Crisis and Transition of NGOs in Europe: The Case of Greece

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Abstract

The ongoing financial crisis has globally impacted nearly every national economy in the world. Although its initial effects were concentrated purely in the financial sector, increased economic turbulence has gradually diffused into most sectors of society—including civil society and NGOs. One basic consequence has been the transformation of development assistance due to a decrease in available funding from the usual "suspects", known as "old donors," and a subsequent increase from so called "new donors" such as China and Brazil. Moreover, many of these "new donors" are negatively predisposed to working with NGOs and thus available funding to NGOs in the international level seems to be decreasing. A focus on the national level also reveals a similar case: countries that were greatly impacted by the aftermath of the crisis, such as Greece, have sharply decreased available public funding to NGOs.

This paper explores the effects of these developments. Its initial findings suggest that the "western model" of NGOs expansion is less viable than before. NGOs are being accused of losing their fundamental values and working mostly as 'walking sticks'—covering states' inefficiencies in specific sectors—thus their function as an unofficial public sector is being challenged. In practice, NGOs are transforming into dedicated contractors of national and international public agencies with limited to no real interconnection with society. This transformation is being rendered incompatible with the new environment, as available contracts are becoming less lucrative. As a result, many NGOs are

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rediscovering their idealistic past while new, less formal civil society actors are arising to cover the multiple needs created by the crisis. Focusing mainly on the Greek case study, this paper presents a seldom-studied effect of the financial crisis—the transformation of the NGO sector, culminating in informal networks overlapping with "old school" NGOs which find it difficult to adjust to the new economic situation. Evidence suggests that a dual trend currently exists where a small segment of existing "professionalized" NGOs are able to gain public funding through the usual public procurement procedures. Thus, they are able to survive and further expand in conjunction with the rise of small, grassroots organizations whose main strengths derive from their devotion to the practice of philanthropy, altruism, and voluntarism, in addition to their widespread acceptance from the general public.

8.1 Introduction

Undeniably, the global financial crisis instigated by the collapse of the American mortgage loan system is the most significant event in modern economics since (according to several analysts) the Great Depression. Initially impacting the American economy, the ensuing collapse of confidence among financial institutions prompted a series of chain reactions that affected the entire global economy. Banks and other financial institutions went bankrupt, production facilities ceased operations, and states around the world (especially those in southern Europe) began to feel the ramifications of the subsequent Debt Crisis.

As one might expect, the economic turbulence also impacted the development aid industry. Initial responses were positive: major bilateral and multilateral donors agreed to a frontloading of available aid in order to protect the fragile development rates of developing countries. However, available data depicts that as these funds were being disbursed, the rate of new aid was slightly decreased. Moreover, in this new environment the position of new donors—developing states with big pockets (China, UAE, etc.) and world billionaires wishing to give back to society (Buffet, Gates, etc.)—was enhanced.

This chapter focuses on the effects of these developments in NGO sectors around the world and within Europe in particular. Questions such as how the newly formed economic environment has influenced the operations of NGOs, whether new types and forms of relevant organizations are being witnessed, and what lies ahead this third sector's segment are tentatively being answered as available data gradually reveals new developments in the NGO industry.

In the first sections, the notions of civil society, NGOs, and development assistance are explored in order to establish the foundations of our analysis. Going a step further, we present and analyze from a global perspective the major changes in the development aid and philanthropy industries, as highlighted by the effects of the 2008 financial crisis. Consequently, we focus on the new environment

within Europe in general and that of the southern European countries such as Greece and Spain in particular.

The final sections focus on the new trends in the NGO sector in Greece, underlining the effects of scarce available resources combined with the increased needs of a society affected by 5 years of austerity measures. Finally, in our conclusion we consolidate the discussion with some general projections on how the world of NGOs is being subject to a phase of transformations and what said outcomes might be.

8.2 Speaking About Civil Society, NGOs and Development Assistance

8.2.1 Civil Society

The term civil society has attracted much attention over the last few decades, inciting a vigorous discussion around the meaning of the term, the entities (organizations, groups, etc.) that should be included, and its role and contribution to the development of society. The concept of civil society is heavily debated, given that it is used in so many different political, economic, and social contexts.

Extensive literature exists highlighting the practical and theoretical origins of civil society. From a historical perspective, traces related to the concept of civil society can be found in the work of great traditional political thinkers such as John Locke, Charles de Montesquieu, and Alexis de Tocqueville (Finke 2007: 11). However, as Keane very accurately wrote, civil society as a term remained strange sounding and unfashionable up until two decades ago (Keane 2009). Since then, the term has won a prominent place in the discipline of social sciences. Simultaneously, civil society became a key term and phrase used often by politicians, corporate executives, and journalists, as well as charity foundations, human rights organizations, and every day citizens. This increased interest in civil society derives from the development of its distinction from the state somewhere between the late eighteenth century and the early nineteenth century.

The peaceful revolutions and the democratic developments in Eastern Europe throughout the 1980s that resulted in the collapse of the communist block also inspired the academic debate on civil society. The term 'civil society' was reintroduced into political discourse by the democratic opposition to the Communist states in Eastern Europe (Lewis and Kanji 2009: 125). Yet, the broad variety of actors that participated in the civic movements, such as trade unions, churches, citizens' groups, and individual intellectuals created an even greater confusion regarding the parameters of civil society.

Within this context, various efforts have emerged during the last 20 years aiming to prudently describe the true meaning of the term. Assuming that civil society shares some common characteristics with the general concepts of democracy, liberalism, and radicalism as a "catch-all" term, a deeper understanding of its meaning and standing in the contemporary world is necessary. As Henderson and

Vercseg correctly pointed out, civil society "*has become a melting pot into which ideas, arguments and examples are poured ceaselessly*," in effect rendering the term meaningless (Henderson and Vercseg 2010: 11).

Additionally, attempts to categorize or define civil society more accurately have arisen, placing it in the contemporary construction of society. Perhaps the solution is to name it as the third sector—something between the state and the market. Yet, it has proven to be quite challenging to find ways to disconnect it from the state or to elucidate its relationship with market forces. In order to do so, it was important to understand what civil society is, as well as what it *should* be. There are examples and areas between the three sectors that overlap, fueling more debate. Striking examples, according to Henderson and Vercseg, are social enterprises and credit unions that exist on the edge "*between civil society and the market*" (Henderson and Vercseg 2010: 16). This, however, does not necessarily mean that the relationship between the three sectors is stable. On the contrary, the state, market, and civil society have a dynamic relationship, which tends to change over time and in different contexts.

Consequently, it appears to be nearly impossible to draw a map or a guide to what 'civil society' is. The most common way to define the term is by discerning who makes up a 'civil society.' According to Gemmill and Bamidele-Izu, in the broader sense, "*civil society has been characterized as a sphere of social life that is public but excludes government activities*" (Gemmill and Bamidele-Izu 2002). Thus, as Lewis and Kanji (2009) said, a civil society is, in political terms, usually understood to mean a realm or space in which there exists a set of organizational actors who are not a part of the household, the state, or the market. These actors form a wide-ranging group. According to Huliaras, most academics would argue that a civil society consists of voluntary associations, community groups, trade unions, church groups, cooperatives and businesses, professional and philanthropic organizations, and, of course, NGOs. Moreover, social movements should also be considered as a part of civil society (Huliaras 2014: 3).

8.2.2 NGOs

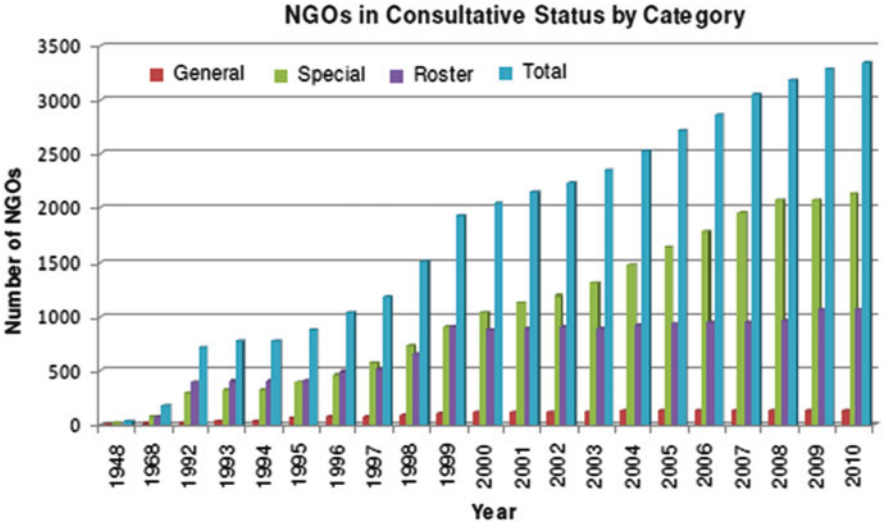
Non-Governmental Organizations (NGOs) are considered to be part of the 'greater' sphere of civil society; the space between the state and the market, or as named earlier, the third sector. While the term NGO is widely used, there are different terminologies used to describe it, rooted mostly in different cultural and historical backgrounds. These differences can be seen in the way NGOs are understood by different societies. For instance, in the UK, due to a strong tradition of voluntarism and charity work, NGOs are associated with volunteer work. On the other hand, in the U.S., where the market is dominant in the society, the term 'Not-for Profit' seems to adjust better (Lewis and Kanji 2009: 7).

Variety also exists regarding their structure, sources of funding, and personnel. NGOs can be large or small, formal or informal, bureaucratic or flexible. They may have many resources at hand or be leading a 'hand to mouth' existence (Ibid: 3).

Some of them have highly trained staff, while others rely mostly on volunteers. Lastly, NGOs are driven by a range of motivations. Some may be charitable, while others may seek to pursue radical approaches. Consequently, this diversity creates difficulties in defining 'NGO' as an analytical category with specific characteristics.

This paper adopts a narrower definition of what an NGO is. More specifically, in order to define what a third sector organization is, five key preconditions have to be met. First, it has to be formal, enjoying an institutionalized structure (holding regular meetings, having offices, etc.). Second, it needs to be a private institution separated from the government (this does not mean it cannot receive support from the government, especially in terms of funding). Third, it has to be non-profit organization—when a financial surplus is generated it is not accrued by the owners or directors. Fourth, it has to be self-governing, therefore able to control and manage its own affairs. Finally, it has to be voluntary. Even if it does not use volunteer staff, there must be some degree of voluntary participation in the conduct or management of the organization. In order to become even more exclusive a concise definition provided by Vakil argues that NGOs are '*self-governing, private, not-for-profit organizations that are geared to improving the quality of life for disadvantaged people*' (Vakil 1997: 2060).

The next challenge is to explain what NGOs do. Taking into account that the number of NGOs has rapidly increased during the past 20 years (See for example the following table which depicts the number of NGOs in consultative status with ECOSOC by category), the question is: what purpose do they serve and what role do they have within both local and global civil societies? As tricky as this question might seem, there is an easy way to summarize the different types of activities that NGOs undertake—they work as implementers, catalysts, and partners.



Source: United Nations Department of Economic and Social Affairs (DESA)

As implementers, NGOs undertake to mobilize resources to provide goods and services to people in need. This is a well-known role of NGOs, which continues to receive attention. In fact, service delivery work has increased in conjunction with the increase in governments and donors contracting NGOs to carry out specific tasks in return for payment. As catalysts, the role of the NGO is to inspire and facilitate or contribute to improved thinking and action in order to bring about change. This may include grassroots organizing, gender and empowerment work, lobbying and advocacy work, undertaking and disseminating research, and attempts to influence the wider political landscape (Lewis and Kanji 2009: 14). Finally, as partners, NGOs work closely with other institutions, such as governments, donors, and the private sector. They do so in joint activities, such as providing specific inputs within a broader multi-agency programme or project.

8.2.3 Development Assistance

The history of Independent Development Assistance (IDA) goes back to the late nineteenth century, when western powers shifted away from simple accumulation and asset stripping towards trade development. Yet, the most profound aid contributions rose right after the end of WWII. Practically, IDA has evolved over the past 50 years from its charitable origins to more complex, multi-dimensional approaches that recognize human development as a matter more complex than simple economic growth.

The prominent theories of development of the 1950s and 1960s and even of the early 1970s stressed that the path to development involved rapid, progressive, and sustainable economic growth as measured by changes in GNP and GDP. This could be achieved with government-led large-scale infrastructure projects, such as dams and roads. However, things did not go as planned and during the mid 1970s and late 1980s a change in the concept of IDA was made simultaneously with the prevalence of 'Neo-liberal' thinking in global politics.

During the early 1990s, however, it became clear that the efforts of the previous decades did not provide sustainable results. Poverty levels in some countries had not improved, challenging the belief that economic growth was the answer to global poverty and development. As a result, the 'good governance' policy agenda emerged in the 1990s, propelling the idea of civil society into mainstream development policy. This new perspective considered civil society to be the foundation of civic conscientiousness and public virtue, as well as a place where organized citizens could contribute to the public good. A strong civil society has become a prerequisite for democracy and development. Thus, as Lewis and Kanji wrote, "*A 'virtuous circle' is assumed between the three sets of institutions—a productive economy and a well-run government will sustain a vigorous civil society; a well-run government and a vigorous civil society will support economic growth and a well-managed economy; and a strong civil society will act to produce efficient government. This logic was embraced by donors such as the World Bank during the 1990s and built into aid conditionality*" (Lewis and Kanji 2009: 128–129).

The past few years have seen an explosion of bilateral and multilateral agencies and multiple new private donors, while the explosion on the delivery side has been even more impressive, changing rapidly the structure of aid. This new trend implies a shift in the way that rich countries look to channel their funds. Indeed, it appears that donors seem to bypass official governments in favor of using private organizations, which they deem more suitable for the successful implementation of their goals. In this context, NGOs, as the most prominent representative of the 'third sector', seem to have a more positive impact. The biggest implication of this shift is that private aid donors are more targeted and selective about programs they are willing to support.

In a nutshell, what most scholars seem to agree on is the fact that civil society contributes positively to democracy and development (Huliaras 2014: 3). A strong and vibrant civil society, creating collaborations for common purposes, contributes to the construction of strong interpersonal trust, thus enhancing the democratic web of a society and creating the proper ground for the development of democratic reflexes in cases where societies are under authoritarian regimes. This assumption has repeatedly been used as a cornerstone for the various and numerous decisions taken by aid agencies and international organizations like the United Nations, the World Bank, and the European Union. Thus, aid is provided through the aforementioned channels (NGOs, etc.) for achieving economic development and more (Huliaras, ibid). International organizations and aid agencies believe a strong and active civil society can be the interlocutor between the state and the public and the core factor that prolongs democracies and advocates civil liberties. Civil society has fought many battles in order to safeguard '*human dignity and equality before the law, equal opportunities, a tolerant society and the counter-balancing of powerful interests*' (Henderson and Versceg, ibid). However, success cannot always be taken for granted given that those in power can often draw civil society organizations into being part of, or dependent on, their institutions and systems, thus losing their fundamental characteristic of independence.

8.3 The New Environment

As mentioned above, in many cases development aid was channeled through NGOs. The latter enjoyed the support of a variety of donors who considered them to be the most effective way for the implementation of various projects targeting social capital improvement and the establishment of democratic values and institutions. The following pages will analyse the operational evolution of NGOs during the last two decades in correlation with the appearance of new donors in the international development scene.

The environment under which non-governmental organizations operate has greatly evolved since the mid-1990s. As early as the late 1980s, the world witnessed a gradual expansion of the NGOs—initially in number and later in size. In essence, the past two decades have been recorded as the "golden age" of the organized civil society, with NGOs being invited to join international fora, consult international

organizations, and, above all, to undertake numerous developmental projects and humanitarian aid related activities throughout the world. The main argument explaining these developments is that NGOs are able to move faster than states and at lower costs to offer relief and cover the needs of society. Indeed, the number of NGOs has grown significantly over the past 50+ years, leaving institutional and individual donors facing a serious selection problem (Nelson 2007). For example, even if one looks at the number of NGOs accredited with the United Nations' (UN) Economic and Social Council (ECOSOC)—a process that involves significant administrative burdens and thus discourages many NGOs from applying for accreditation—the expansion of the NGO sector is more than obvious: from just 40 in 1945, accredited NGOs reached 3,536 in 2011. This development has led to a new reality in which the total amount of public funds being spent through NGOs, as well as the proportion of development aid channeled through NGOs has grown significantly (Davies 2001).

The global expansion of the number of NGOs triggered a very specific development: the reinforcement of the call for transparency, accountability and, most importantly, of effectiveness. In other words, NGOs may have been gaining ground on the development and implementation of humanitarian projects but the donor community gradually began to require evidence of their advertised effectiveness from them. This trend was not only gaining ground within the donor community, but was actually the outcome of a general shift in the western world towards increasing the effectiveness of public spending.

For example, during the late 1970s and early 1980s the concept of Value for Money (VfM) was gaining ground in the activities of public institutions; a tendency that gradually passed to the evolving sector of development assistance. Both the Nordics and the UK had endorsed a results-focused public management culture (Summa and Toulemonde 2002), as well as a VfM mentality. As early as the 1980s, UK governments have imposed the evaluation of public bodies through a sort of VfM approach that gradually evolved (Toulemonde 1995). More recently, the Department for International Development (DFID), i.e. the main institution responsible for UK development assistance, has surpassed the issue of VfM applied in its own functions and initiated a set of guidelines for transferring VfM techniques to its main partners in the disbursement of its development funds (usually international NGOs).

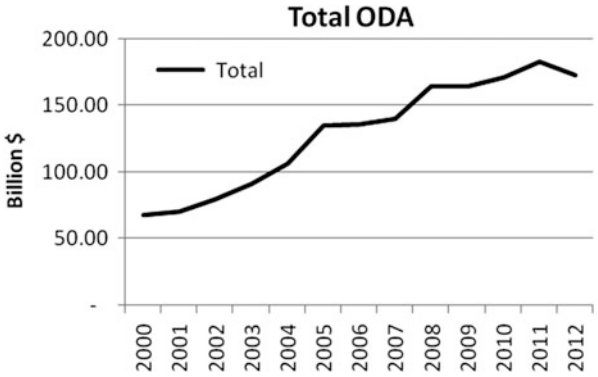
Indisputably, this new civil society environment required the NGO sector to embrace evaluation techniques. This was a new reality for international NGOs that dealt a lot with international donors and for NGOs operating in the national field as well. As in other industries, the NGO "industry" in several countries moved towards "self-regulation" and "Code of Conduct formulation" initiatives, some of which included the occasional or regular evaluation of its stakeholders. Some examples are the "Code of Conduct for the International Red Cross and Red Crescent Movement and NGOs in Disaster Relief," which aims to set specific standards of behavior, the "Interaction's Private Voluntary Organization Standards" which focuses on the relevant US sector, and the "International Non-Governmental Organizations Accountability Charter," which sets nine core

principles. In this environment, issues of accountability, transparency, efficiency, and impact gradually attracted the attention of the sector.

8.3.1 The Impact of the 2007/8 Crisis

The aforementioned developments highlight the environment under which NGOs operated until the recent global financial crisis. The turbulent economy of 2007/8 became the catalyst for a new wave of changes in the NGOs' global sector.

The financial crisis created many doubts concerning whether the amount of development assistance could be maintained. In reality, most multilateral donors decided during the 2008–2009 period to proceed with a *frontloading* of the 3–5 year aid programs they had committed to. This resulted in a significant increase in this specific segment of ODA: 11.2 % in 2008 and 15.6 % in 2009. Total ODA also increased during 2008 by 17.1 % and continued increasing until 2012 when a small decline (−5.4 %) was recorded (OECD statistics, authors' calculations).

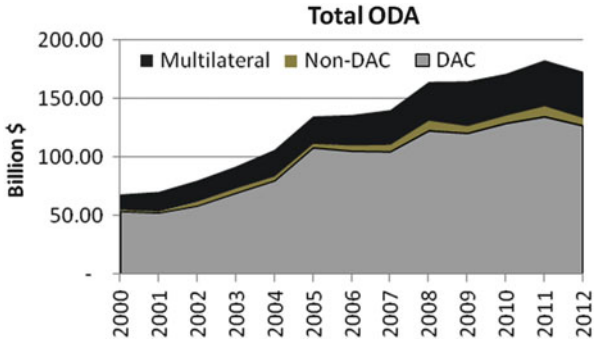


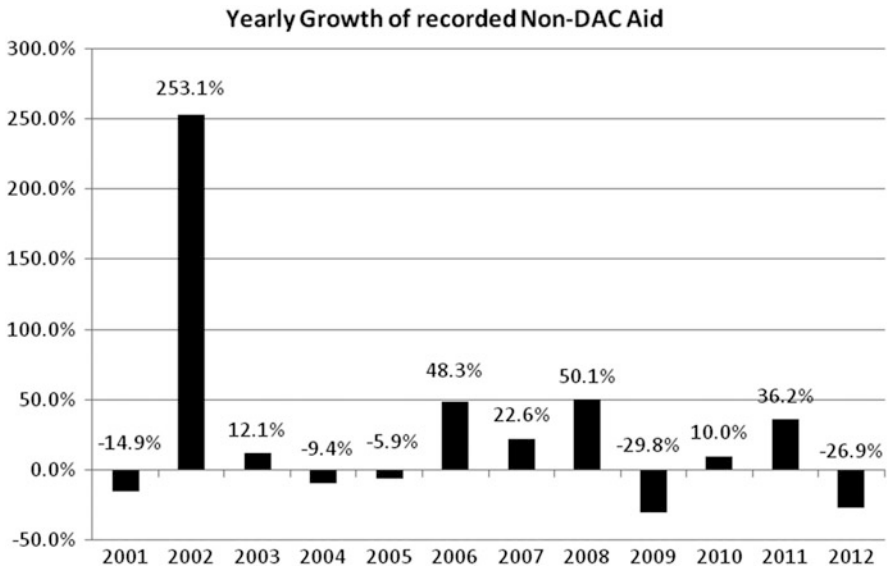
Source: OECD, DAC Statistics, 2014

The ODA levels also had an impact on NGOs' funding. More specifically, NGOs had seen a gradual rise in ODA funding assigned to them or channeled to developing countries through them. For example, in 2011 members of the DAC allocated more than 19.3 billion USD to and through CSOs. This figure signifies a substantial increase when compared to the 17.3 billion USD on average during the 2008–2011 period. Going more into detail, while NGOs received approximately 14.4 % of total ODA during 2011, their share of *bilateral* ODA of DAC members reached 20.5 %, stressing the importance of individual countries' funding. Within this segment, some countries' ODA is more important for NGOs than others. For example, Ireland channels 38 % of its total development assistance to/through NGOs, Spain 28 %, and France a mere 1 %. Hence, it must be stressed that a moderate decrease in total ODA between Ireland and Spain (as is evident) is more detrimental to NGOs than a sharp decrease in French ODA (Bouret et al. 2013).

The crisis also increased the attention given to developing countries that achieved significant economic growth during the past decades. As various developing countries were asked to take part in the stabilization of the world economy, the usage of a new term, "emerging powers," was further reinforced. Countries like Brazil, India, Russia, China, and even Venezuela and Saudi Arabia became the "talk of the town". Hence, it is not surprising to see a multiplication of reports and news of such countries entering the field of development assistance. For various reasons—ranging from promoting national interests to answering the call to be responsible international players—a series of *new donors* such as Saudi Arabia, Brazil, Venezuela, and China emerged. This new development has been so significant that the usual donors, i.e. members of the Development Assistance Committee (DAC) of the OECD, have commissioned several reports and analyses of what is now called *emerging donors*; i.e. a group of states that are not members of the DAC who have recently commenced distributing development assistance across the globe (Chin and Quadir 2012: 494).

The following figures provide a small picture of the gradual rise in the contributions of emerging donors to the total aid disbursed. As is made obvious, emerging powers have increased their donations, but not in a linear way. Year-to-year projections highlight an unstable course of disbursement of development assistance—although data for non-DAC members should be treated with extreme caution. Non-DAC membership means that emerging donors do not have to follow the norms developed by DAC or publish data on their development assistance programs (Smith 2011; ONE 2010; Grimm 2011). This makes calculating the actual levels of global development assistance disbursed quite difficult. As Woods (2008) highlights, some conservative estimates set emerging donors' development assistance at over $1 billion since 2010, while other estimates set such figures at around $8.5 billion during just 2006.





Smith (2011) assesses the effect of new donors on the field of humanitarian aid. He finds that the BRICS, for instance, have channeled more than 3.7 billion USD just in 2009. During the same year, Kuwait, Saudi Arabia, and UAE jointly dispatched more than 4 billion USD to countries in need. He finds it impossible to reach a conclusion due to scarcity of verifiable data and calls for all countries to agree on a common format for the presentation of their aid activities. On the other hand, a CHR.Michelsen Institute report (2007) analyzes the popular issue of aid programs in East Asian countries, which are mobilized by increased Chinese presence throughout the world and specifically in Africa.

Nevertheless, it is clear from our analysis that overall aid from new donors has been on the rise. This is rather important if one takes into account another key feature of emerging donors' aid disbursement patterns: NGOs are very rarely used. Indeed, as many new donors are not familiar with working with a developed organized civil society or see it with increased suspicion, they refrain from using NGOs in their development aid strategies. This results in less of the total development aid being made available for them.

Finally, another development partly induced by the financial crisis was the increased importance of the work of private foundations in the field of aid. Unquestionably, the activities of well-known foundations created by world billionaires such as Bill Gates, George Soros, and Warren Buffet have drawn the attention of the donor community. Responding to this development, the DAC statistics division has added a new type of donors: "foundations." Currently (March 2014), statistics are only available for the Bill and Melinda Gates Foundation, but the fact that a new type of donor has been added is indicative of the rising importance of foundations in the field of aid. The Bill and Melinda Gates foundation is disbursing an average of

$2.5 billion per year, or 18.9 % of total UK ODA and 50.1 % of total Swedish ODA (OECD statistics, authors' calculations).

One interesting fact about private foundations is that, unlike emerging donors, they do tend to use NGOs in their programs. This decision is based on the fact that civil society organizations are supposed to be quite efficient and effective. At the same time, private foundations are becoming some of the strictest funding sources of the activities of NGOs. Considering that successful businessmen have created most foundations, it is unconceivable that there are no specific mechanisms of recording the impact of their funding. Hence, NGOs receiving funding from private foundations (as in the case with many DAC donors) are obliged to present specific reports on outcomes and impact. In essence, this interaction leads to an infusion of VfM and project management techniques into a sector that was supposed to work in a more ad-hoc, idealistic way in which quantitative statistics and measurements were of minimum importance.

The creation of a new international environment in relation to NGO operations since the outbreak of the global financial crisis, is one which simultaneously disregards the role of NGOs in the development assistance field and pushes such organizations towards more professional management and operational structures.

8.3.2 The "Less Formal" Social Movements' Trend

As mentioned earlier, civil society is not exclusively formed by NGOs. On the contrary, it covers a wide range of formal and informal networks and organizations including NGOs, community based organizations, and networks of neighbors and kin. Respectively, the number and the type of civil society organizations varies from one society to another—constituting in every different case what is known as social capital.[1]

Thus, apart from NGOs—the prominent representative of civil society—there are other types of organizations that also play an important role in the construction of social capital. A well-known type of such an organization is that of Community-Based Organizations (CBOs). CBOs are grassroots organizations managed by members on behalf of members. They function regularly as important local resources to the poor. Especially during the last few years of the global financial crisis, there has been a tendency of new CBOs to pop up in order to cover the basic needs of vulnerable people. The latter seem to be able to place their trust more easily in their own CBOs because they understand that access to state institutions or to more organized and professionalized NGOs is more difficult. Of course, this does not necessarily mean that CBOs are more effective than formal institutions.

Neighborhood and kinship networks that provide economic and social support are gradually attracting the interest of social scientists. The dynamic of this trend is

[1] Social capital can be broadly defined as the norms and networks that enable people to coordinate collective action.

overwhelming and the structure of these informal networks highlights what kind of attributes the poor seek in formal institutions and organizations meant to help them. These kind of networks represent the first line of defense outside the immediate family in times of difficulty or crisis. According to Narayan et al., "Whole communities are dependent upon the shared human and material resources of their neighbors, clan and extended family" (Narayan 1999: 126). As Prof. Molenaers argues, these kinds of informal networks and initiatives have attracted the attention of state authorities in Belgium (personal interview conducted in 02/03/2014). Their comparative advantage over the more organized institutions is that they are direct and they cover the need of the poor right away. Without the burden of bureaucratic formalities, these informal networks often rely on private donations from everyday citizens. However, the lack of a common structure might also serve as a long-term drawback. In fact, long-term stresses can overwhelm informal support systems. While it seems that kinship and community social networks are resilient, in times of stress they are less capable of functioning as effective and dependable support systems. The main reason for this is that the lack of a typical hierarchical structure creates tensions among the members that ultimately corrode the very pure intensions of the initiative.

These informal "organizations" are a product of a new challenge that originates from the economic crisis as well. Given that aid is generally decreasing, their purpose is to serve and assist the communities so they may be able to act on their own rather than through or with professional NGOs. They are part of a wider discussion of moving from a top-down 'development' mechanism towards a bottom-up one.

Nevertheless, no one can neglect the fact that formal organizations (in particular NGOs) have been catalytic in the development of civil society; strengthening the abilities of poor communities, combating social exclusion, and providing vulnerable groups with the means to seek justice, by arming them with power and the ability to communicate with the official state. Yet, they have been highly contested due to problems of accountability and their general nature, as they mostly seek to answer a specific need and help a specific group of people in each case thus contributing, to a lesser degree, to social exclusion. An example of such is how some NGOs work towards providing facilities (such as food or accommodation) to specialized groups of people. Within the Greek context, this facility might be "the house of the actor," an NGO that provides accommodation and other basic facilities only to actors who are unemployed and are struggling to survive.

On the other hand, grassroots organizations are more widely accepted due to their nature and the fact that they are considered pure because they lack any formal ties to the official state. The appearance of these informal networks during recent years clearly demonstrates that the future of civil society is not only contained in its formally registered bodies. While there are distinct differences as far as the nature of these networks and their initiatives in different countries are concerned, societies are witnessing the emergence of a new generation of social movements arising from popular concerns such as poverty, unemployment, social exclusion, and even corruption (Pratt 2014: 40). What is more, according to Feixa et al., "The past

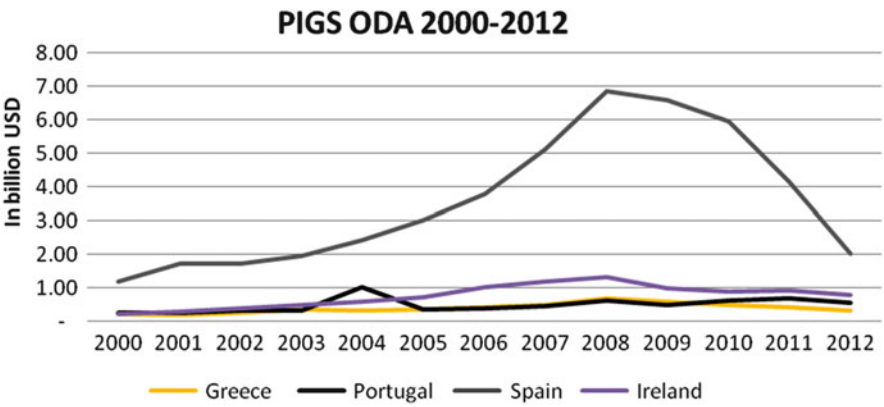
two decades the world is witnessing the rise of a new global cycle of collective action not only organized through the Internet and made visible during mass protest events, but also locally shaped by diverse organizations, networks, platforms and groups" (Feixa et al. 2009).

The number of such examples is impressive. From Bolivia to Zimbabwe, from Brazil to the Philippines, and from Argentina to Jamaica, there have been vibrant causes emerging from civil society. Even in the United States, movements demanding improved wages have arisen. Thus nowadays, the dynamism of social movements is something undisputed. For instance, according to Voss and Williams, in South Africa in 2003 there were 58,000 CBOs, of which 55 % (32,000) were informal and voluntary and only about 17 % (10,000) were NGOs (Voss and Williams 2009: 4). The numerical difference between informal organizations and formal ones validates the theory of a shift within society towards participation in less professionalized organizations.

8.3.3 Public Spending in Greece and Other European Countries

The previous section provided an overall picture of the main developments in the international arena in which NGOs are functioning. When focusing on Europe, a major distinction has to be made between countries that are undergoing significant economic problems such as Greece, Portugal, Ireland, Spain, and Italy and those that were not as affected by the global economic crisis. Overall, member states of the European Union, and especially those of the European Monetary Union (EMU), chose the implementation of austerity measures in order to overcome the side effects of the financial crisis. Throughout the continent, public spending began to decrease as governments attempted to ameliorate their balance sheets—a development that brought Europe into a confrontation with other Western countries, such as the US and Japan who had selected more loose economic policies.

Austerity measures in Greece, Portugal, and other European countries meant that public funding of the "luxuries" of the past was no longer feasible. This was made more apparent by the sharp decline in development assistance from almost all relevant countries.



Indeed, bilateral ODA from Greece, Portugal, Spain, and Ireland reached its peak during 2008 when all four countries disbursed more than 9.5 billion USD in development assistance. Since then, due mainly to the harsh economic conditions in all four countries and the subsequent austerity measures they were forced to implement, total ODA has reached around 3.7 billion USD; a more than 60 % decrease. Cuts were sharper in Spain, where a 70 % decrease took place. In Ireland, ODA decreased by 39 % from the 2008 levels. As these countries were among the most prominent funders of NGOs (see previous section), cuts in their spending significantly impacted the sector (OECD Data, 2013, authors' analysis).

In Greece, the situation for NGOs became even worse as several scandals and cases of corruption concerning NGOs became apparent. A judicial investigation on public funding to NGOs was initiated during late 2010, as several cases of civil society organizations being funded for projects outside Greece based on loose procurement rules and procedures were revealed. Moreover, as final outcomes were, essentially, never monitored by government officials, there was no evidence that all funded projects were truly implemented and that any mismanagement ever took place. The then deputy foreign minister, Mr. Spyros Kouvelis, had reported to the Greek Parliament in 2010 that around 26 million euros were allocated to 528 NGOs, for which an investigation was in process. Following significant public resentment, Prime Minister Antonis Samaras had ordered, "the stop of all public funding to NGOs" for projects inside and outside Greece, thus creating a significant rise in funding to numerous Greek organizations (Kathimerini 2012).

Likewise, Spain's funding of NGOs was drastically reduced. In reality, public funding until 2011 was not significantly altered, with Spanish NGOs receiving more than 8 billion euros, most of which came directly from the Spanish government (central and regional), while some was channeled through the existing social welfare programs of the country's savings banks. One year later, though, the overall picture was altered significantly: while 14 % of Spain's population was donating to NGOs in 2006, only 9 % was still doing so in 2010. While the state took over the position of primary financial contributor to NGOs, the economic crisis seems to have deteriorated its ability (and, most likely, willingness) to support civil society

organizations in a period of imposed austerity measures. Thus, 8.5 billion euros of Spain's total NGO funding decreased to 8.1 billion euros in 2011 and, according to a PWC report, is expected not to surpass 5 billion euros in 2012 (ESADE 2012).

One solution to overcoming these funding dilemmas seems to be to focus on the available funding from the European Union and European Commission. A rough estimation sets the EC's available yearly funding at 1 billion euros, with a major proportion of these funds dedicated to projects supported by EuropeAid. Interestingly, it is not easy to calculate how much aid the EC directs to NGOs each year—more recent estimates indicate that the accurate figure is at about 1.5 billion euros. According to a New Direction report (2013: 10), "In 2008 at least €1 billion and in 2009 at least €1.4 billion were allocated to NGO projects by just four of the Commission's departments (Directorates-General): EuropeAid co-operation Office (EuropeAid), European Community Humanitarian Office (ECHO), Environment (ENV) and Education and Culture (EAC). Grants were awarded to approximately 3,000 NGO's." Nevertheless, EC programs seem to represent a significant source of funding for European NGOs, especially in a period of constrain on the budgets of national governments.

Indeed, available data shows a clear increase in NGO applications for EU funding. For example, Action 2 Measure 3 "Civil Society Projects" subprogram of the "Europe for Citizens" program (2007–2013): since 2008 when yearly calls for applications were introduced, the number of applications received has increased nearly every year. In the 2008 call, there were just 287 applications for funding across Europe with 131 final grantees and 4 million euros being disbursed. Three years later, in 2011, the number of total applications reached its peak with 665 civil society organizations applying for funding from this specific subprogram—a 131 % increase! Even if one disregards 2008 data based on the argument that it was the subprogram's first call and was thus not well-known to the general public, the upward trend develops in parallel with the gradual evolution of the European Debt Crisis that instigated austerity measures in most EU countries. In the 2009 call, 366 organizations applied, putting the percent of increase in applications between 2009 and 2011 at approximately 82 % (EC Citizenship Program, authors' analysis).

Data from the European countries that are facing the most troubling economic issues is even more revealing of the aforementioned situation. The total amount of NGO applications to this subprogram coming from Greece, Ireland, Italy, Portugal, and Spain for the 2008–2011 period reached 303. The last 2 years of the subprogram (2012 and 2013), i.e. the years that the crisis heightened, total applications reached 278. Finally, despite a slight decrease in total applications in 2011, applications from the aforementioned countries increased in 2013, representing 24 % of total applications (from 15 % in 2011) (EC Citizenship Program, authors' analysis).

Is this the solution to the funding problems experienced by NGOs throughout Europe? Even though the multiannual EU budget during 2014–2020 did not reach the high levels anticipated by some analysts, it still represents a pool of funds of almost a trillion euros, some of which are dedicated to civil society organizations. Nevertheless, data from the Citizenship program shows that success rate have

sharply decreased during the last 2 years of the previous programming period (2007–2013). Success rates fell from 45.6 % in 2008 to 5.4 % in 2012 and 4.9 % in 2013. This means that NGOs are now facing significant competition and that only the very best applications are being approved (EC Citizenship Program, authors' analysis).

8.3.4 From Young Social Movements to Specialized and Professionalized Contractors

The history of NGOs is a rather interesting one. In its early years, organized civil society came to exist and develop essentially as a bottom-down movement. Occurring primarily in developed nations, citizens sensitive to a variety of issues would come together to work on providing relief, offering assistance, and raising awareness of issues around the world. Initially, selected causes related to human suffering, poverty, and victims of war. Later, environmental issues also became a major part of the agenda. An example of said organizations is Oxfam, a UK based organization created to help Greeks suffering during the WWII.

Of course, during this early period, not many NGOs were created and representatives of organized civil society were not present in all countries of the world, not even in the West. The process of NGO expansion (both in numbers and in size) occurred during the last two decades of the twentieth century. As Salamon (1993) puts it, NGOs represent, probably, the most significant "social and political development" of the latter period of the twentieth century.

During the 1990s, many new NGOs were created across the world, as public funding from national governments and multilateral agencies responsible for the distribution of ODA (e.g. the World Bank) began to increase. Rademacher and Tamang (1993) highlight the increase of NGOs in Nepal: from just 220 in 1990, in 3 years they surpassed 1,200 due to a donor "spending spree". In Bangladesh, more NGOs were created during the first half of the 1990s than ever before, while in Tunisia NGO numbers more than tripled from the early to the mid 1990s. Even in developed parts of the world, the number of NGOs significantly increased during the same decade. In Spain, organized civil society thrived during the 1990s, partly due to an increase in public funding. In Greece, the creation of HellasAid in 1999 (an agency of the Greek Ministry of Foreign Affairs responsible for ODA) led to the subsequent creation of an NGO registry with approximately 600 Greek NGOs (2007 data)—many of which did not exist prior to this agency.

Furthermore, the increase in available funding also had an impact on existing NGOs—they used these excess resources to increase their size and, at the same time, their dependency on the state. Edwards and Hulme (1998) highlight this development: in the UK, dependence on government spending to NGOs increased from 7–15 % to 18–52 % between 1984 and 1994. Similarly, state funds were responsible for between 50 and 90 % of the budgets of NGOs in other countries such as the Nordics, the Netherlands and Canada. This trend spread to NGOs in the

South. Likewise, Spanish NGOs came to increasingly rely on state resources during the 1990–2000 period (ESADE 2012).

How has this development changed the overall structure of the civil society sector?

Various studies have produced a set of the apparent effects of the "officialization" of the sector, i.e. the growing dependence of a great proportion of NGOs on official funding.

As they become more dependent on receiving state grants for maintaining high levels of operations their work is directly affected by the new environment they are operating in: they are driven more by the targets of official donors—as in many cases NGOs tend to apply for particular grants designated to specific causes. This is partly due to the nature of official funding: as funds disbursed constitute public resources, they must be allocated through a transparent and competitive process. National authorities use specific procurement practices calling for organized civil society to apply for available funding. In some cases, these procurements leave open issues such as what cause will be funded and in what geographic area said funding will take place. This is the usual case for new agencies that have little funding and/or do not have significant administrative capacity to plan the use of their available funds. Larger and older agencies tend to tie their funding to specific causes and geographic areas based on their respective planning. It should be emphasized, though, that such planning is most usually the product of:

(a) Desk research that ignores real needs, done by state officials who may never have set foot in the field,
(b) Political calculations regarding both funding inside or outside the country. In the case of ODA, the disbursement of funds is understood as an instrument of foreign policy. It serves, above all, the interests of the donor as is highlighted by the increased allocation of ODA to Afghanistan just after American intervention in the country in 2001. Likewise, in the case of funding within a country, the disbursement of state grants may be influenced by political preferences of the governing party,
(c) Media coverage.

Thus, NGOs that are dependent on public funding need to make sure their actions are not skewed towards the preferences of their donors. Such behavior may lead to a decrease in their legitimacy. In effect, their legitimacy is a byproduct of their values, not the byproduct of being contracted to a specific agency. In a way, the importance of altruism and voluntarism is downplayed, as the need to be viewed as an efficient service provider takes priority. It should be stressed that the issue of legitimacy is not a new one. It was mentioned as early as the mid-1970s by Lissner (1977) in his book "The Politics of Altruism."

This new funding environment has also brought about changes in accountability. NGOs that originally selected the path of public funding have partly moved away from their grassroots origins and their constituencies, overemphasizing short-term, quantitative outputs that can be presented to their donors (Edwards and Hulme 1998).

NGOs have also changed the way they understand the media and their relationship to the media. Cottle and Nolan (2007) argue that NGOs are seeking to attract the media's attention and thus tend to organize specific communication strategies. NGOs tend to align themselves with the agenda of the media. Through this process, NGOs "symbolically fragment the historically founded ethic of universal humanitarianism" (Cottle and Nolan 2007: 864).

Unquestionably, the evolution of the organized civil society sector brought about by the increase in public funding has significantly influenced the way the sector operates. Furthermore, it should be stressed that although some NGOs have avoided becoming dependent on state funding—and some, such as the Médecins Sans Frontières, have refused to take part in this new funding scheme—they have too often been affected by the preferences of their counterparts. Dreher et al. (2009: 21) has argued that, "NGOs have incentives to follow official donors and NGO peers, rather than trying to excel and swim against the tide."

The global financial crisis has also affected the environment in which NGOs operate. Indisputably, the major issue is that of the decrease in available funding. Throughout the world, donations by individuals have been reduced, while some states (see previous section) minimized their available funding to NGOs. On the other hand, some multilateral agencies increased their disbursements, while private foundations emerged.

Today, NGOs compete for the same financial resources (of which there are less) and thus are more prone to use publicity to achieve one of their main goals: maintaining funding levels. Hence, they tend to seek televised exposure, which they cherish due to the size of the audience they are able to reach (Powers 2014). This means that they may follow natural disasters, dispatching their officers alongside journalists, equipped with visible items such as hats and t-shirts containing their logo.

Furthermore, as the type of main funding sources has changed, NGOs have shifted their attention from simply justifying expenses to measuring results—a long-term request from institutional donors. Additionally, the economic crisis has prompted NGOs to prioritize the charity activities favored by donors (Fowler 1993).

As highlighted in a DOCHAS report (2008: 2), "Aid is increasing, but patterns for NGOs are changing, potentially squeezing out the small NGOs and putting pressure on big NGOs to conform to donor priorities." This leads to an inescapable trend towards the professionalization of the NGO sector (Lang 2013). NGOs constantly need to take into consideration issues such as publicity, accountability towards donors, measurable effectiveness, etc. Additionally, they now need to employ professional staff with extensive experience in proposal writing, fundraising, and reporting, in order to maintain funding levels.

However, the crisis has subsequently instigated another lateral development: the increase of importance of grassroots organizations that have maintained their direct connections with society and are still able to project an image of an organization loyal to its original values and beliefs. Due to their proximity to society, such organizations are perceived to be truly altruistic in nature. The fact that they are

directly tied to society means they are able to formulate and implement measures that answer real and pressing needs. In contrast to many NGOs that have tied their operations to government initiatives, most of the time perceived and designed by officials without much attention paid to societal needs outside those emphasized by the media, there are a growing number of small organizations that are increasingly making their presence felt. One such example is "Atenistas" in Greece who, through small-scale initiatives throughout the city of Athens, is attempting to make life easier and happier. They even have a section on their website which allows anyone to propose new activities.

These organizations, due to their proximity to society, are believed to be more prone to receiving a large part of the limited funding available in this turbulent economic environment. But their main strength lies elsewhere. Due to the small size of their professional staff, they are able to keep their real costs low. They also have instigated a rise in volunteerism in countries that have been impacted by the crisis across Europe. Indeed, despite a decline in public funding in Spain during the last 2 years, time spent by civilians volunteering and helping those in need has increased. According to ESADE (2012: 30) during 2011, "17.2 % of Spaniards stopped donating to NGOs, made a smaller-than-usual donation or chose to volunteer instead of donating." Overall, as a result of the economic crisis, peoples' ability to donate money has decreased. Thus people feel compelled to donate more of their time in order to compensate.

Likewise, Greek society seems to have become more empathetic to the needs of others. While the Greeks' ability to give money has also decreased since the economic crisis and austerity measures, their tendency to offer some of their time increased. As Bourikos and Sotiropoulos (2014) argue the "intensity" of voluntarism in Greece has increased. Although there is currently no available data, scattered interviews have revealed the potential of grassroots organizations, which "have stayed pure and true to their original values and beliefs." Although such organizations do not have the structure or capability of implementing large scale projects and absorbing significant amounts of funding, they are able to absorb the main resource offered today, i.e. volunteers. Therefore, during a time when professional NGOs are searching for the best practices to safeguard them against legal matters related to the use of volunteers (2013–2014, authors' interviews with NGOs across Greece), grassroots organizations can utilize the growing wave of volunteers to make a difference in society.

8.4 Focusing on Greece

Various sources have indicated that in the past Greece has had low to very low levels of social capital, associational density, and civic engagement.[2] Various scholars have explained the reasons for this. Huliaras (2014) summarized them

[2] See: Sotiropoulos and Karamagioli (2006) and Hadjiyanni (2010).

by creating five categories. The first category has to do with the rapid economic development that took place in Greece since the 1960s, which has not been followed by equivalent social transformations. The second category is related to the distorted Greek political system and the clientelistic networks that the Greek political elites have created throughout the years. State dominance and particracy halted the emergence of a modern Greek state and thus the rise of a healthy and active civil society. The third category deals with the role of the Church in Greece and its relations with the state. The religious homogeneity that exists in Greece, in contrast with other western societies, is believed to be hindering the mobilization of civil societal action. Another category has to do with the tax incentives for charitable donations. Indeed, the Greek tax system endorses donations to the state, the Church, and to cultural institutions, while offering limited incentives for donations to NGOs and other CSOs. Last but not least, Huliaras points out that the lack of civic education is considered a major factor as well.

Some of these factors, like clientelism, have become the "Achilles heel" for the rise of a vibrant civil society. While the number of volunteer organizations has been expanding since the late 1980s, this was accompanied by the expansion of EU funding for citizenship programs. However, this funding was channeled through the official state. The latter set the standards for eligibility for funding. Thus, while EU funds have provided important incentives for collective action and citizen mobilization, the involvement of the Greek state set the path for the professionalization of voluntary organizations, which inevitably shifted them away from their original nature towards becoming sub-contractors. Gradually, the further involvement of an inefficient and somewhat corrupted state spread the "virus" of corruption to the organized civil society and NGO sectors, creating tremors in the public sector. The issue of the accountability of NGOs came to the forefront of public discussion. At the same time, the press released numerous related economic scandals. As a consequence, the credibility of NGOs was harmed. In addition to the decrease in public spending and the stress that Greek society was faced with during this period of tremendous economic instability, new civil society initiatives became crucial for the protection of social cohesion.

Yet, according to some scholars like Sotiropoulos, there have been some positive developments regarding the future of Greek Civil Society. According to him, there is an active, unofficial, and informal civil society functioning in the shadows of the problematic formal and institutionalized civil society.

Indeed, Greece being under financial siege, is a place where this 'fourth sector' mentioned earlier in this chapter has flourished during the last 5 years. The reasons for such a development have been described within the previous pages and can be concluded in two ways. The first reason for this development is the unprecedented reconstruction of the social state due to the immense reduction in public spending. The other reason has to do with the numerous scandals regarding NGO funding that were published during the last years. These made the Prime Minister, Antonis Samaras, as well as the public, very cautious and suspicious of NGOs. The number of scandals, the lack of the proper legal framework, and the lack of mechanisms for accountability have led the Greek Prime Minister, as previously mentioned, to

declare that no more public funds will be distributed to NGOs. As result, the pool of funding for the NGOs dramatically decreased. The more professionalized ones turned to other sources for funding, mostly by targeting European Structural Funds or large private donors. Yet, others have completely stopped functioning. Thus, while the needs of the people were increasing, the social state and the NGOs that were attempting to fill in the gaps in the system were found on the retreat.

This atmosphere contributed to the emergence of a new era for civil society organizations in Greece. This new era started in 2009 and, while it is still developing, we can begin to see its characteristics. The new era has been characterized by a boom in various informal citizen networks and grassroots movements with a common objective of providing solutions and Almost spontaneously after Greece's first bailout in May 2010, a variety of initiatives including protest movements, solidarity networks and self-help groups came into surface.

This boom took place in a host of Greek cities and mostly took the form of informal gatherings of citizens turning into local social movements attempting to provide solutions to problems caused by the crisis. Their nature arises from their promotion of alternative models of economy in an effort to restructure or redesign the current one. Though not a new phenomenon—identical movements have occurred in other countries like Argentina (during the economic crisis of 1999–2002) where several citizen networks and parallel currencies developed—the pace at which they have been developing in Greece is remarkable.

Yet, a long and vigorous debate continues concerning the real roots of these movements. There are many who support the idea that such networks are simply an after-effect of the crisis. Others believe they are an outcome of the shift in consumer behavior and attitudes towards a more responsible way of living—far from the current trend of passive consumerism and over-production. Lastly, there are those arguing that these networks have emerged in order to fill the gaps between the needs of the people and the inadequate social services provided by the state. In general, when observing the basic features of these informal networks in Greece, they somehow reaffirm all the previous assumptions. According to Garefi and Kalemaki (2013: 9), "Starting from their objective, which is explicitly claimed by each one of them, most of these grassroots movements aim to respond to the current crisis through innovative ideas and joint solutions. They aim to modify existing thinking and provide support to people in need in order to improve life in community, to promote fair and equitable sharing and distribution of goods and services as well as to promote and preserve resources and assets of their local communities."

Attempting to categorize these networks is something quite difficult given their nature and the degree to which they are spreading across the country. It is almost certain that there are types that have yet to be identified. Nevertheless, there are some common features of the "fourth sector" in Greece. The initial and perhaps most vital characteristics are voluntary and democratic. They also promote fair and equitable distribution of resources, while focusing on developing relationships based on solidarity. Up to now there are two different categorizations of these groups and networks according to the nature of their activities. The first one made by Prof. Sotiropoulos introduces four categories:

- Exchanges of food, clothes and services
- Provision of food and services to people in need
- Provision of health care
- Community and educational work

Garefi and Kalemaki (2013) on the other hand distinguishes these networks in a more descriptive manner

- Exchange and virtual currencies networks
- Cost cutting networks—"Without intermediaries"
- Social kitchens
- Social clinics-social pharmacies
- Social education networks
- Social/Cultural activism
- Self-management & self-control networks
- Networks for change

Striking examples exist for all the above categories, such as the exchange and virtual currency networks, "Time Bank" [3] and "Tem." [4] Both these networks, as well as a number of others, provide an alternative way of exhibiting practical solidarity. They promote a way of living and working without money (Eleftherotypia, 15/7/2010).[5]

For cost cutting networks, the most recognized initiative is that of the "potato movement".[6] Its impact was so immense that the ministry of development decided to support it with the construction of a digital/web platform for all the offers and demands to take place (SKAI, 03/03/2012).[7]

Social kitchens[8] and other similar initiatives are included in the third category as a product of the difficulties that contemporary families in Greece have in finding or buying food. A striking example is "The Other Human."[9]

Social clinics and social pharmacies make up the fourth category. They emerged as an answer to the growing inefficiencies of the central state and the Greek health system, which is stressed under the current economic conditions. The need for radical cut-off in funding and a 'rationalization' of the number of public hospitals

[3] http://www.time-exchange.gr/translations.html

[4] http://www.tem-magnisia.gr/

[5] http://www.enet.gr/?i=news.el.article&id=183235

[6] This movement started in 2012 and is a grassroots socio-agriculture initiative which consists of Greek farmers selling potatoes and other agricultural goods directly to the public, leaving aside the intermediaries.

[7] http://www.skai.gr/news/greece/article/196404/to-kinima-tis-patatas-exaplonetai/

[8] Social kitchens are organized by groups of citizens aiming to offer food to immigrants, homeless, unemployed and poor.

[9] http://oallosanthropos.blogspot.gr/p/social-kitchen-other-human.html

and medical centers has resulted in basic shortages. To combat this, initiatives have been taken by doctors, nurses, and pharmacists in order to provide their services for free. The "social health movement" has spread throughout Greece. Solidarity Social Clinics have been established in different cities across the country, such as Athens and Thessaloniki. These types of initiatives receive a lot of media support and coverage due to their quick results and the size of their outreach (Ethnos, 28/01/2014).[10] Moreover, they receive support from the municipalities. Striking examples of such are social pharmacies like the Municipality of Athens, which distributes drugs for free to help people in need (To Vima).[11]

The education sector is also laden with inefficiencies. This is the result of both the crisis and the dysfunctional basis upon which the Greek education system has been constructed. The inefficiencies of the Greek public education system have instigated the creation of private tuition centers that provide an extra education. The effects crisis on family budgets has made it difficult for parents to continue sending their children. In response to this situation, several social education networks have emerged, which are organized by educators who provide their services to students on a voluntary basis (To Vima, 04/09/2012 & Eleftherotypia, 01/11/2013).[12] Examples of such are the social tuition centers that have been established with the support of the municipalities in many cities across the country.

Social/cultural activism is a category composed of a network of artists; musicians that either offer their services for free or contribute by developing new concepts and values as a response to the economic crisis. An example is the 'Social Theatre Shop,'[13] an initiative organized by a group of actors from the National Theatre of Northern Greece.[14]

The self-management & self-control networks category consists of a group of citizens who discover innovative ways to express themselves by developing new ways of thinking about everyday life, while putting these ideas into action. Their objective is to gain control over factors or situations in order to improve everyday life. One of these networks, the 'Atenistas'[15] has gained significant presence in the media.[16]

[10] http://www.ethnos.gr/entheta.asp?catid=24301&subid=2&pubid=63952492

[11] http://www.tovima.gr/afieromata/solidarity/solidarity-events/drasi/?eventid=73

[12] http://www.tovima.gr/afieromata/solidarity/article/?aid=473274
http://www.enet.gr/?i=news.el.article&id=395662

[13] Its purpose is, through the organization of theatrical performances, to invite the audience to provide food products instead of paying for a ticket. These products are distributed later on to social organizations.

[14] http://www.newsbomb.gr/prionokordela/ellada/story/156146/theatro-horis-eisitirio--mono-emprakti-allileggyi

[15] Its members are citizens of Athens who love their city and they want to improve some of its negative aspects. They draw their strength and energy from thousands Athenians citizens who want to do something for their city.

[16] http://www.ethnos.gr/entheta.asp?catid=25862&subid=2&pubid=63637885

Finally, the last category, Networks for Change, involves group of citizens who want to inspire people to build a new future for their country. These networks are composed of ordinary people, as well as prominent representatives of Greek society, such as academics, entrepreneurs, and artists like 'Forward Greece,'[17] which focuses on social and political change (To Vima, 13/12/2012).[18]

To conclude, these kinds of bottom up movements and networks are becoming the new way of solving the problems created by the crisis. They can help to transform society and shape the general political thought of the Greek community. Additionally, they seem to enjoy the support and trust of the Greek people. They are more direct—based on pure principles of volunteerism—and they do not carry the burden either of a failed social and political system or the scandals of NGOs engaged in state funding.

8.5 Conclusion

Undoubtedly, the evolution of civil society throughout the past decades has been remarkable. Particularly the evolution on a global scale of NGOs has impacted global politics and development practices. NGOs have been prominent for several years—an official and institutionalized representative of what civil society has often described as the 'third sector'. As this chapter has evidently proved, in the case of Greece, civil society was not as vibrant as in other European countries. The reasons for this have been described in detail; the most crucial being the relations with the official state, which has been accused as being corrupt and ineffective. While it is a common belief that civil society in Greece has grown significantly in the past decades, including a boom in the founding of NGOs, their aforementioned relationship with the clientelistic state has brought their bottom-up origins into question. In fact, evidence demonstrates that the increase in civic engagement was suffered from a top-down process. This became even more obvious during the last 5 years when Greece began to face a severe economic meltdown. The need for a rationalization of public spending has had a severe impact on the institutionalized civil society, particularly in the NGO sector. In fact, the pool of easy funding has stopped, leading to the extinction of many NGOs. The situation deteriorated even further when numerous scandals surfaced, causing severe cracks in the credibility of the official civil society. Thus, while their needs are increasing, the people in Greece are facing a double-retreat in regards to the social state and the official third sector. This gap seems to be filled by informal grassroots organizations that are popping up around the country in great numbers and frequency. While their range is limited due to their lack of official structure, funding, and capacity for well-

[17] It was founded in 2012 in Athens and its main goal is to aspire a change in Greece by contributing new ideas and suggestions, encouraging cooperation and generally a change in political terms.

[18] http://www.tovima.gr/politics/article/?aid=488575

organized initiatives, their activities are well known due to media coverage. They enjoy the trust of the people due to their purity and the lack of connection to the central state. They seem to be able to deliver small-scale projects with high-level outputs. Yet, as was discussed in the previous sections, their life cycle is relatively small and, thus, their contribution limited.

It should be noted that this trend is not unique to Greece. Although in nations suffering from economic turbulence and austerity measures such as in Greece, Portugal, and Spain, the emergence of new, grassroots organizations to combat the effects of the crisis is more than apparent, the same can be seen in more stable economies, in which a certain level of social welfare are still present. In Belgium, grassroots organizations are also making their presence felt across the country.

Hence, it seems that the financial crisis and its aftermath has further highlighted the debate on whether large and "professionalized" NGOs or less formal types of organizations are the future of the third sector. On the one hand, large NGOs are becoming more and more effective and efficient service providers, especially in regards to large, integrated projects—a current trend in the development aid industry. On the other hand, grassroots organizations can spot actual and urgent needs and offer the relief needed for the society to survive. It is not the aim of this chapter to take a position on whether the grassroots organizations are more important than large NGOs (in terms of efficiency for example they definitely are less adequate), but to highlight new trends within the sector. To this end, our findings indicate that the organized civil society sector is affected by a dual trend:

(a) On the one hand, many existing NGOs are going to become more professionalized and expand. This will not be the future of all NGOs, as the competition for institutional funding will become more and more fierce, leaving no room for semi-professionals. Those that will not be able to adjust will most likely cease to exist or they will retreat to their origins.
(b) On the other hand, people are placing more emphasis on grassroots organizations that gain their strength from their devotion to philanthropy and altruism—characteristics that are incompatible with the "large projects" mentality of the institutionalized donors. Such organizations are already receiving a significant part of the available resources of individuals (primarily as volunteers rather than fiscal donors) and are gaining the interest of both the people and the media.

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