingly – to the extreme, if Simion were to win, or to the moderate, if Dan were to win.

Foreign support for liberal democracy

After 2014, external support for liberal democracy in Romania largely waned. The mechanisms of conditionality, which had previously constrained the public sector from reverting to patronage and clientelism, became ineffective, especially as growing national tax revenues provided significant funding for the budget amid economic growth. The Cooperation and Verification Mechanism (CVM), once a key tool for ensuring judicial and governance reforms, lost its impact after 2015 and was permanently abolished for both Romania and Bulgaria in 2023. This occurred despite clear signs of backsliding in the judiciary, including poor appointments to key positions for prosecutors and judges, as well as legal changes that undermined judicial independence. These developments resulted in a noticeable decline in high-profile investigations and convictions. At the same time, societal frustration grew due to increasing inequities, such as the controversial special pensions and privileges granted to intelligence officers, politicians, and the military. Rampant clientelism in appointments—ranging from ministries and regulatory agencies to state-owned enterprises—further exacerbated the problem. The diminishing effectiveness of anti-corruption efforts fueled public anger, contributing to the volatile environment that ultimately exploded during the presidential elections of 2024.

In recent years, particularly after 2020, international partners such as the United States and the European Union became increasingly aware of the deterioration of liberal democracy and the shrinking civic space in new EU member states. This heightened attention followed the significant deviations of Hungary and later Poland from the Copenhagen criteria, with countries like Slovakia also beginning to exhibit similar trends. However, the EU's response has been limited. The Union operates on principles of cooperation among member states that initially met the Copenhagen criteria upon accession. Crucially, punitive measures against non-compliant states require unanimous approval from all other members, complicating efforts to address democratic backsliding and virtually making an effective response unfeasible if backsliding takes place in more than one country at a time – which is precisely the situation now. The case in point is the by-passing of Hungary on Europe's joint defense efforts in early March 2025 - requiring de facto the establishment of a "coalition of the willing" instead of unanimous Council decision.

Romania, meanwhile, has often been perceived as "not as bad as Hungary" and, following Russia's full-scale invasion of Ukraine, as a relatively stable and loyal partner in supporting EU efforts to aid Ukraine - at least up until the elections at end-2024. This perception contributed to **a lax response from Brussels**, with early signs of democratic deterioration being overlooked or tacitly condoned. These factors also explain why the CVM was discontinued at a time when Romania's judiciary had clearly lost momentum in maintaining independence and effectiveness.

It is also worth noting that, after 2014, Brussels lost much of its already limited leverage to prevent member states from deviating from the Copenhagen criteria they committed to upon accession. The European Commission (EC) faced numerous external distractions, including global crises such as the pandemic, Russia's war in Ukraine, geopolitical uncertainties regarding the U.S. and China, climate change, and migration. Simultaneously, internal challenges arose, with Hungary's Viktor Orbán openly defying the fundamental principles of liberal democracy enshrined in the EU's constitution and framing his opposition as a public stance. Given these pressures, the EC was forced to "pick its fights," which had significant implications. This is precisely why Romania's CVM was revoked in 2023, despite clear evidence that the judiciary had ceased functioning effectively. Similarly, leniency was shown regarding the use of EU funds, including the NRRP (National Recovery and Resilience Plan), even though key conditionalities were only partially met. These compromises underline the necessity of building robust internal mechanisms within member states to counterbalance the EU's diminished capacity to enforce compliance with democratic standards.

These vulnerabilities become increasingly stark as the new US administration openly aligns with the Kremlin into undermining Europe. Orban and Fico got an unexpected boost from Washington to accelerate their autoritarian drive, with Orban openly supporting legal retribution against civil society, political opposition and media that had received funding from USAID or other American foreign aid. There are signs of increasing coordination between illiberal regimes and actors in Europe and the US new administration, with the

explicit purpose to demolish EU and its liberal democratic institutions[3]. The acceleration of autoritarian tendencies in neighboring countries further isolates Romania from the rest of the EU and may tip the country in the illiberal camp altogether. Georgescu, who could have become the country's next president (and if not himself, Simion with Georgescu's endorsement), also vowed to "dismantle the Soros network". Any pro-Russian who could have won the election was certainly going to pick up a similar rhetoric and put it into practice at the earliest convenience. With the moderate Nicușor Dan winning the election, some of these tendencies will likely be more muted. However, Romania is bound to face turbulent times ahead with continued Russian interference and a large share of extremists in Parliament, including from mainstream parties, undermining a pro-European government.

Civil society developments with domestic and foreign assistance

As mentioned earlier, a new type of civil society began to emerge after 2013–2014, characterized by grassroots movements easily activated through online platforms for protests or specific actions. Examples include Facebook groups organizing transportation for diaspora voters to polling stations, coordinating volunteers to assist the elderly during the pandemic, and raising humanitarian aid for Ukrainian refugees. This new civil society also encompasses a wide array of civic communities, including charities and fundraising initiatives for social causes, self-help groups, cooperatives, but also "sects," groups operating on multi-level merketing models (MLM) and even extremist movements, such as those organizing illegal commemorations of interwar far-right figures.

As explained previously, this civil society developed spontaneously, combining the virtues of 1990s movements like the Civic Alliance with the more insular, highly cohesive, and strongly motivated structures typical of closed-group organizations. The proliferation of social media and the pandemic, which accelerated the replacement of in-person social activities with online interactions within increasingly isolated "bubbles," significantly contributed to polarization and radicalization.

It is important to note that this type of civil society is heavily reliant on volunteering, which presents both advantages and disadvantages. On the upside, such a model can be sustainable for "emotional" causes that resonate deeply with individuals, enabling quick mobilization for activities where people are willing to dedicate their free time. This includes efforts such as cleaning up beaches or forests, assisting refugees, or providing aid to victims of natural disasters. On the downside, the same mechanism can be leveraged for harmful or destructive causes, including extremism and even terrorism, provided the group members are sufficiently motivated. This type of civil society facilitates engagement in activities driven

[3] For example, increasing coordination between Heritage Foundation, the think tank underpinning US policy under the Trump administration, and GONGOs from Hungary and organizations linked to Poland's former PIS government: https://vsquare.org/heritage-foundation-mcc-ordo-iuris-russia-european-union-european-court-of-justice/

by passion and emotional commitment, but often without critical reflection or thorough analysis. It excels at rallying people to act from the heart, but not necessarily with the mind. Consequently, tasks requiring expertise, careful consideration of consequences, or sustained effort beyond spare time—such as policy development, specialized technical input, or strategic planning—cannot be effectively accomplished within this framework of volunteer-driven mobilization. What is more, collective actors from the first camp could be mobilized through aggressive disinformation operations in violent mobs against the latter - not only virtually on social media, but also in real life.

At the same time, previously-established forms of civil society—such as think tanks, watchdog organizations, advocacy groups, social service providers, and independent investigative journalism—continued to exist. However, their presence in the public space steadily declined in importance as they grew increasingly feeble, and lately even more so as turbo-charged mobs flooded the public discussion with propaganda further viralized on social media. Limited resources, reduced public engagement, and the overshadowing influence of newer, grassroots movements contributed to their diminished impact. These organizations struggled to maintain their relevance and visibility in an environment dominated by rapid, emotionally-driven mobilization and an increasingly polarized society.

For the past decade, there was a notable decline in financial support from all sources for activities that struggled to gain sufficient traction from local constituencies. These included think tanks, watchdog organizations, and independent media. Several factors explain why these activities failed to garner adequate local support.

Mass media. The prevailing expectation has been that the media should operate as a profitable business, with journalists serving the public interest while financial management handles the commercial side, maintaining a strict separation from editorial policy. This model, which worked until the 1990s, is no longer viable even in well-established democracies - as the case of Jeff Bezos' Washington Post clearly showed before elections and in the early weeks of Trump's presidency. In Romania, the media landscape is dominated by TV and radio stations or online news outlets owned by local oligarchs. These outlets are not run for profit but are instead tools for extracting various benefits, and so are willing to take losses in exchange for other kinds of benefits to their owners. Such benefits include blackmailing adversaries, pressuring politicians to pass favorable legislation, or intimidating prosecutors and judges handling cases against the oligarchs who own the media and their friends.

Since 2020, new distortions in the media landscape have emerged. During the pandemic, TV and radio stations received government subsidies ostensibly to disseminate public health information. However, this funding led to both censorship and self-censorship, as journalists avoided content that might upset their state sponsors. On the other hand, while they aired the pro-vaccination ads during the commercial breaks, some media channels engaged in anti-vaccine rhetoric during the programs, and these messages were far more organic and effective. Additionally, starting in 2018, major political parties began receiving substantial government subsidies, which became their primary source of funding. A significant portion of these subsidies was spent on propaganda, including paid media presence and advertorials,

often not clearly marked as such. Between 2020 and 2024, these expenditures ranged from €10 to €20 million annually, further distorting the media market.

To exacerbate matters, political parties were allowed to recover campaign expenditures from the state budget if they gained parliamentary seats. This loophole facilitated innovative and highly effective money-laundering schemes. For instance, one television owner lent money to a political party, which then used the funds to pay for advertising on the owner's channel. Once the party secured seats in Parliament, it reimbursed itself using the state subsidy, effectively cycling public funds back to private pockets[4]. These practices have further eroded the integrity and independence of Romania's media.

In recent years, the independence of media in Romania has been further challenged by actors in the business sector, particularly in gambling and real estate. The gambling industry has invested heavily in media and politics to secure permissive regulations, ensuring that casinos and betting outlets can operate without restrictions, and allowing unregulated outdoor and online advertising. Similarly, some real estate developers have funded media outlets to pressure local authorities into granting construction permits, even when such permits violate the law.

The influence of these industries extends beyond financial incentives. *Strategic lawsuits against public participation* (SLAPP) targeting media outlets and civil society organizations have become increasingly common, particularly from powerful players in gambling and real estate. These companies are often represented in SLAPP cases by party members or retired politicians whose significant authority and influence over prosecutors and judges is reflected in the outcomes of some lawsuits. These include rulings imposing massive fines on journalists and even decisions to permanently shut down watchdog organizations.

Independent journalists, especially those outside Bucharest, face immense challenges. In smaller towns, where local politicians often function as de facto barons with outsized influence, ethical journalism struggles to compete. Journalists who refuse to compromise their principles often face personal liability in SLAPP cases, threats from the subjects of their investigations, and lower wages compared to those working for outlets that sacrifice integrity. These pressures, combined with unethical practices by other media, have severely tarnished the public's trust in journalism. Even the few independent outlets employing professional, integrity-driven investigative journalists report that the damaged reputation of the profession negatively affects them as well. Recently, the practice has extended also to politicians initiating SLAPP cases against civil society. The minister of energy openly called on state owned companies in his subordination to ask for damages in courts from CSOs whenever these challenge energy projects on environmental grounds. Thus, the state owned Romgaz, partner in a major gas project in the Black Sea, effectively requested the dissolution of Greenpeace Romania; the organization is nowadays showcased as promoting pro-Russian interests to block gas production. This trashes the reputation of environmental

[4] This case was however blocked by the Permanent Electoral Authority: https://balkaninsight.com/2024/10/07/romanian-election-body-refuses-to-pay-far-right-partys-campaign-expenses/

CSOs in general, and the claim is quite popular, though the ministry or any other public institution have failed to produce any credible evidence in support of the alleged Russian interests related to Greenpeace.

The few remaining "clean" media outlets are sustained primarily through individual donations and grants from external donors, often operating as civil society organizations (CSOs). However, the business sector remains highly reluctant to support investigative journalism due to fears of political repercussions. Meanwhile, individuals willing to sponsor media content tend to favor emotionally charged or sensational formats over well-researched investigative reporting. This creates a funding imbalance, with figures such as former journalists filming themselves confronting "corrupt politicians" or TikTok influencers expressing political opinions during DIY makeup tutorials attracting significantly more financial support from public donations and social media advertising. These trends underscore the increasing difficulty of sustaining ethical and professional journalism in Romania's current media landscape (though Romania is not unique in this respect).

Perhaps even more importantly, both mainstream media and independent investigative journalists and news outlets have been displaced to a substantial extent by social media as primary sources of information in recent years. The polls on the subject, which suggest that about half the population still get their info from TV and about a third from social media, could be misleading. Even when people do not necessarily consider themselves that posts and clips from social media are their main sources of information on political topics, repeated exposure to the same narrative shapes their views. This is at least one of the reasons why Călin Georgescu's online campaign was quite impactful despite him being virtually ignored by mainstream media before November. Also, in the era of social media and non-transparent algorithms, independent news outlets and investigative journalists, who target an online audience for convenience and lower costs, find themselves marginalized to a minimal audience, unable to compete with influencers who go viral. Apart from the financial constraints, this is a strong demotivator for journalists engaged in in-depth, professional reporting and investigation, who are also exposed to risks in an increasingly hostile environment.

Watchdog organizations, think tanks, other CSOs. Here too the expectation is often that the general public should be the primary constituency for NGOs such as think tanks and watchdogs, benefiting from their work and providing the financial support to sustain it. However, the reality in Romania differs significantly. Businesses tend to avoid sponsoring initiatives that might be perceived as "adversarial to the government," (even more so when the government engages in extractive practices or targets businesses with populist measures); while the general public is more inclined to donate to emotionally charged causes, such as charities. As a result, the few think tanks and watchdog organizations still active have adopted a survival strategy combining multiple approaches: relying on EEA/Norway grants when available (three years of funding, followed by gaps of four years without); working in non-EU countries where donor funding from entities such as the EU and the US is more prevalent (much like Romania before its accession); and supplementing

their income by taking on two or three additional professional jobs. Many former think tank professionals have transitioned into politics, particularly during the brief technocratic government of late 2015/2016, or later joined reformist parties. However, analytical work, including policy analysis and recommendations, demands dedicated time and focus. Such work cannot be performed effectively in spare hours, and time spent on these activities comes with significant opportunity costs.

The relevance of think tanks and watchdogs is also declining, driven by the shrinking public attention span and the reduced visibility of truly professional media. A paradox of the modern information age is that lies are readily available to the reader for free, being produced and distributed at the expense of those directly interested in creating an anti-reality, whereas debunking the lie and searching for the truth is costly for the journalist or researcher and often behind a paywall for the reader. Nevertheless, effective policymaking—based on rigorous analysis rather than populism or political sloganeering—is more crucial than ever, especially in the face of widespread deprofessionalization within the public sector. To address these challenges, civic education that fosters an understanding of government functions, coupled with media literacy and critical thinking, is essential. These skills are vital for creating an informed citizenry capable of engaging constructively in democratic processes and resisting the allure of simplistic, populist narratives.

In addition, the existing mechanisms of corporate philanthropy support in Romania may also have distortionary effects. Since the early 2000s, two such mechanisms have been in place that could significantly enhance charity funding and foster domestic “buy-in” for civic initiatives, including financial support for civil society organizations (CSOs). These mechanisms are the law on corporate sponsorships and the "2%" mechanism (now expanded to 3.5%) which allows individuals to allocate a portion of their income taxes to specific organizations. The 3.5% mechanism, in particular, has proven effective, with its use increasing in recent years. This growth reflects a rising willingness among individuals to sponsor charitable causes, especially since the mechanism involves no direct financial cost to them. The funds are redirected from the income tax that would otherwise go to the state, leaving individuals’ net income unaffected. However, as already mentioned, while this mechanism has supported charities, it has largely been limited to organizations addressing emotional or immediate needs, such as humanitarian aid or social services, rather than those involved in policy advocacy or watchdog activities.

These mechanisms, while beneficial in some respects, highlight a broader issue: the difficulty in attracting sustained funding for initiatives focused on long-term civic engagement, accountability, and governance. This creates a gap in the development of a robust constituency for organizations dedicated to systemic reform, leaving many CSOs reliant on inconsistent external funding and unable to fully leverage domestic financial support.

The provision allowing companies to reallocate up to 20% of their corporate tax to charities has the potential to significantly bolster civil society and its sustainability. However, without proper control mechanisms, this legislation risks having the opposite effect, becoming a tool for clientelism, patronage, and even tax evasion. Robust safeguards must be

implemented to ensure that funds above a certain threshold are genuinely spent on charitable activities. Without such measures, there is a high likelihood that sooner or later these provisions could be misused in certain ways:

- Companies might redirect funds intended for charity to cover non-deductible business costs. For instance, in regulated industries such as energy, businesses could register unapproved costs under a foundation, effectively bypassing tariff regulations.
- Companies could exploit the system by funneling funds to their own foundations, which then distribute "professional awards" or other benefits to influential figures. This allows bribes to ministers or senior civil servants to be masked as legitimate charity expenses. Foundations could also be used to employ politicians' protégés, further entrenching patronage networks.

This potential misuse is particularly harmful to genuine CSOs. One damaging mechanism is peer pressure within industries: when a significant number of companies in a sector redirect funds to a specific foundation, others feel compelled to follow suit to avoid being excluded or losing influence. This distortion is so pervasive that statistics on charities and NGOs, as reported by tax authorities or the Statistics Institute, fail to reflect the true state of the sector. Moreover, these practices erode trust in corporate-sponsored charity, and create detrimental tensions even among legitimate NGOs concerning the usefulness of tax-deductible charity mechanisms. Given the current state of the matters, this tension can be a good pretext for a authoritarian regime to shut down these mechanisms altogether. Also, honest companies may become increasingly reluctant to fund legitimate civil society initiatives due to the reputational risks associated with abuse. Without proper oversight, this legislation could undermine not only the integrity of civil society but also the credibility of corporate philanthropy as a whole.

But regulating these matters poses even more significant challenges, as proposals for NGO legislation are often introduced with ulterior motives. Instead of fostering transparency and accountability, such laws are frequently designed to silence critical voices, including watchdogs and independent media. A recent example is the legislation tabled at the end of November 2024 - by a nominally pro-European coalition, which required NGOs to submit a complete list of donors, including names and personal data, by January 31 for the previous year. Non-compliance would result in fines and, for repeated offenses, administrative closure without judicial oversight. This law looks like the soft version of the so-called "Foreign Agents Law" adopted by Georgia in the spring, a move that was widely recognized by Brussels as an attempt to suppress civil society. The backlash from this legislation stalled Georgia's EU accession process. In Romania, this proposal would place impossible burdens on civil society organizations, such as:

- Impractical deadlines**:** many CSOs, especially those benefiting from the 2% mechanism, often do not know the identities of their donors, as these contributions are processed through tax authorities. Additionally, requiring a comprehensive donor

list by January 31 is unfeasible, as CSOs typically finalize their balance sheets only by March 31.

- Potential GDPR violations: demanding personal donor details may violate data protection regulations under the GDPR, exposing CSOs to fines under a separate legal framework.
- Risk of arbitrary closures**:** the provision for administrative closure without judicial oversight creates a significant risk of abuse, effectively silencing organizations critical of the government.

Such legislation is likely to be adopted sooner or later, particularly as other countries in the region like Hungary introduce even more draconic legislation targetting civil society and independent media, with virtually no reaction from Brussels. It not only imposes unworkable requirements but also undermines the ability of civil society to function independently. It risks creating a chilling effect on NGOs, discouraging public engagement and financial support, and aligning Romania with authoritarian trends observed in other regions. The challenges faced by CSOs, particularly in countries with illiberal regimes, highlight the risks of over-detailed state regulation, often serving as tools for restricting freedoms and silencing dissent, rather than fostering transparency and accountability. In such contexts, over-regulation can undermine the very foundations of civil society by imposing unrealistic requirements, creating bureaucratic barriers, and opening avenues for arbitrary government actions.

What is more, the state usually possesses already much of the information it claims to require, collected through existing bureaucratic processes. In Eastern Europe, where a culture of excessive bureaucratic documentation is deeply entrenched, both non-profits and individual citizens are already subjected to a heavy burden of compliance with various administrative requirements. In consequence, instead of imposing redundant reporting, state institutions should focus on improving their internal information flows and consolidating the data they already collect through tax filings, financial reports, periodical upgrades or other bureaucratic processes. These data are often siloed across different agencies, leading to inefficiencies and unnecessary duplication in compliance demands. Such an approach would not only reduce the administrative burden on CSOs but also enhance the efficiency of public administration.

Second, a significant stride toward improving ethical standards in the non-profit sector would be for state institutions and political parties to actually refrain from interference. This includes ceasing the creation of QUANGOs or GONGOs designed to mimic genuine civil society organizations just to drain resources away and benefit well-connected people. It also means ending preferential treatment for sham think tanks that lack any discernible activity, personnel, or even a basic online presence. The sector's most egregious scandal in recent years involved a one-person NGO that, despite having a modest track record of activity, gained extraordinary visibility and influence precisely in the collaborative institutions envisaged by Europe as the ideal modus operandi of civil society. It benefited from generous EU funds chanelled through government; its founder was invited to government

events and projects[5], even as evidence emerged of falsified personal documents. While prosecutors continue to investigate this case, other ghost think tanks operate in close proximity to senior government officials, leaving no verifiable trail of their contributions or initiatives.

As for the rest, the best solution to address the integrity problems in the non-profit sector is the adoption of best practices within the sector itself. Best practices sharing would allow CSOs to establish and adhere to standards of transparency, accountability, and ethical conduct, tailored to their operational realities and the needs of their constituencies. It promotes trust and credibility without subjecting organizations to politically motivated oversight or excessive administrative burdens.

Most crucially, a proven track record of collaborating within consortia alongside reputable international partners and delivering tangible, publicly verifiable results—such as ex-post evaluations based on activities and outcomes—far outweighs the value of bureaucratic ex-ante verifications or the mere completion of government forms. International networks and coalitions of CSOs can also play a critical role in promoting self-enforcement of compliance with a set of ethical principles by sharing resources, offering training, and facilitating the exchange of best practices - which can be validated exclusively by the public reputation of the organizations abiding to these principles. These networks can help ensure that standards are consistent with global norms while remaining adaptable to local contexts. By fostering collaboration and mutual accountability, such initiatives strengthen civil society as a whole and reduce the need for intrusive state intervention. This approach is particularly crucial in a context where the non-profit sector may still lack a critical mass of honest and competent practitioners. The risk is significant that local consortia—especially those requiring vetting by public institutions to access resources—could be confiscated by QUANGOs / GONGOs or sham organizations like those mentioned earlier. Prioritizing true results over formalities would not only enhance accountability but also foster genuine progress within the sector.

Most critically, while legal initiatives to allegedly "hold accountable civil society to the public" have recently been promoted under a self-designated pro-European government, the prospects became much more sinister after the 180 degree turn of the US away from liberal democracy and the tide of extremism across Europe. We note the crackdown on civil society and independent media in neighboring Hungary immediately after the US shut down USAID and the willingness of politicians across the political spectrum, including from "pro-European" parties, to take a tougher stance against incovenient NGOs and media, by "making lists" and "vowing to do away with Soros / Biden people". Such initiatives will only be emboldened in Romania by actions of politicians in the European liberal democratic camp, such as the controversial move of Gerrmany's CDU to join the far right in pressuring NGOs under the pretext of enhancing transparency of their funding[6].

5 https://www.g4media.ro/libertatea-cum-a-obtinut-asociatia-lui-alexandru-cumpanasu-un-milion-de-lei-ca-sa-realizeze-3-brosuri-in-anul-centenar-peste-600-000-de-lei-pentru-50-de-pagini-de-copy-paste-din-google-si-wikipedi.html

6 https://www.politico.eu/article/germany-ngos-crackdown-civil-society-friedrich-merz-cdu/

Summary of foreign support for civil society in Wave 3:

Most funding instruments available to Romanian NGOs between 2007-2014 remained accessible in subsequent years, albeit with notable changes:

- Major donor trusts, such as the German Marshall Fund (GMF - BST) and the CEE Trust, increasingly prioritized non-EU member states. Romanian NGOs could still access these funds, but primarily through regional partnerships for activities conducted outside Romania. However, the turnaround of the US in January 2025 froze or cancelled all foreign aid overnight. Virtually all watchdogs, think tanks and independent media, alongside the much more massive humanitarian aid organizations, were seriously hit - which indicates also how essential the US global footprint was and what critical role it still played in underpinning liberal democracy through soft power across the globe. The freeze and cancellation of US funds meant that ongoing projects were abruptly brought to a halt. In many cases and programs, the grants and financial aid takes place *after* the delivery of project activities - meaning, the US government simply defaulted on its bills, at least until courts blocked this practice. Many NGOs and subcontractors undertook payments and activities, using up own or borrowed resources, which they could later not recover from the grants according to the contract. Some of these payments were resumed or recovered in courts, after the momentous decision of the Supreme Court on USAID, whose enforcement is however not to be taken for granted. However, even if payments were to be resumed in full, the damage already done is enormous, as the halt almost bankrupted a part of the civil society and media benefitting support, while is also damaged in the long term the US reputation.
- Embassies also shifted towards a regional approach, such as the Dutch embassy, and German political party foundations like the Konrad Adenauer Stiftung (KAS), Friedrich Ebert Stiftung (FES), and Friedrich Naumann Foundation, which often required regional collaboration. At the time of this report, there are no signs that embassies of EU member states clearly understand the gap caused by the US withdrawal, nor the risk that adversary regimes, such as China or Russia, will be seriously emboldened to fill in the vacuum by giving a push to their own “civil society” or “media”.
- U.S. interest in the region grew before 2025, marked by the return of the National Endowment for Democracy (NED) and additional funding from the U.S. embassy, particularly for civic programs. USAID started again to provide very small grants to independent media outlets to support investigative journalism. However, the move was short-lived. 2025 brought a complete reversal of aid priorities and a probable shutdown even of ongoing projects. US donor organizations - e.g. NED, USAID - were totally unprepared for and caught off guard by the freeze / cancellation of foreign aid, e.g. it took more than a month for NED to decide suing the US government for illegal seizure of accounts. The freeze of most US foreign aid for democratization caused immediate cash flow issues to grantees, but also provided

ammunition to illiberal actors in society to publicly threaten media and civil society following the rhetoric of the new US administration (e.g. vowing to hunt down former recipients of US support). The trend has been taken up also in various European countries, e.g. with UK announcing a reduction of humanitarian aid to save for defense budgets, and with German CDU / EPP increasingly pushing against foreign financing of civil society both in EU and in Germany[7].

- Donors provided ad hoc funding for urgent needs, drawing on remaining budgetary reserves. This approach was especially evident in response to crises such as the pandemic or the full-scale invasion of Ukraine, which prompted support not only for humanitarian aid but also for policy initiatives and countering disinformation. The absence of a clear plan for support has however a negative impact. If donors are able to provide very short-term, very small grants for a particular advocacy or research project from leftovers of unspent budgets, it is increasingly difficult to find "survivors" in the NGO community after years of no funding for a particular topic to provide ad hoc high quality deliverables. Retaining such capacity in NGOs requires a minimum, baseload funding over a longer period.
- The European Union introduced new funding priorities, including the *Citizens, Equality, Rights and Values* program (2021) and dedicated funding to combat disinformation. While the availability of such funding signals a momentous change of mindset in the EU as to the need to support civil society and media also inside the Union, both sources of funding have several shortcomings which need to be addressed, illustrated below. It must be stressed that these issues can indeed be resolved, and there is significant available experience from US donors which have adapted carefully their funding strategy in the past three decades to suit local conditions.
    - In the case of CERV: the lifecycle of the calls is over 1 year; given the radical shifts of democratization challenges and priorities, such long lifecycles may mean that priorities and projects submitted may no longer be relevant by the time the projects are supposed to start. The selection process, including evaluation and communication with applicants, lacks transparency. This contrasts with other donors which provide applicants with clearer and internally consistent guidance to improve proposed projects in the future in case of rejection, as well as with the full lists of successful and unsuccessful applications and their respective scores. The latter is essential for applicants to ensure a clearer understanding of the types of projects and donor priorities which have a better chance to get financial support from the EC. There is also no effective mechanism to contest or challenge the results of the evaluation. So far there is no evaluation of impact for

[7] Though narrowly winning the snap elections under unprecedented external interference, CDU and Friedrich Merz are now heavily criticized precisely for attempts to silence civil society at home - including investigative media and activist groups mobilizing against the far right. https://www.reuters.com/world/europe/german-conservatives-prompt-anger-with-questions-about-ngo-funding-2025-02-26/

previous calls and implemented projects, and no reporting on what projects have been supported to date and with what results. This contrasts with the approach for US funding for the past decades, which always underwent a constant revision and evaluation that triggered improvements on priorities, relationship with grantees, focus on local conditions and constant adaptation to emerging challenges and threats. The relatively poor transparency of EU funding for democratization may discourage potential applicants to apply again improving previously submitted projects, and risks sending the message that the selection for funding lacks objectivity and consistency with the stated goals of the calls.

- In the case of disinformation, the European Commission's tendency to award large non-competitive grants to platforms, large intermediaries or umbrella networks —such as those to EDMO (the European Digital Media Observatory)—may not be the most efficient manner of responding rapidly to new challenges and supporting flexible crisis response. For administrative reasons, including lack of on-the-ground knowledge and avoidance of managing an excessive number of small contracts, the EC has always been inclined to designate and fund larger organizations, re-granting organizations or cross-national coalitions, providing them with preferential avenues for funding, and entrusting them to deal with the minutiae of finding, funding and supervising local capacity. This approach is common for many EC initiatives, from managing foreign aid to dealing with civil society in organized "platforms", e.g. the Eastern Partnership Civil Society Forum. The downside is that there is insufficient scrutiny to ensure that such recipients indeed possess the exclusive expertise needed to justify bypassing competitive processes to get EU funding; and that the incumbent grant recipients and intermediaries do not foreclose access for others who may be more qualified or appropriate for a given task. The key fallacy in this approach is that these large umbrella institutions (from EDMO to EaP CSF), receiving non-competitive grants from the EC which represent virtually their only source of funding, are ***self-governed and considered independent***. It is a remnant of the idea that civil society is a fully cooperative group in a fully cooperative environment. It is also convenient for the EC, as it only needs to deal with managing the financial aspects of a grant without taking responsibility for impact. But this practice introduces a major governance issue and unclear accountability concerning the mission and purpose of the funding. The leadership of these organizations, coalitions, intermediaries is by design more accountable to their members than to the EC, even though the EC is virtually their sole donor and grants the funding directly, meaning that these intermediaries should act more like "internal units" of the EC, implementing EC's vision and values. In practice, they naturally become with time more vested in protecting the interest of members, foreclosing newcomers or engaging in own priorities, detached from the original scope. The process of providing support in this manner is also very lengthy, with funding becoming actually available on the ground months, if not years after initiating the process. In the meanwhile, the

very priorities envisaged at the beginning may be no longer relevant. Given the lightning speed of changes, geopolitical shifts, and security challenges for Europe, this approach has definitely demonstrated its limits.

Eastern Partnership Civil Society Forum

A typical example for the suboptimality of EC's approach is the Eastern Partnership Civil Society Forum. EaP CSF is an organizational instrument designed by EC to work with civil society from EaP in a structured manner, closely aligned with EC's EaP policy institutional architecture. An independent self-organized NGO headquartered in Brussels, EaP CSF has a board made of 13 people who are elected by EaP CSF's members, which are CSOs from Eastern Partnership countries, and they represent groups of NGOs on specific topics or country-level civil society platforms. EaP CSF works on 100% funding from the EC, providing regrants to members and organizing a coordinated two-way communication between the EC and civil society organizations in EaP from among its members. The very design of the governance structure of EaP CSF is a major shortcoming for the organization's intended impact. Its board members have primarily in mind "factional" interests, driven by their roles as representatives of their own organizations, own topical (sectorial) groups, or own country platforms, instead of perceiving themselves as the steering body of EaP CSF as a whole. As an independent self-governed organization, the board can include and exclude civil society organizations from its active membership, with de facto very limited outside checks. For this reason, there is a permanent tension between the mission's intended purpose (of promoting EU values to EaP via civil society and getting input to EU policy in a cooperative, inclusive manner ensuring universal access for civil society) and the individual incentives of board members, which conflict with the broader mission of the entire EaP CSF they should represent as a board of a Belgian-based organization. In this governance structure, the individual incentives of board members range from the legitimate promotion of the interests of a particular country or a topical subgroup inside EaP CSF, to the consolidation of position and visibility in their own countries; these incentives also influence the further selection of members of EaP CSF. Valuable CSOs may be denied access to this favored consultation and financing channel, as their participation could be foreclosed from the periodic membership selection. This further reduces trust in EaP CSF on the ground in EaP countries, as well as the interest of highly competent CSOs to apply for membership in the first place. As a result, the direct, non-competitive funding given to EaP CSF could be a less-than-optimal manner of support from the EC for the civil society in the region. Indeed, EaP CSF remains a credible and professional player in Brussels. However, this is primarily due to the professional qualities and motivations of individuals in the small Secretariat staff based in Brussels, but such structure is highly vulnerable. A much more streamlined and internally consistent structure, properly aligning incentives, would require EaP CSF to have an independent, professionalized board. Its mission should be to further support competitively initiatives and inputs from civil society organizations in EaP countries, not limited to a closed self-selected group where the selection criteria may be group loyalties or potential "gerrymandering" for internal elections. While the governance

shortcomings do not lead to risks of funds mismanagement (spending is checked by the donor in the day-to-day management of the grant and audits), it does affect the real life impact the organization can have, as well as the quality of inputs / communication between EU institutions and the broad society of EaP countries.

- In early 2025, most international donors continued a "business as usual" approach to aid towards civil society, despite the radical change from the US. Norway currently discusses with Romanian government the framework for the next granting period, which in the best case would leave 2-3 years of gap between the cycle just finished and the new program that would be launched sometime in 2026-2027 providing funding until 2032. There is also a non-negligible risk that a future illiberal government may suspend altogether the negotiations with Norway to fund NGOs via an independent fund manager, following the example of Hungary; despite the real risk of a illiberal government taking shape after the presidential elections in 2025, there was little sense of urgency on the topic. There is similarly little sense of urgency at the EC or Western embassies directly on the need to radically shift the approach to fill in the void left by the US, as well as avoid a potential takeover of "soft power" by malign donors instead. There are however some tentative signals from private sector / corporate donors to provide limited and ad hoc funding, spurred to action by the sense of real danger to Romania's democracy. The brutal shutdown of US support for democratization, limited as it was, and the difficulties of media and independent organizations to continue operating as European and domestic donors are reluctant to step in, shows in sharper contrasts than ever that both the EU and Romanian democracy was to a large extent "freeriding" on the values pushed by US for the past decades.

The key priorities for foreign support to civil society in the past decade were:

- Sustaining democratic institutions: Further shift of foreign aid towards the region on non-EU member states (Western Balkans, Eastern Partnership) to consolidate democratic reforms, good governance, public administration reform, as the backsliding in NMS was largely ignored. Think tanks and watchdogs focus on regional projects, more towards transfer of post-accession expertise to countries preparing for accession. As a result, loss of relative public influence of independent media, think tanks etc. in Romania compared to grassroots, volunteer-based organizations resulting from protests. The radical reversal of US policy is likely to trigger domino effects if more EU member states turn illiberal, with the difficulties in containing Orban and Fico and potentially others in critical decisions for EU future threatening the survival of the Union.
- Civil society and good governance: Further shift towards inclusion of civil society in collaborative mechanisms such as Social and Economic Committees, both in Brussels and inside Romania, committees to monitor spending of EU funds, advisory bodies for certain regulators etc. However, participation in such forms of

cooperation needs official endorsement / approval from government, limiting access for ”contrarian” organizations and creating incentives for patronage. For aid directly to civil society, EC preference to deal with large organizations, either umbrella or intermediaries, leads to incapacity to react timely and flexibly to immediate threats and potential foreclosure of small organizations operating in member states from EU funding.

- Judicial reforms and rule of law: The CVM continued as key conditionality for continued judicial reform, accession to Schengen area conditioned by several EU member states on further reforms. Stronger public opinion support until 2017-2018. CVM formally lifted in 2023, despite backsliding on anticorruption.
- Social, environmental, education: Major instrument remains EU funding to government in Operational Programs, National Recovery and Resilience Program etc; support to youth in pan-European educational programs such as ERASMUS.

The major programs and donors were:

- European economic area (EEA) and Norway grants: Significant funding for civil society initiatives, environment, social, watchdogs, think tanks, but available in “waves” (e.g. no funding between 2016 and 2020, significant funding in 2020-2023, next programs expected in 2026-2027, unless a future illiberal government cancels negotiations with Norway altogether).
- European structural and investment funds (ESIF): Focus on infrastructure development, social cohesion, administrative capacity-building, and institutional development, funding channeled to government; civil society eligible in some calls for partnerships with public institutions.
- Citizens, equality, rights and values (CERV): launched in 2021 and available until 2027, designed to be EU’s main financing instrument for civil society support on 4 pillars: Equality, Rights and Gender Equality (promoting rights, non-discrimination, equality); Citizens' engagement and participation (promoting citizens engagement and exchanges between citizens of different EU members); Daphne (fight violence, including gender-based violence and violence against children); and Union values.
- Bilateral EU member states support: this includes calls from various embassies
- US donors: US embassy and NED have increased their attention to Romania post 2014, in response to the perception of backsliding and shrinking space for civil society. However, support was abruptly stopped at end January 2025, with the change of the US administration. It is virtually certain that the US financial aid will not return, as it is now the lynchpin of the constitutional battle between the Executive (Presidential powers) and Legislative and Judicial powers in the US. Foreign aid is a topic of lesser interest for American voters, hence there is lower immediate public opposition to it domestically; and the freeze / cancellation is subject to legal challenges including open violations of judicial orders, with the goal to reach the Supreme Court and redesign the balance of powers.

- Civitates: a pooled philanthropic fund of 20+ European and US private foundations established in 2018 and providing competitive grants for democracy promotion across the EU - mostly independent media and independent CSOs, for projects that are national or European in scope. So far, the total amount of grants provided across Europe reached 13 mn EUR for work done in 18 countries. Though yet relatively small for its EU-wide scope, it has significant potential to grow, being more flexible than public EU funding.
- Private domestic sector support: Mainly the 2% (3.5%) mechanism and corporate tax-deductible support for various charity initiatives. Some private sector donors cooperate with the FDSC which organizes competitive calls for NGOs for specific topics, for small amounts of funding (e.g. public awareness on sectorial topics such as energy; educational or environmental calls etc.).

Conclusions and lessons for Strengthening Support to Civil Society in Romania

Though Romania's path to liberal democracy in the past 35 years has been long and winding, the country achieved an incredible transformation from a totalitarian dictatorship to a pluralistic, economically prosperous, and free state, enjoying the rights and liberties of a full member of EU and NATO in just one generation. This transformation depended critically on external circumstances, primarily the collapse of the USSR and the emergence of US as the globally uncontested leader of the liberal democratic camp at the end of the Cold War. The progress was however also conditional on the growth of internal actors, from a diverse civil society to a thriving private sector, which contributed to anchoring the transformation by building local "buy-in" for the "Western" style of life - not only in terms of economic prosperity, but also values and institutions. Joining NATO and EU was conditional on significant reforms and institutional convergence. This opened up the space for civil society and media, and created valuable entry points for various groups in society to demand accountability. This civil society benefitted enormously from a relatively limited external support, financial and know-how, without which its development would have been questionable. Over time though, as in the wider region, ensuring the sustainability of civil society and independent media remained a critical challenge largely unresolved - both in terms of growing favorable local constituencies willing to fight to protect their vital role in a pluralistic society, and in building a solid, diversified, home-grown financial base.

Despite achievements in the transition to a liberal democracy, significant backsliding occured in the past decade as the country got increasingly in sync with global developments. These global shifts towards illiberalism combined in Romania with unresolved challenges stemming from the early phases of transition, such as a sense of incomplete justice that simmered into growing resentment. The global shift away from liberal democracy occurred particularly because of the revitalization of global competition for power from Russia and China; but also because society took the gains of democracy for granted. In Romania, the illiberal shift found fertile ground also because older ills persisted, such as patronage politics and post-communist elite continuity, only reinforced by the availability of increasing spoils from the country's unprecedented growth. The fragility of Romania's young democracy soon became apparent. The illiberal drift in Romania, first emerging from purely opportunistic reasons, such as politicians not willing to pay for crimes or to abandon entrenched corrupt, clientelistic practices, was thus turbo-charged by the recent global illiberal tide. As Russia, with renewed imperial ambitions, has been waging a global hybrid war seeking to change the world order and undermine liberal democracy for at least the past decade, and China following suit, countries across the globe fell one after another into illiberal, hybrid or autocratic regimes. The recent fall of US leadership in this latter camp could be the ultimate blow to liberal democracy as we know it - unless supporters of liberal democracy find a way to unite in a sustained effort to undo the tide. Romania's fledgling democracy is in at least the same danger as any other country, and the vulnerabilities of its

own civil society (low local support from constituency and funding) compound to the problem.

Romania met the peak of the global crisis of liberal democracy in early 2025 with a shaky, deeply unpopular, clientelistic government; a profoundly incompetent political leadership, perpetuated through decades of clientelism and promotion by patronage; and a considerable share of the political establishment following the worst in international trends for opportunistic reasons or hidden complicity with Russian interests. On the other hand, Romania's population continues to have low levels of social capital, low trust in institutions, and low critical thinking, being particularly vulnerable to disinformation and propaganda even in comparison with other EU peers. In December 2024, a candidate with little visibility was on the brink of winning the presidential elections organizing a massive, combined campaign of social media propaganda and offline mobilization of various groups, including fringe and far right radicals. For the first time in its post-Communist history, Romania cancelled presidential elections - also a first in the EU. The move, perhaps justified to avoid an extremist to gain power and form a radical goverment, also starkly revealed the dark consequences of generalized institutional failure coupled with the desire of entrenched elites to cling to power and the incompleteness of reforms which should have anchored the country on a liberal democratic path. During late 2024 elections, Romania's institutions failed to contain massive interference in elections, which certainly originated in part in Russia, but was also eagerly pursued by domestic mainstream parties seeking convenient competitors. China and MAGA may also have had some inputs, and in early 2025 extremist politicians are openly promoted by the MAGA faction in the new US administration. Romanian institutions in charge with the integrity of elections failed to monitor campaign funding, and to combat extremism in the public space. It is unclear how much of the result is because the leadership of secret services, Permanent Electoral Authority, fiscal authorities, regulatory watchdogs were incompetent or outright treasonous, and for two months after the cancellation of elections nobody gave a plausible explanation to a public justifiably angry at the situation. A re-run of the presidential elections was scheduled for May 2025. Until then, despite their popularity being at historical lows, the very same key political actors against which the electorate mobilized to vote remained in power and formed a new government. The electorate's anger was bound to increase as long as no adequate answers are given for why the elections had to be cancelled, and there was an immense risk that the May 2025 elections would not yield better results precisely for these reasons. To compound to the problem, actors close to MAGA actively lobbied for the extremist candidate and put additional pressures on Romanian authorities. The final result of the elections, with a moderate candidate making a surprise win in a very contested second round, was due to mobilization, partly in a backlash against populism not very different from the cases of Germany, Canada or Australia.

Thus, there was still hope: as a reaction to the perceived interference of US leadership, and following the results of the German elections in February 2025, a part of the establishment and of the society shows timid signs of a swing back to a pro-European position, which will also likely shape the Parliamentary majority. After about two months of business-as-usual following the cancellation of elections in December, the incumbent president resigned

(fearing an imminent impeachment); the head of the Permanent Electoral Authority was dismissed by Parliament; and criminal investigations were launched concerning the Russian and far-right support for the extremist candidate Georgescu. There were also incipient signals that a part of the business community feels the threat and would be willing to put effors and perhaps funding into support for some media and civil society, understanding the stakes.

As explained in the report, the travails of civil society in Romania since 1990 underscores both its resilience and the critical role of international assistance in fostering liberal democracy. The recent challenges of emerging illiberal politics in the region, social polarization, and resource constraints call for a reimagined approach to external support in concert with the promotion of democracy. Some lessons from the past three decades can be now distilled in order to design more targeted recommendations for effective assistance, aiming to ensure the sustainability and impact of civil society in Romania's future. More immediately, the shutdown of US support for liberal democracy (and the US' rapid transformation into a disruptive actor aimed at weakening the European democracies) requires a thorough rethinking of how to best target resources still available in the liberal democratic "camp", which is also critical to avoid that other malignant players, such as China or Russia, fill in the void.

1. Immediate urgency: compensate for departure of US funding in key areas ahead of elections

As explained above, the US shut down all its financial aid in support of democratization across the globe at the end of January 2025 and showed ominous signs of switching sides to authoritarianism. Virtually all civil society organizations working on now "hot" topics essential to bring clarity in today's crisis, such as monitoring of elections integrity, disinformation, human rights and hate speech, independent investigative media outlets, were largely dependent on US funding, precisely because these were topics perceived as "adversarial" to the government and avoided by almost all other donors (who prefer the "cooperative-with-government" approaches). The shutdown of US funding - coupled with a lull of funding from other donors, such as Norway grants - highlighted sharply the dependence of all these organizations on US soft power and financial support, at a time when they would be most needed to fight for access to information, fight against disinformation, and promotion of liberal democracy. As the shutdown meant also payment defaults on already performed activities, many organizations faced an acute cash crunch, affecting precisely those providing the essential evidence of foreign malign influence in the recent elections, expected to be repeated in the re-run of the elections in May. These organizations are also rather small, and risked outright bankuptcy in the immediate term, finding themselves unable to pay staff and essential utilities. There is **little awareness of the urgency among other donors**, particularly because even US donors were unprepared for the situation and initially expected a temporary freeze or partial reduction of the support, giving mixed messages to their staff, to grantees and to others in the donor community. Also explained above, various EU players are eager to follow US in reducing support for civil society and media, whether they seek favors with the new US administration (e.g. UK's

announced cut of foreign aid); for internal crackdown of civil society (Hungary, Slovakia); or because they cannot (or do not wish to) distinguish between "good foreign aid" vs malign influence (Germany). A few immediate actions should be undertaken to ensure that such organizations are able to continue investigations concerning foreign interference and manipulation of electoral rules, precisely as 2025 is a year of elections in several countries. There is also a risk that US actors in the MAGA faction may go further than simply pushing for the US to abandon democratization efforts and join authoritarians instead, actively supporting wannabe dictators in Europe in the crackdown on dissent and civil society, possibly providing funding, disinformation support and know-how to organizations that fight liberal democracy.

- **International partners (EU, embassies of European states)**: Understand the immediate political and geopolitical risk of US withdrawal from the support of liberal democracy globally, but particularly in countries like Romania, with young and immature democratic institutions. There is a major risk that malevolent actors, in particular Russia and China, will **fill in the vacuum**, supporting different types of "civil society" organizations and actors, such as the "offline" grasroots movements and networks that emerged in Georgescu's campaign in November 2024, some more resembling organized crime or paramilitary groups, and now revealed by criminal investigations. US outright collusion and active support for illiberalism is not to be excluded, meaning that Romania's remaining international partners should be prepared to support civil society activists and independent journalists with prompt legal aid and other forms of protection as the need may arise (from public positions to safe havens).

- **Donors (private donors, embassies, EU, possibly also US donors apart from the federal government)**: Make (your own) list with the few civil society and media outlets worth supporting as emergency. In Romania one could start with the handful of organizations and media outlets which provided the body of evidence concerning institutional failures and massive influence campaign during the November-December 2024 elections. All of these are at risk of immediate termination of activities. The US (in grants from US embassy / DoS, NED, to NGOs and independent investigative media) was de facto the only donor in 2025 for such activities in Romania, as Norway grants were also finalized in 2024, and funding from the next cycle would probably be available only in 2-3 years – assuming they would not be blocked altogether by an illiberal government. Other donors such as the EU or Civitates or private foundations, e.g. Calouste Gulbenkian, do indeed continue to provide funding, but follow their usual calendar for new calls. There is little to provide a "bridge" between the US default on ongoing projects and unlikely funding in the future, on one hand, and the availability of grants from other donors, on the other hand, meaning that recipient organizations could face months of no funding for staff and utilities, despite the urgency of doing their work in advance of elections and immediately after. During this period they are additionally demotivated as they became target to slander and threats (e.g. angry tweets from Elon Musk,

dedicated shows by Joe Rogan, youtube/TikTok slandering sessions by local influencers - all of which could lead *in extremis* to physical violence). The list of organizations in trouble is in fact readily available given the very public and broadly viralized threats by extremists against "Soros agents" and the like. Discuss with these organizations immediate needs to ensure continuity at least beyond the May elections, so that there is critical capacity to provide early warnings, information and policy advice to combat massive electoral manipulation.

- **Donors**: As Romania's government will oscillate in the next few years between a pro-Russian authocracy or a pro-European, but corrupt and clientelistic imperfect democracy, the more appropriate approach for the changing circumstances is rather the old American "contrarian-to-government" than the European "cooperative-with-power". This requires a deeper rethinking of approaches to civil society and media support. For example, donors tend to favor "large coalitions of NGOs" working on a particular topic. This is consistent with the idea that such broad coalitions also cooperate with governments in various institutionalized government-NGO consultative formats. However, for donor support this strategy is not working simply because NGOs with similar profile also bitterly compete for increasingly limited resources - hence all such coalitions are brittle and unsustainable. It is also good to stimulate competition between organizations because **pluralism** of views and different research perspectives shed better light on the social and political developments, avoiding also discourse capture by any particular interest. The approach of the EU to provide non-competitively large funding to "umbrella organizations" (e.g. uncompetitive grants to disinformation network of hubs EDMO, to large consortia for elections, large grants to organizations to deal with subgranting) only increases the risk that startup organizations on new topics or NGOs which may have competence but not the right connections are excluded from funding. As explained above, this practice has been long favored because of convenience (much easier to subcontract large intermediaries to deal with the "problem" in bulk). But it favors immobilism, lacks flexibility in times of crisis, over-centralizes, and limits competition for quality, particularly from smaller and less connected organizations which may actually have much better expertise on highly unusual topics that become relevant every new day. The EC and other donors must take full responsibility for support of democratization in the EU and in neighboring countries by organizing directly tenders and competitive calls, as well as smaller grants to get as much competition of ideas and projects as possible. Instead of "horizontal integration" (large coalitions of organizations which exclude possible competitors), it would make much more sense to favor competition between "vertically integrated" capabilities (smaller grants given competitively to many "clusters" of complementary expertise and critical skills). There is valuable experience from US donors on exactly this type of approach and which may be tapped into, precisely as at least a part of the former staff of such donors would seek new employment.

- As examples of "vertical integration" for the critical topic of elections in Romania in May 2025: fighting disinformation and election manipulation would benefit rather from the creation of several "vertical" coalitions (comprising a watchdog, a investigative media, a few bloggers/influencers, which have complementary skills - monitoring of disinformation, preparing response, disseminating and explaining to the public, proposing policy solutions) to compete among each others and provide different angles and results to the same problem; rather than attempting to create mono-skill mega-coalitions, such as just for election observation completely decoupled from the other components concerning information space or funding of political competitors.

- Managing competitive grants to multiple recipients: Contrary to what may be expected, the EC and other donors can **immediately** build this capacity by rapidly building on the infrastructure and staff of US former donor organizations. It is urgent to do so to avoid that this infrastructure and its know-how disappear altogether. The EC could rapidly support the stablishment of a **donor platform** hiring immediately the former staff of USAID and NED, as well as also other US aid people. This action is critically urgent, as former USAID staff and potentially staff from other organizations – NED, NDI, NRI etc., including those based in Washington, have been effectively laid off and many would be most willing to take up a new job, including relocation in Europe. Such people have the skills, the know-how, and the in-depth knowledge of beneficiaries of organizations formerly supported by US in the region at large, inside the EU and in EU's neighborhood (Western Balkans, Eastern Partnership). They also share the determination and liberal democratic values to provide effective support to civil society organizations and independent media. Such key human resources would also be comfortable to implement the former US approach to identify and support "contrarian-to-government" organizations and actors, enhancing pluralism and competition. Given their experience in regional matters, they may also bridge the lack of specific knowledge of EU donors, which have traditionally focused rather exclusively on outside the EU's borders.

2. Medium- and longer-term strategization: define realistic goals for preservation of democracy

The experience of Romanian civil society highlights the need for achievable, context-specific objectives in democratization. Transitioning to liberal democracy is a complex, long-term process, easily reversible, and efforts should acknowledge that limited financial support over short durations cannot achieve systemic change. Instead, the international partners and domestic promoters of democracy, beyond the immediate urgency for the next 6 months, should focus on pressuring both the government with conditionality to reduce the clientelism and on long-term support for pluralism via civil society and independent media.

- **International partners (EU, other Western potential donors):** In direct relation to governments, adopt realistic benchmarks by setting clear, phased goals for democratic development, aligned with local contexts and capacities.
    - Given that Romania faces significant macroeconomic imbalances (a budget deficit of almost 9% in 2024, inflation of over 7%, modest economic growth), both EU (by its Excessive Deficit Procedure and EU funds) and IMF[8] have an entry point to put renewed conditionality for substantive administration reforms. As the experience in the 2011-2013 EU/WB/IMF program shows, conditionalities work best when strongly aligned among Romania's external partners, e.g. all donors could successfully push for corporate governance of SOEs or sectorial reforms in energy or transport, curbing also some of the more egregious corruption practices in a state-owned electricity generator. This time around, given the unfolding crisis, pressure should be targeted at: renewing judicial reforms, cleaning up the state of people in key positions which have connections with Russia or with groups undermining the Constitutional order, as well as softer conditions, such as enforcing procurement rules that limit the country's exposure to critical dependencies on goods and services from potential adversaries (Russia, China, but now also US). As could be seen from the recent developments, from the electoral campaign of last year to this year's criminal investigations, there is a part of the Romanian administration which is willing to fight "for the good cause", while another faction, almost of equal force, still populates important parts of the state, and the two are rather balanced. The new reformist president may tip the balance, but external checks and conditionality would significantly bolster the commitment of the politicians in Parliament or Government. Providing a decisive package of conditionality would support and embolden the reformists, while weakening the others, as was the experience in the past.
    - Provide additional support, including with visibility and facilitating know-how transfer, for reformist areas of the public administration. For example, some local administrations are relatively well governed. They can be further supported to become a model for others, including the central government, by a combination of funding and knowledge transfer from peers (e.g. reformist townhalls across Europe). There are also certain parts of the central administration which may be more reformist than others. Focus initially on establishing transparent governance practices in local administrations, gradually scaling efforts to national institutions, as conditionality.
- **Donors**: After the urgent rearrangement of existing financial support and recovery of institutional setup for grant-giving, focus on areas which would provide a

[8] IMF, WB may also be quite shaken if the US withdraws, however, the US share is just over 16%, though it is the largest single contributor.

sustainable, locally-grounded civil society and independent media. Several areas of interventions could be:

- Reach out directly to the business community and the public, together with visible figures from NGOs and independent media, in a campaign to raise awareness directly on the benefits of liberal democracy and why supporting such independent players is beneficial for the stability of the business environment and the welfare of the general public.
- As some potential donors may be afraid, as explained above, to associate with initiatives for good governance, anticorruption, anti-disinformation that could be politically-sensitive, provide and encourage the option of a funding mechanism that would put "distance" between donors and recipients and proper accoutability designs. A very simple option would be to attract funding to existing respectable and well-governed donor intermediaries, e.g. Civitates at EU level or FDSC in Romania, which are "vetted" by the major institutional donors for integrity of values and procedures for grants. Another option could be the revitalization of the Partnership for Transparency Fund, a US-based organization based on a World Bank trust fund managing grant programs, which has invested significant efforts into understanding the local enviroments in countries in which it is a donor. Using such specialized intermediaries with significant local knowledge, additional resources can be pooled with existing donors, leveraging impact. At the same time, these intermediary organizations fund both "contrarian" civic initiatives and independent media, on one hand, and broader humanitarian, social, educational, environmental initiatives, on the other hand. Thus, the private sector donors are better "shielded" from accusations, threats, slanders by authoritarian politicians or extremist political forces, being more comfortable to contribute financial support. At a bigger, European scale, covering EU, Eastern Partnership and Western Balkans, there may be several options to set up an overarching institutional setup to take over US experience and leverage EU funding – either via a new organizational structure, detailed in Box 2 below, or reshaping existing institutions to meet new roles and challenges, as in Annex 2. Overall, it is essential to invest in developing in-depth knowledge of local conditions and consolidate trusted organizations which would manage/intermediate funding programs based on priorities relevant to the beneficiary country or countries.
- In the work with individual NGOs and media outlets on the ground, prioritize institutional resilience by investing in building robust administrative and organizational frameworks for NGOs, including governance structures, accountability mechanisms, and financial planning. Regular evaluations and capacity-building programs can ensure organizations adapt to changing needs. These can be both conditions for grants and requirements to dedicate a part of the funding for the development of these structures. Such support

could be given either directly by donors or intermediary organizations, as well as by dedicated structures, e.g. reviving initiatives like CENTRAS. Donors should thus also work with grantees to strengthen the link between NGOs and local constituencies, which has been particularly difficult in the local context, for cultural and historical reasons. It will require significant more effort than just requiring organizations to demonstrate "sustainability" in grant application forms and may involve hands-on, long term working together on the ground directly with the NGOs in building such constituencies.

- **Donors and international partners**: Beyond the immediate readjustment needs, a more realistic, incremental approach to democratization is needed. As illustrated in the report, instead of announcing broad democratization goals that are unachievable with the level of funding realistically available, as well as rapidly shifting in the new geopolitical landscape, it may make more sense to invest in incremental change by emphasizing progress over perfection, recognizing that societal transformations require sustained efforts. For instance, for individual projects or programs, specific milestones should be set as success (or insuccess) indicators, such as increasing civic participation by x% within a five-year period or reducing corruption perceptions in targeted regions. This may help fine tune also expectations and plan for future interventions, both in relation to NGOs and with respective governments.

- **Donors**: Ask the right questions and start from the right assumptions, including on "sustainability", in assessing the effectiveness of grants to civil society and independent media. For example, the assumptions that media or watchdogs can become financially sustainable is unrealistic if the model of business is "funding for protection" (oligarchs funding TVs or news outlets to gain protection from the law or settle scores with adversaries; watchdogs getting public budget funding to "close their eyes"). This is more evident than ever even in the US. Sometimes, the question that should be asked may simply be "is it better with or without our funding". This means acknowledging that a **permanent** but smaller funding targeted at the right actions or simply providing a lifeline for a handful of organizations to keep a country from slipping into illiberalism may be a better solution for the donor's ultimate democratization goals than a short-term larger funding of a project, on the assumption that it should become financially self-sustainable at the end of the project, regardless of who would continue the funding and for what purpose. The selection of such organizations and projects for potentially permanent (or long-term) small support must be however periodically reviewed, to ensure that those organizations and projects maintain the correct direction.

- **Donors**: Invest in building a constituency for and with the grantees, anchoring them in local legitimacy. This is inextricably linked with the development of the donor's (intermediary) local knowledge and is a long-term process that may not necessarily be successful. During the duration of the grant, transfer knowledge from the donor's experiences either at home (e.g. US), or from other countries where the donor

operates, on building a local constituency (individuals, businesses). This may be particularly difficult for organizations that work in highly sensitive areas such as anticorruption, human rights or watchdogs, as local constituencies may be wary of associating themselves with organizations that are critical with the government, fearing pressures or retaliation, for which a "dissociation strategy" may be more appropriate. However, if this effort is carefully tailored at local conditions, taking also the best practices from elsewhere adapted locally, and undertaken over a longer period of time, it is likely to have at least a partial success. Also, as mentioned above, the revitalization of initiatives such as CENTRAS could support the development of civil society capacity, both for new organizations and for established ones. In particular for watchdogs, think tanks, independent media, a combined strategy should be pursued. On one hand, to seek out and convince private sector donors and individuals to contribute directly to support organizations fighting for liberal democracy, if they are not afraid of associating with such causes. This would also bolster the beneficiary organizations and give them courage and legitimacy that they are backed also strongly by a local constituency. On the other hand, for those potential donors which are afraid, it may make sense to provide the alternative of contributing to pooled resources, as mentioned above. It is true that civil society organizations and independent media have failed in building sustainability and local constituencies, despite repeated calls from donors to do so over the past three decades. But having fresh in mind the little resistance that even the US think tanks, universities, quality media, or political opposition are capable to mount in face of continuous onshaught from powerful illiberal players, the expectations that their Romanian counterparts could resist any better may be overly optimistic. Not only illiberal players from Europe should learn from the US MAGA, it is time also for believers in liberal democracy in Europe and from across the Atlantic to rally around the flag.

Global ambitions: the Endowment for Liberal Democracy

As the geopolitical storm of 2024/2025 pressures all defenders of liberal democracy across the globe to reassess the situation - mainly, that the new US administration is abandoning the camp of established liberal democracies and joins authocracies - there is a case for a more concerted approach. To support non-state actors - primarily independent civil society and media - a solution would be to set up an institutional vehicle to pool resources and efforts for all liberal-minded players, including Americans disappointed by the direction in which the US is going. An ambitious solution could be the setup of an Endowment for Liberal Democracy. Alternative options, based on transforming existing organizations, are compared in Annex 2. This would largely streamline some of the recommendations above, which were written with Romania in mind, at a higher level (EU / liberal democratic West). The "flexibility-first" approach we propose is not radically new. Some key aspects are already being attempted in the political space, e.g. the "coalitions of the willing", imagined to avoid political deadlocks by working effectively with partners sharing common values for as long as they do, in ever morphing structures.

Purpose & mission of the new organization: revitalize liberal democracy facing unprecedented attacks

How it could work:

- Governance: Board formed of top intellectuals with exquisite international profile and who are clearly associated in the public opinion with unwavering support for liberal democracy (e.g. figures like Anne Applebaum, Timothy Snyder, Francis Fukuyama, Daron Acemoglu etc.). ELD would be a Foundation specifically designed to support financially liberal democracy activities.

- Offices: established in several European countries which remain highly committed to liberal & democratic values. Initially ELD should be set up at least in 3-4 countries, with the possibility to expand to new locations. Such countries could be, for example, Germany, Belgium, France, UK, Ukraine. The organization must be flexible enough to allow, by decision of the Board, that offices, people and funds be **swiftly relocated** from a country to another in case the respective countries deviate from liberal democratic norms, avoiding damage to beneficiaries of support. This flexibility should not have any implications for the eligibility of beneficiaries of the support (beneficiaries from "deviating" countries, think Hungary, should continue to receive financial support, potentially even more so, as they face new threats from their own governments). In other words, an independent human rights group or media outlet would continue to receive support regardless of whether the government of the country in which it operates becomes hostile, and regardless of whether the ELD office from that country had to be moved to another country; on the contrary, the NGO should even be supported more, including with legal defense, relocation services if needed etc. This flexibility is essential to thwart targeting by illiberals and disruption in ELD's operation.

- Initial activity: provide minimal survival / bridge funding for a few key NGOs and independent media which used to be US grantees in the region. Provide immediate legal assistance for organizations under legal threats in their respective countries; and support for urgent relocation, in case of security threats. Such cases can be identified by interviewing former USAID, NED, DoS etc. grant officers, but any visible and credible organization in the entire region, from Ukraine to Hungary, is a sure match and a sure previous recipient of US funding without which it may face immediate or mid-term survival challenges. There will be a transitional period in which the ELD keeps afloat a few such organizations and prepares its own funding strategy for the future. After that, funding would be given later based on competitive calls, similar to formerly USAID, DoS, EU/Norway, OSI and other donors. The underlying idea is that in time, ELD can become also the vehicle by which donors from the liberal democratic camp (people, businesses, governments) channel their efforts to fight illiberalism and extremism, filling in the void left by US. The priorities for future calls, depending also on funding that would become available for ELD, should be established by the Board. ELD must have transparent reporting to the public and its

donors - protecting only highly sensitive information, such as identity for dissidents or beneficiaries that are at high personal risk, such cases must be well justified.

- "Seed" funding: start with initial donations from EU and/or a few prominent donors of strong positive reputation - e.g. people like Bill Browder, Alex Soros etc., preferably 10-15 initial donors. Donors could be actively sought for by the Board or vetted by the Board, as they will also be key to shaping the "image" of ELD and lend it credibility for the future. It is better to have a diversified batch to avoid individual targeting and suspicions of "X's network".

- Additional funding: organize donation options for small individual donors and advertise. This would also provide a sense of purpose to those who want to act in support of liberal democracy and do not know how. If EU is a key donor and partner, this will attract more credibility for new donors, as well as project immediately a positive image of EU as the new leader of the democratic world, by taking over the US role in promoting democracy in the area of civil society and independent media. Every donation exceeding a certain amount, particularly from private donors, must be vetted by the Board before being accepted into the organization.

- Staffing: there is a cohort of highly motivated former staff of US grant managers who are out of jobs (USAID, possibly NED, NDI, NRI etc., but also older initiatives such as PTF). Positions would be available for a few of such staff willing to relocate to European countries. This staff from former US organizations have a critical advantage over competitors: relative flexibility and adaptability, plus local knowledge. As we explained in the report, US official (federal) donors have been criticized in the past for red tape, conflicting objectives, and aloofness from local context. The major advantage of US, however, is that these donors have been consistently under a process of critical scrutiny and reassessment, a process that should also be imitated by European donors (EU, Norway). In time, they became significantly more flexible and adaptable. Today, there is simply no comparison between US and EU donors in terms of bureaucracy and administrative burden, with US being perceived as significantly more reasonable to work with and content-, not process-oriented (as any beneficiary of both can confirm). As also explained, US donors have been more invested in the idea of supporting "contrarian" (as opposed to "cooperative") civil society voices. This is precisely the needed mindset for the current situation, in which more governments become hostile to liberal democracy, free speech, diversity, rule of law and rights, and when the European idea of benevolent governments cooperating with civil society for the public welfare is going outright bankrupt in countries that are now grossly deviating from liberal democracy.

- Growth: right now, supporters of liberal democracy - and perhaps most dramatically those from the US itself - feel an urgent impulse to "do something", but do not know what. Setting up ELD, potentially boosting it with EU support, and "marketing" it as a defense mechanism against the illiberal drift may provide a sense of purpose and joint

action to fight back that not only civil society and independent media need, but prospective donors as well. Our experience at EFOR in late 2024 and early 2025 was an unprecedented energy from local stakeholders (businesses and individuals) to support our work, as they realized the threat of illiberalism around the presidential elections. This type of energy is felt also elsewhere and has to be channelled and prioritized to where it is needed most, and a vehicle such as ELD could provide precisely the right type of motivation. ELD will necessarily start small - as a small endowment, perhaps with a few hundred thousand USD, providing emergency limited support to a few NGOs so they survive the US funding gap. However, it has the potential for growth if it gradually manages to coalesce a critical mass of supporters in a few countries. This is why it is essential to place ELD under highly reputable figures of global renown. The opportunity to support ELD should be open to those who want to associate with the values of liberal democracy. A potential important source for financial support could be from "the other US", the non-MAGA Americans, businesses, "blue" states who oppose the current US administration's policy and are shocked at the country's withdrawal as global leader of the free world, aligning itself more with dictators, bullies and aggressors. Amounts can be given also by EU, European states and other institutional donors who share the same values (and who could benefit the experience of former USAID/US donor staff in terms of identifying priorities in a world that is conflictual not cooperative, as well as in terms of flexibility of funding and support to beneficiaries). ELD would also be significantly boosted if EU takes a stewardship role from the beginning to position itself as the promotor of democratization and free press replacing the US.

- Reputational advantage: countries in which the ELD will have offices de facto get a sort of "endorsement" as being liberal democratic by the simple fact that the ELD will operate from their jurisdictions. As the organization and its reputation grow, such endorsement will be meaningful, both for ELD and for these states. It will inspire also greater political unity. If EU contributes, it will also create a strong positive association between EU and virtues of liberal democracy directly in member states, bringing EU closer to citizens directly.

- Geographical coverage: ELD should start and focus its activities in Europe. The continent is under unprecedented threat from Russia's invasion of Ukraine and from the combined efforts of authoritarian regimes (Russia, China, now MAGA-US) to dismantle liberal democracy, divide EU unity, and promote anti-values that explicitly undermine the foundations of post World War II international order, such as "might makes right". Also, Europe in the broader sense (EU plus countries like UK, Ukraine, Moldova, minus Russian-controlled regimes such as Hungary or Slovakia) is the only remaining bulwark against the unprecedented aggression from Russia, both military and hybrid.

- Decentralized approach: while ELD would start as a "top down" idea (a group of intellectuals and donors combine to start an organization with a limited amount of

money to save what can be saved), it can only grow to scale by "bottom up" efforts. This means that local offices should attract local leaders, intellectuals and credible figures, to be associated with the local ELD branches apart from the grant managing staff (former USAID etc.). Such figures (modern day Lech Walesas or Vaclav Havels) could act as honorary local members, support reputationally the ELD, giving a form of local "stewardship" or buy-in from local stakeholders in liberal democracy - while attracting visibility and local funding. As mentioned above, it is possibly for the first time that a "bottom-up" mobilization of local resources and constituencies, long expected by donors of their recipients in the 35 years of assistance for democratization, can actually happen. People are simply furious and energized, acutely feel the threat to their normal lives, as a reaction to the mobilization of the illiberal camp on social networks and mindless mobs. However, to avoid the emergence of characters which later on turn against liberal democracy (let's call them modern day Viktor Orbans), each of these figures has to be vetted by ELD's Board before associating with the ELD local branch, and they can be removed by the Board from this position if they at some point change allegiances joining the illiberal camp. However, it should be clear from the beginning that funding would not necessarily go to one's own country, or exclusively there: ELD will have to prioritize projects across Europe, possibly allocating more funds to Ukraine or Hungary though donations may come also from Germany or France. If local donors prefer certain local organizations, they can donate directly without ELD's intermediation.

- Unified vision: Precisely because funding does not necessarily follow the country of donors, ELD must support a universal / pan-European, liberal democratic vision, fully compatible with the image the EU seeks to project on a global scale. As explained above, it should channel efforts of those who consider the threat as being beyond a single country - allowing ELD to prioritize across the continent. It should not compete with donors which want to support a particular organization in a particular country, as the scope is different. However, this approach can be a particular strength for ELD: to build a stronger sense of European identity and shared European values, across national borders. Such solidarity is needed now more than ever. A key shortcoming of the EU has been that it was not very apt at "selling" its key strengths: the Copenhagen criteria, nor could it overcome the political pressures from "anti-federalists" in each member state. The Copenhagen criteria however underpin the very fundament of the EU. ELD can support building a common European identity / European citizenship precisely by funding initiatives bolstering these values.

- Collaboration: ELD can also consult and collaborate with other grant managers at local level, e.g. FDSC-type of organizations which have local expertise and can give reference about which organizations are credible on each topic. However, unlike Foundations for civil society which deal with EU/Norway grants, ELD must be focused specifically on "hard" topics essential for the preservation and promotion of

liberal democracy: civil society think tanks and watchdogs, independent credible media, human rights groups.

3. Address resource gaps in sensitive areas

Certain critical domains, such as investigative journalism, watchdog organizations, think tanks or in-depth civic education remain underfunded due to perceived risks or lack of immediate donor appeal. To bridge these gaps, in addition to the mechanisms illustrated above, which may face collective action dilemmas, the points below highlight actions that can be undertaken individually:

- **Donors**: Support underfunded causes by establishing dedicated funding streams for areas like judicial oversight, anti-corruption, and media independence, identifying the critical areas which become relevant as the situation changes. For example, create a grant program specifically for investigative media outlets to uncover public sector irregularities; or for a particular threat of disinformation campaign ahead of elections. These areas complement the broader initiatives illustrated above and should provide **fast response** to a particular crisis that may arise. For such an approach to work, one needs to ensure that the capacity of organizations is first of all available, that is, sustained long term (via mechanisms explained in points 1-2 above); and secondly that the crises are promptly identified. For this, either donors or the intermediate organizations should have a dedicated unit to monitor the situation on the ground - e.g. political crises - and be allowed to allocate immediately small funding for a fast response to organizations capable of producing the adequate response (e.g. investigation; innovative information campaign; pre-bunking etc.).

- **Donors, including international partners / embassies**: Mitigate risks by providing protections for grantees facing retaliation from illiberal actors, including legal aid for SLAPP (Strategic Lawsuits Against Public Participation) cases and the establishment of an international legal defense fund. This can be done either by donors themselves having a dedicated amount for legal aid; or by introducing the mechanism in pooled donor platforms, e.g. FDSC, CIVITATES or others.

- **Donors**: Expand flexible funding by developing grant mechanisms allowing rapid disbursement of small to medium-sized amounts for emergent needs. This should be done by each donor immediately, and the support could later be pooled with others in mechanisms as those described above, if the collective action dilemmas can be overcome. Implementing simplified application processes can enable grassroots organizations to access these resources without excessive bureaucracy. Prioritize simplicity over fancy novelties (such as online integrated management or reporting platforms that never work properly and waste everybody's time) and reverse application phases (simplified project selection based on the action's relevance and track record, with status and eligibility documentation required in the second step).

4. Prioritize critical thinking over mere mass mobilization

In an age dominated by misinformation and social media-fueled polarization, fostering critical thinking is essential to counteract destructive mobilization efforts driven by populism or propaganda. Beyond the actions needed to respond to immediate challenges, in the long run efforts must be made to limit the effectiveness of violent mobilization fuelled by disinformation. The two major intervention areas are critical thinking and loneliness. Key actions which can be undertaken by individual actors independently and without broader coordination may include:

- **Donors**: Enhance civic education at every level by grant programs with a view to shift focus from basic civic engagement to deepening public understanding of liberal democracy's principles. Incorporate modules on rights, responsibilities, and governance mechanisms into school curricula and adult education programs. Prioritize non-standard, attractive forms of civic education which can be easily customized for various target audiences.
    - How? Organize an open project call for educational projects, based on project concepts. Organize in-depth discussions with the most promising projects, tailor funding to match the best projects' achievable goals. Favor "vertical integration" (mix of skills), where needed. Protect "copyright of ideas", particularly for projects where there is track record of successful implementation, including networks and trust developed with the end-beneficiaries of the educational programs. Organizations proposing a project concept should not fear that their idea is simply "stolen" to see that funding is given by the donor to other organizations to implement their project idea. Donors should also invest efforts in monitoring the actual impact on the ground - e.g. by visiting the projects supported, which can be also a highly satisfactory experience, beyond its informational value.
- **Donors**: Promote media literacy by developing grant programs for national campaigns that equip citizens with tools to discern credible information from manipulation. Encourage partnerships with credible educational institutions, based on their track record, and with the local media to deliver workshops and online courses.
    - How? Launch competitive project calls for media literacy projects, favoring "vertical integration" (small consortia made of organizations with different skills). One could devise two "streams": larger amounts for "established" projects (continuation of projects that have proven their effectiveness, with real impact) and smaller amounts for "pilots" (allowing new ideas to come up and be tested in real world conditions). As above, monitoring the real impact is essential: instead of focusing on hypothetical "macro" impacts on paper from the beginning, having real "micro" impacts could allow for prioritization of what really works and later scale up.

- **Donors**: Promote project calls that encourage constructive dialogue by supporting initiatives that bridge societal divides, such as town halls, moderated debates, and cross-community workshops. These platforms can foster inclusive discourse on democracy and governance. Experiment with deprogramming[9]: the process of helping individuals unlearn or critically reevaluate beliefs and attitudes shaped by exposure to extremist ideologies, disinformation, or manipulative propaganda.
    - How? Research indicates that a key mechanism for "blind mobilization" is loneliness, perhaps more important than failed critical thinking. People join "sects" for emotional, not rational beliefs, satisfying a need to belong to a group to which they must prove loyalty. During the pandemic, social media has been a substitute for social contact, favoring "bubbles of opinion" and online radicalization. To combat this, it is essential to bring people together, in physical meetings, and encourage community building, patience to listen to different points of view, and empathy. Donors can launch calls which favor local community discussions and joint activities in the benefit of the community - e.g. for simple things like cleaning up garbage in a nearby forest. It is precisely the "offline" that leveraged Georgescu's support, and the response should be symetric. Critically, the community meetings and joint activities should be **organized locally by people deeply committed to liberal democratic values** and trusted in the community. The criteria for giving funding for such community work should be first to "vet" local organizers that they are aligned with the values of the donor.
    - Additional initiatives can include providing direct services for communities via trusted community members, while ensuring that these community members are fully aligned with liberal democratic values (e.g., paralegal support for disadvantaged groups, social services for hard-to-reach beneficiaries etc.). Various innovative ways of promoting cross-functional

5. Reconcile free expression with democratic responsibility

The proliferation of social media has decoupled free expression from democratic values, enabling hate speech, propaganda, and anti-democratic movements. As exp0lained in the report, from the perspective of the reader, hate speech and disinformation is available for free, whereas real, evidence-based reporting is often behind a paywall. To address this paradox:

- **European Commission** (via national implementing authorities for legal acts such as the DSA): Promote responsibility on digital platforms and create local capacity to hold them accountable, using existing instruments (such as the DSA). This includes advocacy for regulations that balance free speech with accountability, targeting online hate speech and misinformation. Partner with tech advocacy groups who act

9 https://www.unodc.org/e4j/zh/terrorism/module-2/key-issues/radicalization-violent-extremism.html

in the public interest to monitor and flag out systematic manipulation campaigns and try to address their root causes (instead of merely performing factchecking post-factum). Accelerate enforcement and consider more radical options in case the platforms fail to comply with regulations or actively engage in promoting disinformation ahead of elections (as it happened with X and the open support from Elon Musk and US administration for AfD ahead of elections in Germany).

- **Donors**: Foster digital literacy by launching comprehensive programs to educate users on ethical online behavior and the societal impact of digital misinformation. Where possible, these could include partnerships with social media platforms to provide tutorials on content verification. More aggressively, build a comprehensive "fight back" agenda, designing support for active promotion of pro-liberal democracy content, in a manner that can become viral.
    - How? Large institutional donors (e.g. "specialized" ones on disinformation, like the private foundation Calouste Gulbenkian) should coordinate with the EC in a "stick-and-carrot" strategy: social platforms willing to enforce DSA regulations and to significantly enhance transparency of content promotion algorithms, as well as to eliminate hate speech, disinformation, illegal political advertising etc., and who are engaging constantly with EC and other European stakeholders, are encouraged to engage with researchers and media investigators for content verification, monitoring of suspicious traffic and other potentially illegal activities. Grants / financial support should be available for these researchers, whereas the social networks willing to engage gain reputation benefits. Social networks who continue to violate the interest of the EU consumer should be fined or even shut down, *in extremis* (they could appeal in courts). Given the recent cases of interference of US in elections inside the EU there is a window of opportunity to adopt this strategy now. EU consumers would appreciate "fair" social media in a similar manner in which "fair trade" products are popular - but particularly now, as the boycott against Tesla is gaining EU-wide momentum, indicating that EU citizens have had enough of precisely this type of manipulation.
- **Donors**: Support independent media by investing in investigative journalism and alternative media outlets that uphold democratic norms and counteract extremist narratives. Funding for regional and local media outlets can also help ensure diverse voices are heard.
    - How? Launch competitive calls or even small direct grants to regional media outlets.
- **Donors and EC**: Be prepared to address situations where the government itself or various political leaders are key disseminators of manipulative and polarizing narratives, whether overtly or through subtle dog-whistling aimed at specific segments of the population. The EU in particular appears visibly uncomfortable addressing situations involving leaders who engage in double talk, by presenting one

narrative in Brussels while delivering a completely different (and often irresponsible) message to their domestic supporters. To shield itself from pressures exerted by member states, the Commission could consider adopting arm's-length mechanisms.

- For example, as illustrated above in points 1 and 2, it might partner with other major Western donors to create larger pooled funds dedicated to supporting pro-democracy interventions that would otherwise be regarded as "too political to address directly." This would allow the EU to support critical democratic initiatives while maintaining a degree of separation from politically sensitive decisions about civil society assistance in member states with illiberal tendencies. Just as the private sector donors would keep their distance from perceptions of direct connection or interference, pooling resources would give also the EC the same advantage.

- Very importantly: funding should be proportional with the degree of illiberalism in a country. One of the big dilemmas for the past decade has been what to do about illiberalism and authoritarian tendencies in individual member states, which now derails to a significant extent the collective decision in the EU. The strategy to deal with this critical weakness is twofold: to create "coalitions of the willing", from governmental decision to pooling of resources, but also intensify the fight against illiberalism and authoritarian tendencies by funding opposing forces, civil society, independent media and undermining the dictators' powers from within. It is impractical (and not legally easy) to kick out Hungary from the EU, as this would cut off Romania, Bulgaria and Greece from the rest of the Union. A more ambitious strategy would be to fight Orban's regime on several fronts, from supporting opposition, preparing packages of personal sanctions and economic restrictions against various companies supporting the regime, interdictions for planes to cross the aerial space of neighboring countries etc. in an innovative way to harass the dictator until Hungary returns to meeting the Copenhagen criteria. Finding the best strategy requires though inside knowledge and in-depth thought-through strategies, for which Hungarian media and independent organizations are vital. These organizations must be supported with priority, both against harassment inside Hungary, and financial hardship after the closure of US aid. A similar strategy may be critically important for Romania in the years to come, as the country may slide into a similar authoritarian illiberal regime despite the relief after the recent presidential elections.

6. Rethink funding models for sustainability

Traditional donor approaches often emphasize large, one-time grant programs, creating dependency and limiting long-term impact. This is particularly characteristic of the EU, which often, for bureaucratic reasons and to avoid reputational risks, prefers to deliver large

assistance packages through contracts with major implementing organizations. Instead, funding from individual donors should:

- **Donors**: Emphasize continuity by prioritizing smaller but consistent funding streams to enable sustained operations and strategic planning.
    - For example, implement annual operational grants for established NGOs to cover basic costs like staff salaries and infrastructure. This would also ensure a minimal survival of organizations in periods of "drought" from other donors.
    - Introduce baseload funding by providing foundational support to key NGOs working in priority areas like human rights, public accountability, and media independence. Baseload funding ensures stability while organizations focus on achieving impact. Such organizations must be selected and evaluated based on existing track records, results, and reputation in the international non-profit community.
    - As mentioned above, it is also vital to create emergency response funds, for instance by establishing rapid-response mechanisms for civil society to address critical threats, such as judicial backsliding or repression of investigative journalists. These funds should be accessible within weeks of a request. To reinforce the recommendation in point 2, a good combination is "core funding" (permanent baseload support and operational costs) to maintain capacity, and ad hoc crisis response funds, to provide quick deliverables when needs arise. Very importantly, the organizations must be reviewed periodically to ensure that they continue to follow the original mission, are the most efficient use for the funds, and have impact.

7. Strengthen civic engagement at the local level

The weakening of civil society in local communities outside the capital or other major cities poses a significant challenge. Local governments often operate within entrenched clientelistic networks, leveraging central allocations and patronage systems to consolidate power. This dynamic undermines independent civic activism, investigative journalism, and public accountability at the municipal level. To counteract this trend, targeted interventions are needed:

- **Donors**: Encourage local watchdog organizations by providing specific funding and training for NGOs and civic groups focused on monitoring local governance. These organizations should be equipped with tools to track municipal budgets, procurement processes, and policy implementation. Regular training sessions on transparency laws and data analysis can empower these groups to act effectively as watchdogs.
- **Donors**: Support grassroots investigative journalism with grant programs for regional and local media outlets, particularly investigative journalists covering municipal governance. These grants could cover operational costs, such as travel

expenses, access to public records, and legal support for cases of harassment or intimidation. Collaborating with national and international media to amplify local stories can also increase visibility and impact.

- **Donors**: Promote local civic education initiatives such as programs to educate residents about their rights and responsibilities as citizens. Civic education campaigns should focus on demystifying municipal processes, encouraging public participation in town hall meetings, and fostering a culture of accountability. Unconventional, creative and cost-effective methods to make technical aspects of local governance and budgeting accessible to ordinary citizens must be supported in the long run; schools and community centers can serve as hubs for such initiatives. In conjunction with point (3) above, support techniques like the Deliberative Polling® to engage members of a local community in informed discussions about sensitive or complex issues of governance.
- **Donors**: Foster partnerships between national advocacy groups and local organizations to share resources, expertise, and strategies. Regional hubs or networks can provide logistical and moral support, enabling smaller organizations to sustain their efforts.
- **Donors**: Encourage "vertical integration" of projects that combine the capacity of national or EU-wide organizations for specific topics aligned with liberal democracy promotion (e.g. anti-disinformation, anti-corruption, European values, human rights, etc.) and local organizations who can provide on the ground access to local communities. Organizations at national or EU level could also help facilitate exchanges of experience between other local organizations with which they can collaborate.
- **Local governments, in partnership with donors supporting civil society**: Support the expansion of participatory budgeting in relevant formats and based on the available international experience (with ups and downs): mechanisms that give citizens a direct role in municipal budget allocation. Participatory budgeting initiatives increase transparency and empower communities to prioritize projects that align with local needs.

8. Bolster advocacy for liberal values

In an increasingly polarized environment, civil society must effectively communicate the benefits of liberal democracy to counter illiberal narratives. Support for such initiatives make take various forms:

- **Donors and EC**: Fund positive messaging campaigns, by highlighting the tangible successes of democratic governance, human rights, and EU integration. Utilize storytelling methods to illustrate how reforms have improved citizens' lives.
    - How? The EC should reconsider the budgets currently used for various information campaigns and transfer the amount in a common pool of

resources with other donors, opening competition for the most innovative and unconventional ideas possible for an outright information war defending liberal democracy. Decentralizing and crowdsourcing communication has a highly successful precedent in Ukraine during war, when numerous PR agencies, volunteers etc. contributed to impress the entire world with the inspirational story of Ukrainian resistance. Resources are needed to ensure not only the creation of content, but also dissemination in unconventional and innovative ways. The pool of resources, if managed by grant managers with experience with civil society and solid reputation, can be used to support organizations that are fully aligned with liberal democratic values. Collaborations and idea sharing with Ukrainian organizations could also be encouraged (by making Ukrainian organizations eligible to the call and encouraging partnerships with other NGOs inside the EU).

- **Donors, EC, embassies**: Leverage respected public figures, academics, and cultural icons to advocate for democratic principles; such figures could give credibility to the funding mechanism itself, see the Box on ELD governance. Engage social media influencers to reach younger audiences effectively, or various other segments of the public. To accomplish this, work with reputable organizations who understand online advertising and the local market, but in the same time have proved adherence to democratic values and the public interest, and do not just pursue commercial profit.
- **Donors, EC**: Invest in good storytelling, i.e. compelling narratives to connect abstract values with everyday experiences, fostering emotional resonance with liberal democracy. Documentaries, podcasts, and short films can serve as effective mediums.
- **Donors**: Focus on regions, communities and professional groups particularly vulnerable to Kremlin's toxic narratives. Help capable Romanian organizations foster cross-border collaborations with civil society actors in countries facing similar challenges, such as Ukraine and Moldova.

9. Forge stronger international partnerships

While local ownership is vital, international collaboration remains crucial for sustaining civil society in the face of domestic challenges. Recommendations include:

- **Donors via intermediary organizations managing multiple-donor funds**: Strengthen transnational networks by facilitating exchanges between Romanian NGOs and counterparts in other democracies to share best practices and resources. Create regional hubs for collaboration on common issues, through bottom-up initiatives: civic activists themselves should choose their partners, preferably based on a track record of working together.
- **Donors and EC**: Designate as priority the regional cooperation by promoting initiatives that address common challenges in Eastern Europe, fostering solidarity

against illiberalism. Joint campaigns on issues like media freedom can have a greater regional impact.

- **International partners** (e.g. IMF, WB, EC, in macroeconomic stabilization programs expected in 2025 and onwards): Maintain conditionality targeting the public authorities and support local watchdog groups able to monitor and report on the progress in democratic reforms, ensuring accountability for donor investments.

10. Encourage adaptive capacity and innovation

As Romania's political and social context evolves, civil society must remain agile and innovative to stay effective. To support this:

- **Donors and intermediary organizations**: Invest in capacity building by supporting NGOs in enhancing their resilience through practical measures. These could include providing access to new technologies, offering cybersecurity training and support, ensuring availability of legal advice when needed, and funding essential services like audit and accounting support. Additionally, addressing various administrative costs, which are often overlooked or programmatically excluded by donors, can significantly strengthen NGOs' operational stability and long-term sustainability. It would also free valuable staff time in small organizations which can be used more productively for the core activities.
- **Donors**: Foster experimentation by supporting pilot projects that test new approaches to civic engagement, advocacy, and service delivery. Use feedback to refine and scale successful initiatives.
- **Donors and intermediary organizations**: Incorporate feedback loops by ensuring ongoing assessment and learning from both successes and failures to refine strategies. Publish lessons learned to benefit the broader civil society ecosystem.

The future of civil society in Romania depends on sustained, strategic, and innovative support that addresses both historical challenges and emerging threats. By adopting such recommendations, international and domestic actors can ensure that Romanian civil society remains a vibrant, resilient force for liberal democracy, capable of navigating an increasingly complex and polarized landscape. Strengthening the foundational pillars of civic engagement, institutional accountability, and grassroots support will safeguard the progress achieved and set the stage for a more inclusive and democratic future.

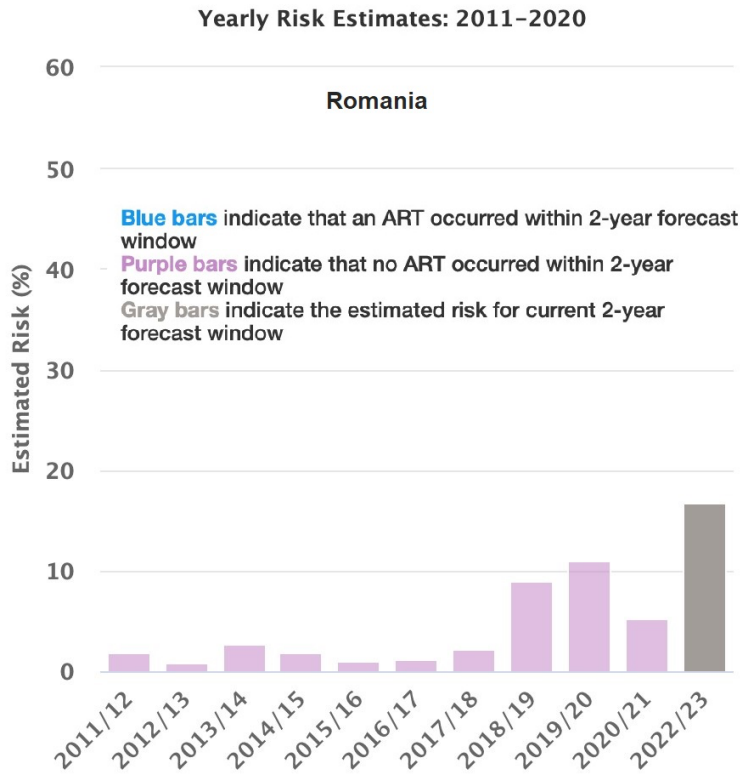
Annex 1.

Ups and downs of democracy and civil society in Romania

A country at risk. The probability of illiberal backsliding in Romania is real, as the PART project of the Varieties of Democracy (V-Dem) Institute / Gothenburg University attests. PART stands for *Predicting Adverse Regime Transitions* and measures the substantial movements of a country's regime towards more authoritarian governance, whether authoritarian reversals in a democracy, or further autocratization in an already nondemocratic country. In the case of Romania, their predictions of a few years ago have indeed been verified, as the chart below shows.

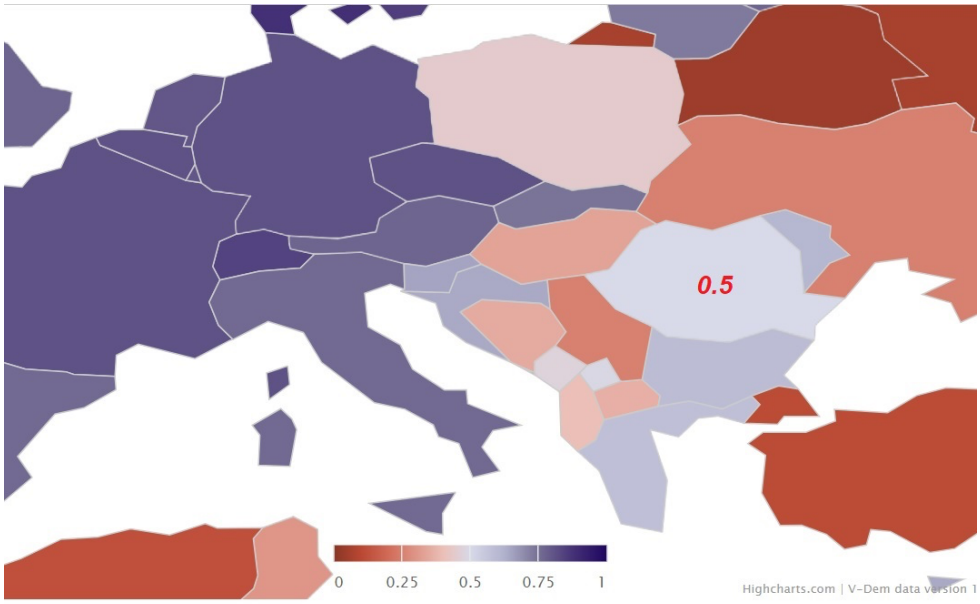
Source of the charts below: V-dem project https://v-dem.net/vforecast_dash

Methodology: https://www.v-dem.net/media/publications/v-dem_working_paper_2019_89.pdf



Other relevant dimensions measured by the V-Dem program, which confirm our analysis in this report, are displayed below.

Liberal democracy index: to what extent is the ideal of liberal democracy achieved?

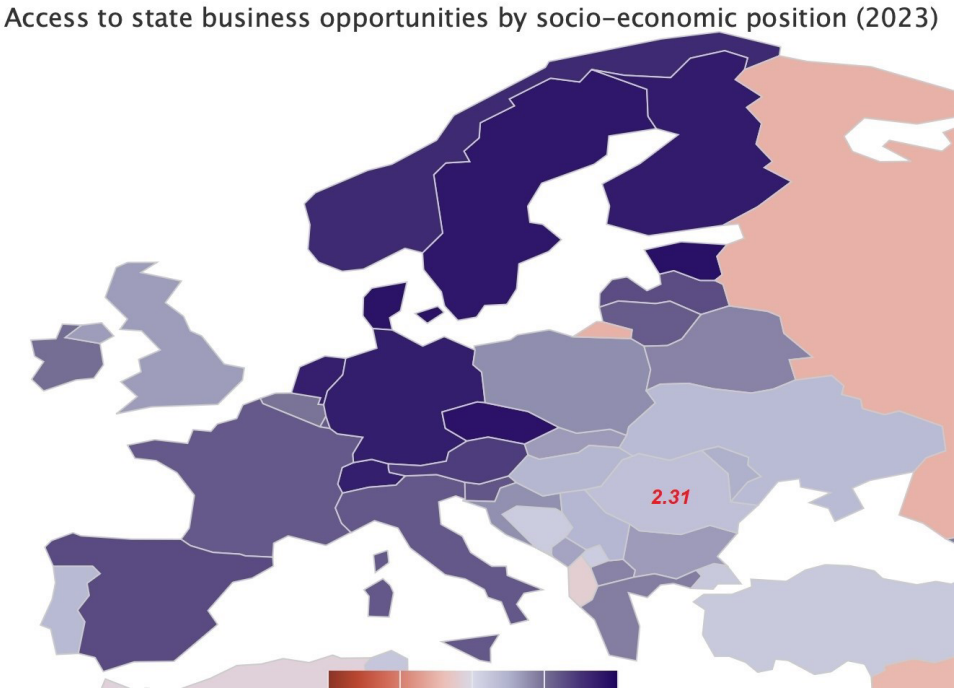


Access to state business opportunities by socio-economic position

Are state business opportunities equally available to qualified individuals regardless of socio-economic position?

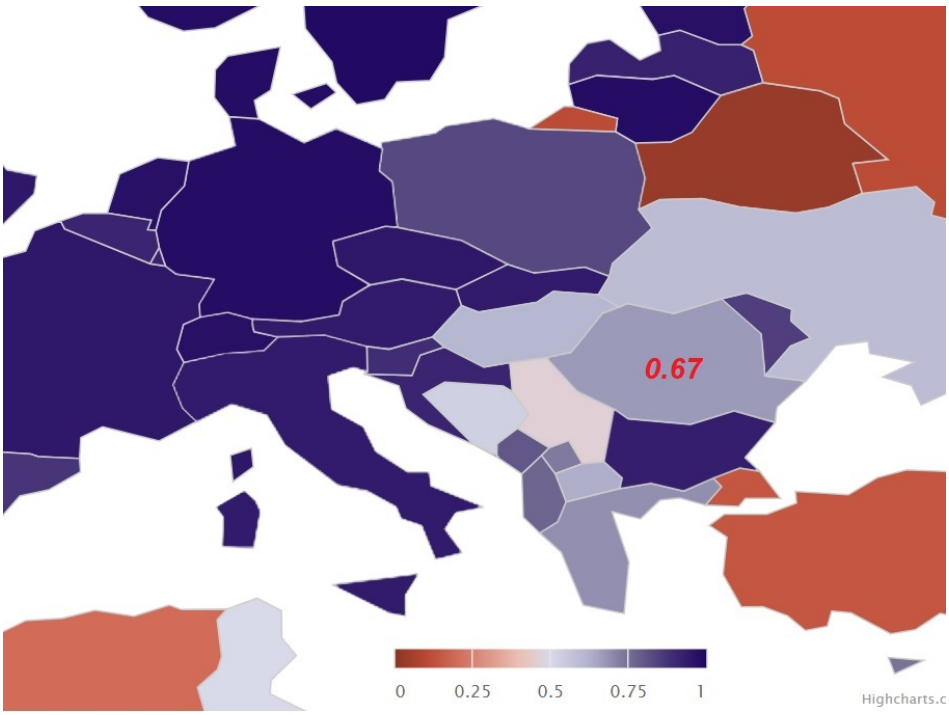
State business opportunities refer to the ability to compete for or receive a public procurement contract, to partner with the government in public-private partnerships, etc.

Socio-economic position defines groups based on attributes of wealth, occupation, or other economic circumstances such as owning property.



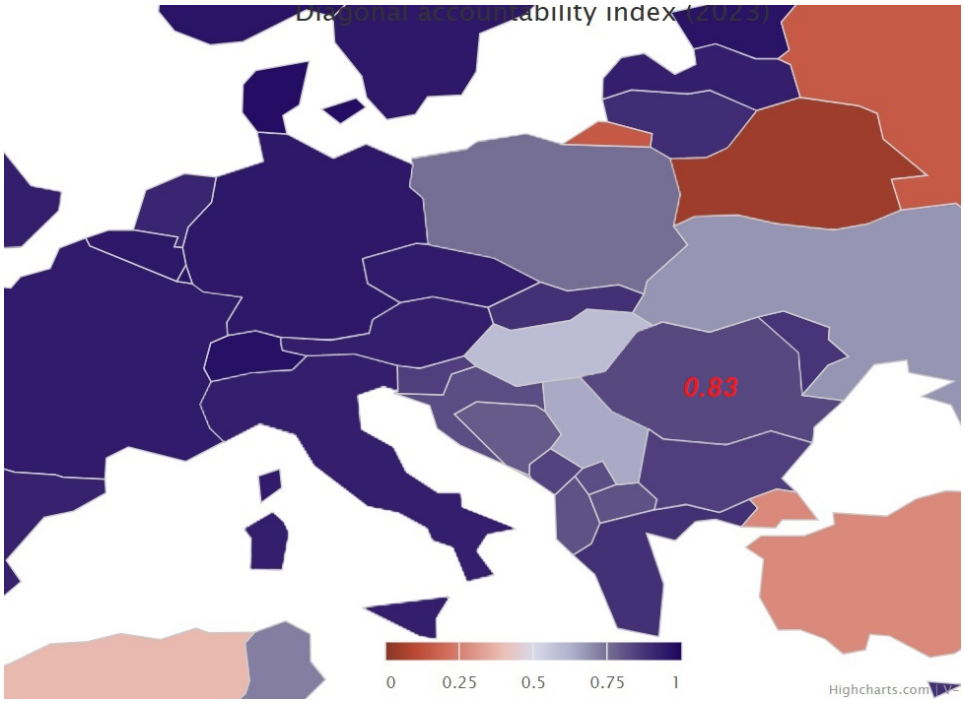
Horizontal accountability index: refers to checks and balances between institutions

Romania fares worst in the EU except Hungary



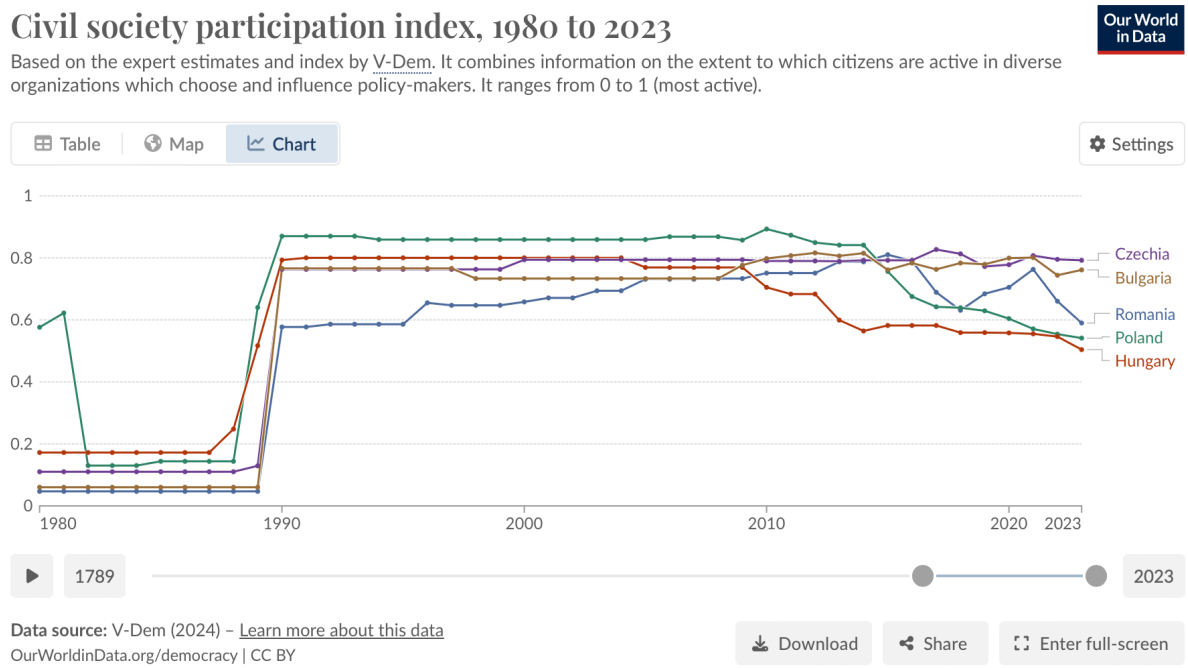
Diagonal accountability: captures oversight by civil society organizations and media activity

Romania fares worst in the EU except Hungary and Poland



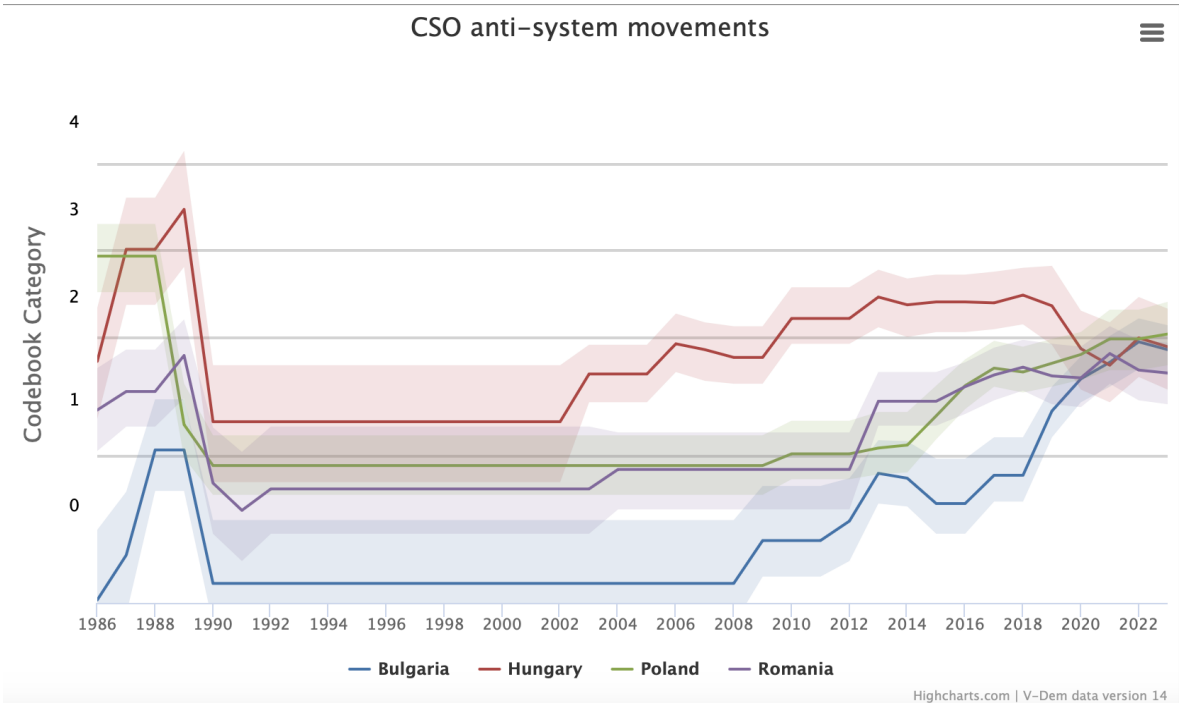
Civil Society participation

This index is pointing down in Romania lately, as explained in the report, Phase 3



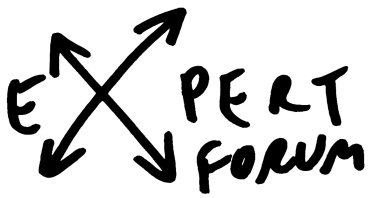
Anti-system movements

On the increase in Romania and Bulgaria, reaching levels comparable to those in Poland and Hungary



ANNEX 2. ALTERNATIVES FOR A EU TAKEOVER OF US ROLE IN PROMOTING DEMOCRACY VIA CIVIL SOCIETY AND MEDIA

The challenge	To ensure EU takeover of dismantled US support for democratization via funding of civil society and media, making use of the significantly higher US expertise on the topic compared to current EU funding. US funded independent / "contrarian" civil society, such as think tanks providing alternative/opposing positions to government; watchdogs holding governments accountable; and independent media acting as a check on power and anchor for democracy EU preferred to endorse "broad coalitions" of civil society collaborating with governments in various formal cooperation formats (e.g., formal social-economic consultation committees in EU and national governments), assuming all governments fully respect civil society and media, and welcome any policy input from outside. Since all governments are assumed 100% aligned with Copenhagen criteria, the EC saw relatively little use for EU funding of civil society and media inside EU itself (some funding for EaP and WB) For existing direct EC funding, very little experience for competitive calls and almost no knowledge of local civil society and media, particularly inside EU. For convenience, EU prefers mega-grants to self-governed mega-coalitions or organizations (in "restricted calls", directly and non-competitively). This limits competition, uses EU funds suboptimally, creates incentives for self-selection, and forecloses access to grants for newcomers. A takeover of grant-giving capacity from US grant managers would significantly enhance the expertise for prioritization and allocation of EU funds for democratization.			
	Endowment for Liberal Democracy (ELD)	**International Institute for Democracy and Electoral Assistance (IDEA)**	**European Endowment for Democracy (EED)**	**The Transatlantic Foundation**
Status	To be established as new foundation	Existing intergovernmental organization, global	Independent EU foundation focused on EaP,WB and rest-of-world	Existing EU Foundation (since 2011) focused on Central and Eastern Europe as well as the Western Balkans
Governance	New board to be established from international public intellectuals known for support of liberal democracy (e.g. Snyder, Applebaum etc.)	Council of member states, Steering Committee, Finance & Audit Committee, Board of advisors, Secretariat. Existing office in Brussels focused on EU/EaP/WB	EED Board of governors (42): representatives of EU member states, UK, Norway, EEAS, civil society; Executive committee (civil society experts);	TF's Board of Trustees
Changes to governance	The structure will be established new (no existing restrictions)	Requires special mandate for Brussels office to become a de facto foundation / grantmaking organization apart from existing mandate; requires statutory change to be able to manage grants for civil society and media.	Would need top-up activity for Secretariat, within existing mandate and statute	Manages grants currently and has capacity to expand.
Statement & visibility of action	The composition of the board signals clearly the new role of Europe as the new leader of the free world (and support for liberal democracy by assistance to civil society and media, taking over from US)	Would require a strong statement of support from public intellectuals (Snyder, Applebaum etc.) to signal clearly the new role of Europe as new leader of the free world (and support for liberal democracy by assistance to civil society and media, taking over from US). These could be coopted in an informal support structure (e.g. like a panel of endorsers)	Would require a strong statement of support from public intellectuals (Snyder, Applebaum etc.) to signal clearly the new role of Europe as new leader of the free world (and support for liberal democracy by assistance to civil society and media, taking over from US)	Would require a strong statement of support from public intellectuals (Snyder, Applebaum etc.) to signal clearly the new role of Europe as new leader of the free world (and support for liberal democracy by assistance to civil society and media, taking over from US)
Mission	Promotion of liberal democracy by support for civil society and media	Currently: advocacy, capacity, facilitation of dialogue, policy analysis (no specific grant-making). Would require statutory amendment to include new mission - promotion of liberal democracy by support for civil society and media	Support for civil society & media for a pluralistic, democratic political system - no mission change needed	TF works on transatlantic issues by developing innovative policy ideas, convening leaders on issues and empowering civil society in the EU and its neighbours. TF looks to a future where empowered leaders and robust civil societies drive innovative policy solutions and research, creating a more just, equitable, and prosperous world.
Funding	First phase: would require an initial EU endowment (50-100 mil EUR?) to continue ongoing civil society and media projects financed before by US. Second phase: raise funding (from EU, from US private donors & supporters of liberal democracy worldwide) for future competitive calls for civil society and media	The funding would be a top-up of existing funds, just as if it were a "new organization". May require statutory / procedural changes to include additional options for funding sources, e.g. private donors. First phase: would require an initial EU endowment (50-100 mil EUR?) to continue ongoing civil society and media projects financed before by US. Second phase: raise funding for future competitive calls for civil society and media - from EU, from US private donors & supporters of liberal democracy worldwide	The funding would be a top-up of existing funds, just as if it were a "new organization". May require procedural changes to allow for additional funding sources (e.g. ability to fundraise from private donors). First phase: would require an initial EU endowment (50-100 mil EUR?) to continue ongoing civil society and media projects financed before by US. Second phase: raise funding for future competitive calls for civil society and media - from EU, from US private donors & supporters of liberal democracy	Funding primarily from restricted EU grants, and some private donors. No statutory changes are needed to pursue additional funding.
Risks of political interference	Establish offices in 3-4 EU countries (Germany, France, Poland etc) allowing for quick transfer of funds and staff to "safe" places in case of democratic backsliding of individual EU member states	Intergovernmental, meaning some risk of negative interference from governments that go illiberal. Chairship is relevant (currently Switzerland): some chairing countries may be more reform-minded than others. However, relative autonomy of executive staff from political influence of council; Board of advisors also provides guarantees against potential egregious political pressures. As IDEA is global (not only EU-focused), this has the advantage of Council & Steering Committee being less vulnerable to potential illiberal drifts in individual European countries; but also the disadvantage that IDEA would be less inclined to shift radically to a significantly increased presence in Europe.	More focus on Europe than IDEA and experience with grant management in EaP / WB countries. Lower risk of political interference because of intermediary layer of Executive committee made up of civil society experts.	TF has 6 associated offices around Europe it could leverage and representation to another 3 countries. TF is well versed in "deadling" with sensitive and restrictive areas and still manages to distribute fundign to the beneficiaries.
Staffing	To be staffed primarily from former US grant management staff, offered job in new organization in Brussels / 3-4 other capitals (e.g. from Berlin, Paris, Warsaw, Prague etc)	Would require a top-up activity for Brussels office, with a top-up funding from EU, and staffing from US grant management staff. IDEA has no experience of grant-giving overall, requires the hiring of former staff with direct knowledge of US grantees	Would require a top-up activity with a top-up funding from EU, and staffing from US grant management staff. EED has experience of grant-giving, but not outside WB/EaP (no experience in EU member states). Requires the hiring of former staff with direct knowledge of US grantees	Staffing capacity exists. If more substantial amounts are to be distributed, internal re-allignement may be needed.
Decentralization and local sustainability	Offices in 3-4 countries provide "safe havens" for the organization in case more EU countries become illiberal, endangering the survival of ELD. Each office should also attract local public figures ("modern day Lech Walesas or Vaclav Havels"), mobilizing local funding sources; building local buy-in for democratic values; but also providing valuable input for priorities for specific local	Limited options, given that IDEA is centralized and would require Brussels office to take over the task. Could consider some local informal endorsement actions (e.g. Lech Walesas and Vaclav Havels as local "ambassadors" of IDEA)	Limited options, given that EED is centralized in Brussels. Could consider some local informal endorsement actions (e.g. Lech Walesas and Vaclav Havels as local "ambassadors" of EED)	TF has 6 associated offices around Europe it could leverage and representation to another 3 countries. TF prioritises local, national and regional outreach and has extensive network starting at grassroots, cities, cross-borded and regional.



Semilunei nr 7, apt 1
București, Sector 2
www.expertforum.ro