

Grassroots for Europe Round Table #51 - Tuesday December 3rd 2024

Europe's democracy in deeper danger



Democracy in Europe (the UK included) faces a level of risk and compromise unprecedented in most of our lifetimes.

Those who have been working to combat the malign impact of Brexit in the UK now find ourselves alongside allies and friends in Europe and other democracies, facing adversaries that deploy similar methods and pursue similar agendas inimical to freedom, security and justice. Democrats are now on a steep learning curve to understand our situation and work together to address it.

We were delighted to welcome guest contributors with complementary expertise and experiences in different European settings.

SUMMARY REPORT



Peter Geoghegan is an award-winning investigative journalist and author of *Democracy for Sale*, which explores money in British politics and also looks at potential Russian involvement and the role of Russian and American dark money in the Brexit

referendum. He continues to research the same and related issues. Peter was Editor-in-Chief at *Open Democracy*, and now heads a Substack site also entitled *Democracy for Sale*.

Peter's recent post on Elon Musk's reported donation of \$100 million to Reform refers to possible legislation to prevent the plutocratic capture of democracy by oligarchic business power. There are echoes of the funding of the Brexit referendum, but Musk's interference raises larger questions about safeguarding democracy generally. Musk's interest in the United Kingdom and Ireland suggests that he thinks he can understand developments in some Anglophone countries. However, his knowledge of Irish politics for example is particularly poor, evidenced by his equating the IRA with the Irish army. This very ignorance endangers democratic politics, especially when backed up by immense wealth, and represents a step change in the history of politics. The Political Parties, Elections and Referendums Act provided some transparency about political funding in the pre-internet age, when there was little foreign state interference in British politics, and when politics usually operated within nation states. The present laws aimed to prevent foreign influence by a cap (originally £7,500) on political donations by British citizens, or those on the electoral roll, or those owning a UK-registered company. Donations to parties or candidates were made public on the Electoral Commission website. Even with the later cap of £11,400, publication provided a degree of transparency and restricted foreign interference. This has now changed significantly, and even a country like Britain is open to foreign influence.

The Brexit referendum changed the rules and marked a significant turning point because it was the first referendum in forty years and took place in a very different climate from the 1970s. Large amounts of money went into the referendum campaign, with people like Arron Banks, a businessman who emerged from nowhere, bankrolling the leave.eu campaign. Peter and his colleagues showed that Banks failed to declare his meetings in the Russian Embassy and lied about the way the Leave campaign was run. The long-suppressed Russia Report examined the potential for online disinformation and interference, but it was later so redacted as to be almost useless. The Conservative government's delaying tactics highlighted the vulnerability of British politics to outside interference.

Instead of tackling the central issues of the Russia Report, the Conservative government weakened regulation of the electoral system even further. In the last Elections Act, the Electoral Commission, the neutral watchdog for British politics, was stripped of its independence, while the introduction of voter ID was brought in to combat non-existent electoral fraud. In the last few years regulation and transparency of political financing have been weakened by a rise in large donations from big donors. Seven or eight years ago £50,000 was enough for membership of the 'Conservative Leader's Group.' Members would get to meet the Prime Minister and government ministers once a quarter, providing off-the-record lobbying opportunities. For this relatively small sum, Russian-linked individuals became members of the group. Conservative donor sources said that Russian oligarchs came to meetings and lobbied quite openly. In the last few years this has changed again, and we now see £5 million donations.

The increase in donations to Labour and decline in Tory income during the 2024 general election indicate that donations are driven by access to power rather than principle or ideology. However, whilst they are often driven by access, Elon Musk's role in the 2024 US election shows that a plutocratic billionaire with a very strong ideological drive can undermine a democratic system. Our election laws, designed to prevent foreign

interference, are vulnerable to donations from anywhere in the world via a UK-registered company - often just a shell company. This is a loophole that the government has never wanted to do anything about, but which someone like Musk can abuse quite easily. Similarly, we have very few rules about third-party campaigning. The Super PACs in America are worrying because they began as an attempt by Russ Feingold and John McCain to control dark money in American politics in the early 2000s, but Feingold and McCain lost in a case brought to the Supreme Court by a some very rich donors. Super PACs can now effectively spend unlimited amounts of money outside official election campaigns despite existing legislation. In Britain, however, there is no legislation at all on third-party campaigns that sit alongside politics. For a long time British political parties have recognised that the system is broken, but they think they can make it work. The Labour Party's 'Labour Together' is effectively a Super PAC, which has been spending donors' money in ways that are quite hard to track. At present, however, nothing can stop someone like Elon Musk doing something very similar with far more money than anything the Labour Party could raise. The success of Musk in the USA has forced people to think about how to control third-party activity and donations. There is a belated recognition of how vulnerable Britain's democracy is, potentially to both foreign interference and billionaire access to political power.

Many rules and changes could be made. Quite simply, we could have a cap and legislation on political donations. A company that has not made profits in the UK, for example, could be prevented from donating. The Electoral Commission should have its independence restored. The maximum fine for breaking electoral law in Britain is £20,000, which is peanuts to the likes of Elon Musk. We need third-party campaigning legislation. Geoghegan and others have publicised what needs to be done. The Committee on Standards and Public Life and cross-party parliamentary committees have all made numerous proposals to curb some of these influences. It is unfortunate that Musk's intervention makes it look as if the government and 'establishment politicians' have are now trying to change the system solely out of fear of a Farage victory.

Parties, politicians and governments have accepted broken systems, poor standards and lack of transparency, and have failed to act. Such inaction feeds into a lack of trust in politicians and to anti-establishment sentiment. Events are now forcing politicians to react in piecemeal fashion, but disinformation hampers electoral reform and control of donations. The lessons of Brexit have not been learnt because there has been no proper examination of what happened. What went wrong and why? People seem blind to the direct connection between the Brexit referendum and our present situation. Until politicians recognise that these are not academic questions but lie at the heart of our political system, democracy will continue to be at risk.

See also a report by our colleague Helen Johnston of Peter Geoghegan's talk: "**The truth about democracy and the threat of dark money**" 20/12//2024, *Yorkshire Bylines*.
<https://yorkshirebylines.co.uk/politics/democracy-and-the-threat-of-dark-money/>

Intervention, manipulation, disinformation: Russia's hybrid war on and on Georgia

Owing to security considerations, reporting of a briefing at this session on current Russian hybrid assaults on Georgia's democracy has been redacted. For coverage of this topic, we recommend this article by our colleague Helen Johnston based on an interview with the Georgian opposition MP Saba Buadze : <https://yorkshirebylines.co.uk/politics/opposing-the-regime-in-georgia/>

Please see also:

- *Another Europe is Possible* podcast, Episode 99: "Georgia's democratic uprising against the 'Russian law'"
<https://www.anothereurope.org/episode-99-georgias-democratic-uprising-against-the-russian-law/>
- Another Europe is Possible: Georgia Uprising - Updates from the ground. With Alex Scrivener (Democratic Security Institute, Tbilisi) [December 2024]
<https://www.youtube.com/watch?v=9GWxkRDVLdM>

27 June 2025: A recent BBC report: <https://www.bbc.co.uk/news/articles/ckg5x53z7djo>

"Georgia jails six political figures in one week in crackdown on opposition":

<<"a crackdown described by observers as an unprecedented attack on the country's democracy... most of the leaders of the pro-Western opposition are now behind bars.... All of the jailed politicians have been convicted of refusing to testify before a parliamentary commission and barred from holding public office for two years. In what it called "the most severe democratic collapse in Georgia's post-Soviet history", anti-corruption watchdog Transparency International said the governing Georgian Dream party, led by billionaire founder Bidzina Ivanishvili, had launched "a full-scale authoritarian offensive" [...]

After last October's elections, the opposition accused Ivanishvili's party of stealing the vote. Opposition parties then boycotted parliament and, when the European Parliament denounced the election as neither free nor fair, the ruling party halted Georgia's bid to join the European Union. Georgians have since protested in central Tbilisi every night for more than 200 nights, demanding new elections and the release of all prisoners arrested during pro-EU rallies.

Human rights groups say 500 people have been arrested during the recent street protests and that 300 of them were subjected to torture. As many as 60 people are being held as political prisoners, they say.

Earlier this week 40 civil society groups said that [the oligarch behind the current government] Bidzina Ivanishvili had "chosen to maintain power through dictatorship, and fundamental human rights are violated every day".>>