

## GPSG Working Paper #13

### ***Formal and Informal Civil Society Associations in Greece: Two sides of the same coin?***

*Katerina Loukidou  
PhD Candidate*

*Faculty of Political Science and Public Administration  
University of Athens*



**WINNER: GPSG BEST PAPER PRIZE AT THE 6<sup>TH</sup> LSE HELLENIC OBSERVATORY  
PHD SYMPOSIUM ON CONTEMPORARY GREECE & CYPRUS**

#### **Abstract**

*The paper examines key characteristics of civil society's formal and informal aspects, through personal interviews with leaders and members of various associations in Thessaloniki. It explores the criteria for the selection of the operational type and further focuses on the impact of the economic crisis on both formal and informal organizations. It appears that, when it comes to activity or membership variations, there is no relation between the economic crisis and the organizations' form.*

**Keywords:** *Civil society, formal and informal associations, economic crisis*

**Author Bio:** *Katerina Loukidou studied Law at the Aristotle University of Thessaloniki and obtained her Master's in Law (LL.M) from the German University of Trier. Since 2009 she has been a PhD candidate at the University of Athens, Department of Political Science. Her fields of interest are civil society and political culture.*

This paper was originally presented at the 6th Hellenic Observatory PhD Symposium on Contemporary Greece and Cyprus, the European Institute, LSE, 6-7 June 2013

## **Introduction**

Recent studies on civil society organizations reveal an unexplored field of associational life: that of non-institutionalized, often informal, non-profit organizations. Experience and research indicate a substantial body of third sector activity often escaping the radar of empirical research (Toepler 2003, McCabe et al.2010) This also seems to be the case in Greece, where contemporary research points out the low number and small size of formal organizations (Lyberaki and Paraskevopoulos 2002, Sotiropoulos 2004), at least in some fields of the third sector. On the other hand, many scholars argue about the existence of an informal civil society in Greece (Sotiropoulos 2004a,b Kallas 2004, Karamichas 2007) and the need to explore the range and character of such an associational activity.

The present paper is a part of my PhD Thesis, which is a study on civil society in Thessaloniki, the second largest city in Greece. The purpose of the paper is twofold: first, to examine some key characteristics of civil society's formal and informal actors, through personal interviews with leaders and members of various associations in Thessaloniki. This type of research aims to unveil both similarities and differences between organizations. Second, as part of a wider research (PhD), it aims to contribute to the current academic discussion about the existence of an informal civil society in Greece, focusing on the period of the economic crisis.

More specifically, there are two research hypotheses in the present paper: The first one has to do with the choice between a formal or an informal type of operation. It is argued that this decision usually reflects the organizations' attitude towards the state, as well as their means and resources for promoting their interests and demands.

The second one refers to the influence of the economic crisis on the function and the members of organizations. It is argued that the impact of the economic crisis on the organizations is not related to the organizational formal or informal type of operation.

## **Research methodology and restrictions**

For the investigation of the aforementioned hypotheses, a combination of research methods is being used. The main one consists of 32 personal interviews with prominent members of the city's civil society. The organizations selected cover a variety of subjects and organizational types<sup>1</sup>. Their existence and function is either complimentary to the State, i.e. through the provision of public goods or oppositional, i.e. by raising demands towards the State or protesting against specific policies<sup>2</sup>. The findings of the interviews have been enhanced by web and press monitoring as well as personal attendance and participation to various expressions of civil society, in the period 2009-2013.

Needless to say, that these findings refer to the specific organizations in the aforementioned time and place and preclude any generalization at a national level.

---

<sup>1</sup>Specifically, interviews were conducted to 18 formal organizations (8 Unions, 8 Civil Law Societies, 2 Social Economy Cooperatives) and 14 informal organizations

<sup>2</sup> For the classification of the organizations according to their relationship with the State, we used the division of Foley and Edwards (1996) as well as the one of Hasenfeld and Gidron (2005).

## The selection of the organizational form

The organizational form is one of the initial choices to be made when establishing a new organization, as it often indicates key characteristics of the group's function. Deciding between a formal and an informal type of operation appears to depend on various factors, which are being differently interpreted by every actor.

Among formal organizations, a legal personality (formal type) is considered indispensable in order to participate in public dialogue. According to the organizations, one has "to own a stamp...." (Northern Greece Association for the Blind) as it gives the organization an official status ("...it's not the same if you present yourself as a (registered) Union"(ARGOS<sup>3</sup>). A formal title facilitates the self-description and the recognition of a group of people, especially in their efforts to communicate with the authorities ("*..if we want something, how are we going to refer to our group..?*" (Homotopia<sup>4</sup>)).

Furthermore, a legal form enables economic transactions, i.e. fund raising through social events or even their participation in a public procurement (Initiative136<sup>5</sup>). It is also linked with state funding, especially through the implementation of various EU or national projects (ARKTOUROS<sup>6</sup>). Often a legal form is related to economic transparency "you have books and receipts" (ARGOS) and to a fair decision-making process (PRO.S.K.AL.O<sup>7</sup>), because "someone has to take the decisions" (Enosi Pezon<sup>8</sup>). Other reasons for selecting a legal form, according to formal organizations, are tradition (especially in the case of unions) and legal representation (Initiative 136). As far as social enterprises are concerned (S.P.A.ME, Allos Tropos<sup>9</sup>), the values of co-operativism are the main reason for the selection of their organizational form.

On the other hand, ideology is considered the main reason for organizations to remain informal. According to them, it is the only way to reassure their independence from the state and party mechanism, mainly because "we didn't want the "shadows" which are related with NGO's" (Thessaloniki Allios<sup>10</sup>) or "we didn't want any relationship with the State" (Anohti Synelefsi Katoikon Evzonoi/Faliroy/Sholi Tyflon<sup>11</sup>). Some organizations point out their denial to enter to a system of state and EU funding (Green Attack) while some others stress out the importance of direct democracy in the decision-making process "*People want the decisions to be made by general assemblies*" (Stop Expensiveness). Further reasons mentioned are, accessibility for the members, (Protovoulia Dytikon Synoikion<sup>12</sup>) and the freedom of expression (Naked Bike Ride)<sup>13</sup>.

---

<sup>3</sup> Animal Welfare Club

<sup>4</sup> International festival of queer arts and culture.

<sup>5</sup> Initiative 136 aims to prevent the privatization of EYATH and in favor of citizen's control over Thessaloniki's water. It is a Union of People, has an informal structure and a restricted legal personality

<sup>6</sup> ARKTOUROS is an organization for the protection of Wild Life and especially the Greek Brown Bear and Wolf

<sup>7</sup> Initiative for the Cooperation for Social and Solidarity Economy

<sup>8</sup> Pedestrian Rights' Organization

<sup>9</sup> SPAME and Allos Tropos, are two Cooperatives of social economy

<sup>10</sup> Thessaloniki Allios (The Other Thessaloniki) is a association which deals with the right to the city

<sup>11</sup> Open Assembly of the Residents of Euzonoi/Faliro/Sholi Tyflon

<sup>12</sup> Initiative of Western Neighborhoods

<sup>13</sup> It has to be pointed out that sometimes the unconventional or controversial way of action like the denial of paying a ticket in the bus (Thessaloniki's Passengers) or the naked appearance in the streets (Naked bike ride) leaves no other choice than the avoidance of a legal type.

Finally, a group of informal organizations just “haven’t had the need for a formal type yet”, (Bike Respect, Citizens against the Underwater Highway, Informal group for the single parent family, PER.KA-Peri-Urban Farmers) or are affiliated with another formal organization (Nosmoke.gr). It is, after all, quite common for many formal organizations to have initially functioned as informal, even for a period of over 15 years (Hellenic Rescue Team).

Evidently, organizations have their own subjective opinion about the features of formal and informal type of operation. Despite the confidence that a formal type is necessary for public consultation, most of the informal organizations in the sample do have a very important and stable appearance in the public sphere. Similarly, many formal organizations remain independent from the State and the party system, while it is not rare for some informal ones to maintain close relationships to parties (Open Assembly of the Residents of Evzonoi/Faliro.Tyflon).

In any case, findings indicate that the organizational type is a complex and substantial choice for the majority of the interviewed organizations. It depends on operational criteria as well as the conception of their place in the existent political milieu. Even if the organizational type is based on tradition or changes throughout the years, organizations are well aware of the characteristics, attached to every type. It wouldn’t be inaccurate to argue that the selection of the operational type is the organizations’ first public declaration and action.

### **Changes in the organizations’ activities and members in the period 2009-2013**

In search for the effect of the economic crisis on the organizations, the first issue raised was any changes made in the subject of the organizations’ activities<sup>14</sup> during the period 2009-2013. From 32 organizations, 16 replied affirmatively, 12 negatively and 4 stated that they were established in response to the economic crisis. (Table 1).

The reported changes consisted mainly (11 cases) of an expansion or alteration of the activities, i.e. a shift towards social services provision (Thessaloniki Allios, Enosi Pezon, Open Assembly of the Residents of Euzonoi/Faliro/Sholi Tyflon), or towards alternative economy such as peri-urban farming (Filoi tou Prasinou<sup>15</sup>, Oikologiki Thessalonikis<sup>16</sup>) and exchange networks and generally towards a new alternative way of everyday life (Protovoulia Dytikon Synoikion).

Another 4 groups described a shrinkage of their activities, which was attributed to the lack of the members’ availability (Citizens against the Underwater Highway), the members’ shift to more urgent needs, (Green Attack) as well as to the reduction of their resources and funds (ARKTOUROS, ARGOS) Finally, one organization<sup>17</sup> argued that the economic crisis has held back the group’s expected development.

---

<sup>14</sup> Question 21: Has there been any change in the organization’s activities, which can be related to the economic crisis?

a. Yes (describe)

b. No (describe)

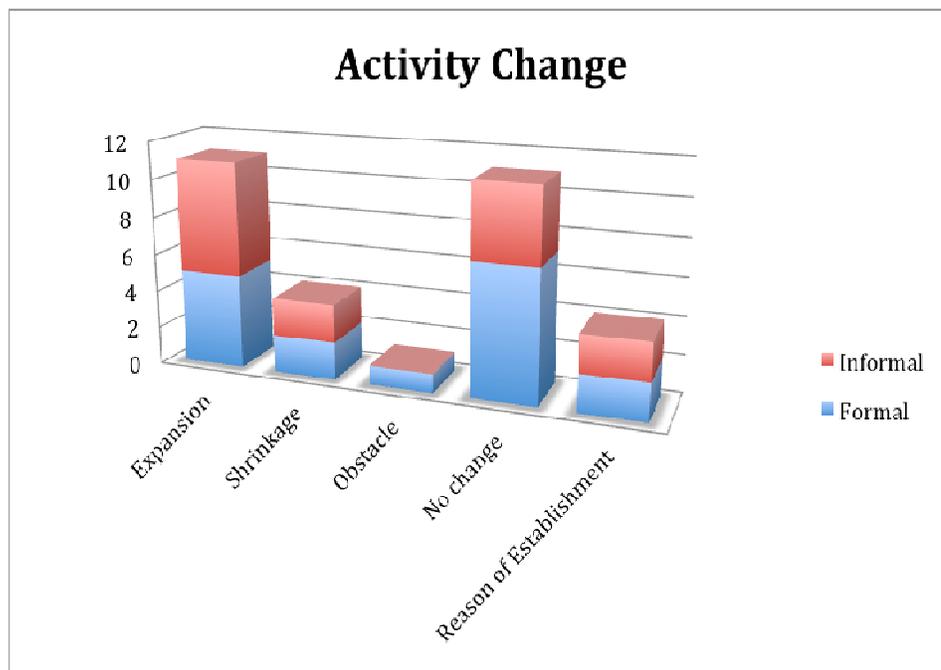
c. The organization was established due to the economic crisis

<sup>15</sup> Friends of Green

<sup>16</sup> Thessaloniki’s Ecology

<sup>17</sup> Alli Opsi is a Union for the welfare of the Handicapped

Table 1: Change in the organizations' subject of activities 2009-2013



Source: Primary research (processed data)

According to these findings, 62,5% of the associations has been influenced by the economic crisis. In three quarters of them, the interaction leads to an expansion of their activities or is the reason for their establishment. The rest speak of an activity reduction due to the crisis.

As far as the relationship between the type of operation and alteration is concerned, both formal and informal organizations experience similar consequences<sup>18</sup> (Table 1). There is no sign of a relation between the crisis' impact and organizational type.

Concerning possible alterations to the members' number<sup>19</sup>, 9 organizations declared a rise in memberships for the period 2009-2013, 2 pointed out an increase of volunteers while in one case both member and volunteer numbers were raised. 6 associations stated a decrease in membership, while in the majority of the organizations (14 groups) members remained stable<sup>20</sup>. (Table 2)

The course of the membership is, again, not related to the organizational type, as both formal and informal groups experienced similar changes. (Table 2). A further research would emphasize on the way in which every type of operation is responding to the crisis.

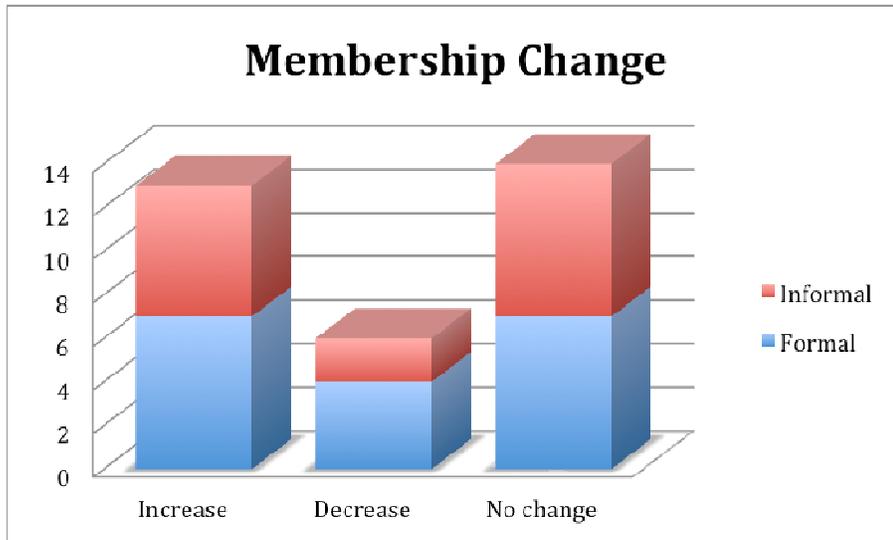
<sup>18</sup> In the sample, informal organizations are underrepresented (18 formal και 14 informal)

<sup>19</sup> Question 22: Was there any change in the members which can be attributed to the economic crisis?

a. Yes, the number increased  
 b. Yes, the number decreased  
 c. No

<sup>20</sup> Due to the variety of the sample, this question is not restricted to the signed members, which is the case in formal organizations. In the case of informal ones, the question refers to the number of people which follow and participate in the group's activities. The responses given by leaders of informal groups refer to their opinion about the number of people, which maintain a permanent relationship with the group. These responses are definitively harder to control, than the data provided for formal associations.

Table 2: Membership variations 2009-2013<sup>4</sup>



Source: Primary research (processed data)

In the majority of the sample, the crisis' impact on the activities tends to reflect on the number of members.

Members of groups, which have expanded their activities have increased in 8 cases and remained stable in 2 cases. There is only one case with a membership decrease despite the expansion of the group.

In 8 cases, memberships of organizations with no activities change remained stable, while in 3 cases membership increased and in one case it decreased.

Regarding organizations, which were established due to the crisis, half of them declared an increase in members, while the other half declared no change at all. Finally, among organizations whose activities were reduced, there was a parallel reduction of members, apart from one exception, where members remained the same.

These findings increase the number of organizations which have been influenced by the economic crisis. More specifically, 23 organizations (71%) seem to have been influenced either in their activities or in their membership<sup>21</sup>. 78% of them have expanded their activities or memberships, while 21.8% had a reduction of activities or memberships. Further empirical research is necessary to highlight the content of these variations within every organization.

## Conclusion

The purpose of this paper was to test two main research hypotheses: The first one referred to the associations' perception of their legal form, especially the differences between formal and informal organizations and the reasons of choosing selecting either the one or the other type.

<sup>21</sup> A raise in membership would normally be the expected course for organizations, especially young ones. However this course could have been interrupted by the social and economic impact of the crisis.

The responses of the leaders indicate that organizations attribute specific characteristics to their preferred choice. This choice is a complex and substantial decision, which depends mostly on the conception of their place in the existent political milieu and relates to the group's intended means and resources. In this sense, it is argued that the selection of the organizational type is the organizations' first public action.

The second one dealt with the impact of the economic crisis on the different forms of organizations. Findings show that, when it comes to activity or membership variations, there is no relationship between the economic crisis and the type of organization. Both formal and informal associations experienced, to an extent, the same kind of effects in the period 2009-2013. However this result requires further elaboration and analysis in order to comprehend the way in which every organizational type is interacting with the economic crisis.

The findings of the present paper stress out, once more, the need for in depth empirical research on Greek civil society, in a socioeconomic context, aiming at a better understanding of its potentials and conditions of evolution.

## References:

- Foley, Michael & Edwards, Bob (1996), "The paradox of civil society", *Journal of Democracy*, 7, pp. 38-53
- Hasenfeld, Yeheskel and Gidron, Benjamin (2005), "Understanding multi-purpose hybrid voluntary organisations": The contributions of theories on civil society, social movements and non-profit organizations", *Journal of Civil Society*, 1: 2, 97 — 112
- Kallas, Yannis (2004), Mia empeiriki dierevnisi tis koinonias politon sthn Hellada", in "*He agnostic koinonia politon*", edit Sotiropoulos D.A., Athens: Potamos (An empirical research on civil society in Greece", in "*The unknown civil society*")
- Karamichas, John (2007), The Impact of the Summer (2007) Forest Fires in Greece: Recent Environmental Mobilizations, Cyber-Activism and Electoral Performance, *South European Society and Politics*, 12:4, 521-533
- Lyberaki, Antigone and Paraskevopoulos, Christos (2002), OECD-ONS International Conference on Social Capital Measurement London U.K., September 25-27, 2002
- McCabe Angus, Phillimore Jenny, Mayblin Lucy (2010), "Below the radar"activities and organisations in the third sector: a summary review of the literature, Working Paper 29, Third Sector Research Centre
- Sotiropoulos, Dimitri A. (2004)<sup>a</sup>, "Formal Weakness and Informal Strength: Civil Society in Contemporary Greece" *Discussion Paper N.16 for the Hellenic Observatory of LSE*
- Sotiropoulos, Dimitri A. (2004)<sup>b</sup> «He kenonia politon stin Hellada: atrophiki i afanis?», in «*He agnosti kenonia politon*», edit Sotiropoulos D.A., Athens: Potamos (Civil Society in Greece: atrophic or silent?», in «*The unknown civil society*»)
- Toepler Stefan (2003), Grassroots Associations Versus Larger Nonprofits: New Evidence from a Community Case Study in Arts and Culture, *Nonprofit and Voluntary Sector Quarterly*, V.32 No 2 pp, 236-251