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7. Informality and Everyday Life: How 'Things Get Done' in Contemporary Western Balkan Societies

This chapter provides an overview of informal practices in everyday life in six countries of the Western Balkans (WB): Albania, Bosnia and Herzegovina (BiH), Kosovo, Macedonia, Montenegro and Serbia. It presents the literature review on informality and its multifaceted expressions in everyday life. Using survey and ethnographic data, the chapter discusses citizens' perceptions and practices towards informality, highlighting the domains where informality permeates everyday life. The chapter shows that citizens across WB, while agreeing to formal rules, often subscribe to informal ones to 'get things done,' as informality ensures security of the procedures to make things happen due to the shortcomings of public institutions. In addition, the chapter discusses specific policy measures to address informality at the levels of state, civil society and the European Union (EU).

Keywords: informality, everyday life, perceptions, informal practices, Western Balkans

Introduction

Informality is a pattern of social life; it is multifaceted, socially embedded, and connected to formal institutions. As a diverse phenomenon 'covering wide range of economic, social and political practices' (Polese et al., 2016: 184)—stretching across space and time—informality is challenging to identify, measure and compare as not only the actors' motivations vary, but the institutional frame also shifts. Formal rules and informal practices are organically linked in everyday life. Informal rules are resilient and enduring, and often remain in the private domain of family and kinship relations to 'get things done.'

Grounded in survey findings and ethnographic observations, this book chapter outlines how informality pervades everyday life in societies of the WB, more specifically Albania, BiH Kosovo, Macedonia, Montenegro, and Serbia. The approach taken here places an emphasis on the nature of informality in everyday life, aiming to highlight informal practices and also to understand how citizens in the WB navigate through formal rules and informal practices. The everyday life here concerns the attitudes and practices that are familiar, ordinary and routine, often taken for granted.

The chapter is organised into three main sections. The first one presents methodology and a literature review on informality in relation to everyday life. Second, using survey and ethnographic data, the chapter discusses citizens' perceptions towards informality and practices, highlighting the domains where informality permeates everyday life. The chapter shows that citizens across the WB societies, while agreeing to formal rules, often subscribe to informal ones to 'get things done' as informality ensures security of the procedures to make things happen due to the shortcomings of public institutions. Finally, the chapter discusses specific policy measures to address informality at the state level, civil society and the EU.

The evidence that we rely on is based on quantitative and qualitative methodology. The quantitative data stem from a representative survey within the framework of the INFORM project, conducted in 2017 through *face-to-face* interviews with around 6,000 respondents: 900 in Albania; 1,200 in BiH; 1,000 in the Former Yugoslav Republic of Macedonia; 900 in Kosovo; 800 in Montenegro; and 1,100 in Serbia (hereafter referred as the INFORM Survey 2017). The questionnaire included demographic, economic, political and social capital questions in relation to formal and informal institutions and practices. Aiming at 'bottom up' knowledge production on informality in everyday life, this research has taken advantage of ethnography as a research method. Thus, to understand informality and the micro-politics of everyday life, the chapter reflects on the qualitative data stemming from the ethnographic observations through *day-to-day* field research and conversations with ordinary citizens in their given social settings.

Informality in Everyday Life: Theoretical Grounding

The way individuals and social groups act in everyday life is contingent on an array of social conventions, rules, and norms. Indeed, conventions, norms and rules set the standards of behaviour among the members of a community and the society at large. They constitute an important source for the transmission of social knowledge from one generation to the next. Yet as Jack Knight has pointed out, 'informal conventions form the base on which a vast range of formal institutions organise and influence economic and political life' (Knight, 1992: 1). True, institutions – as a set of rules – structure social interaction in particular ways. However, not all rules constitute an institution. For Knight, a set of rules become an institution when the knowledge of rules is shared by the members of the given community or society (Knight, 1992: 2). Moreover, Knight contends that 'institutions are constraints that help individuals avoid the negative 'emerging effects' of collective action; institutions enable social actors to work together towards beneficial social goals; and institutions reconcile rationality at the individual level with rationality at the collective level' (Knight, 1992: 10). As such, institutions are indispensable as they are able to resolve problems in society.

When embarking on the research on informality in everyday life one has to keep in mind that in human relationships, as Max Weber argued long ago, the relationship between informal behaviour and formal rules is complex and reciprocal (Weber, 1921). Within legal theory, as Friedrich Hayek emphasised, 'informal law or moral rules have evolved over a long period before some of them eventually did transform into legislation, and that beneficial informal rules were principally subject to a kind of selection through 'cultural evolution' that was neither natural nor artificial' (Hayek, 1973; 1988 cited in Chavance, 2008: 58). As Bernard Chavance argues 'followers of this line of thought consequently give great weight to informal, evolved rules, and view formal, deliberate ones as beneficial only when they correspond closely to the former. […] formal rules may reflect a constructivist attempt to build an extended order following the pattern of a teleological organization, in which case they will endanger society and economy' (Chavance, 2008: 59). Thus, formal institutions are perceived to be rational and purposeful and as such beneficial to society, in contrast to informal institutions that are believed to be deviations from the rational

ways of organising (Herzfeld, 2005). Yet, in this inquiry, informal practices, rules and constraints, are not considered as constituting institutions. Attention is paid to instances when an informal practice enters the formal realm and how it becomes 'institutionalised'.

Douglass North (1990; 1993) in his theory of institutional development and change, has emphasised the distinction between formal and informal constraints, with the latter both underlying and supplementing the former. Noticeable, North points out, 'is the persistence of so many aspects of a society in spite of a total change in the [formal] rules' (North, 1991: 36). Thus, defining institutions as constraints, he maintains that 'informal constraints that are culturally derived will not change immediately in reaction to changes in the formal rules' (North, 1991: 45). For North, institutions are 'the humanly devised constraints that structure political, economic and social interaction. They consist of both informal constraints: sanctions, taboos, customs, traditions, and codes of conduct, and formal rules: constitutions, laws, property rights' (North, 1991: 97).

North's distinction between formal and informal institutions has been adopted by several scholars in the study of post-socialist transformation, in the economic field, in particular (Chavance, 2008: 60–61). Pejovich (1999) built on the 'interaction thesis,' distinguishing different relations between formality and informality. According to Pejovich, this relationship is four-fold, including the following: '(i) formal institutions suppress, but fail to change informal institutions; (ii) formal rules directly conflict with informal rules; (iii) formal rules are either ignored or rendered neutral; and (iv) formal and informal rules cooperate — as in cases where the state institutionalizes informal rules that had evolved spontaneously' (Pejovich, quoted in Chavance, 2008: 60).

In the sociological vein, for Gretchen Helmke and Steven Levitsky, 'informal structures shape the performance of formal institutions in important and often unexpected ways. Informal institutions also shape formal institutional outcomes, yet in a less visible way: by creating or strengthening incentives to comply with formal rules. In other words, they can be enabling and constraining to formal institutions and informal rules' (Helmke and Levitsky, 2004: 726). Thus, they define informal institutions 'as socially shared rules, usually unwritten, that are created, communicated, and enforced outside of officially sanctioned channels' (Helmke and Levitsky, 2004: 727). For Helmke and Levitsky, 'informal rules which are endogenous to formal institutional structures have diverse origins; informal structures

are created by actors because formal rules are incomplete; informality may be a 'second best' strategy for actors who prefer, but cannot, achieve a formal institutional solution. One motivation for creating informal rules may be the pursuit of goals not considered to be publicly acceptable. Some have a cultural and long-standing nature, but many have a limited time span and a remote or weak relationship with cultural values and rules' (Helmke and Levitsky, 2004: 727). Helmke's and Levitsky's theory is taken critically and a reason for that is anthropological. Institutions have rules such as laws that are designed to be resistant to change, whereas the responsive character of informal rules entails that they can modify relatively quickly in response to changes in the environment.

On the other hand, studies in anthropology and interpretative sociology— characterized by micro-perspectives and a bottom-up outlook on social life — make different theoretical and methodological choices with regard to informality. Given this specific approach, data collection in anthropology and interpretative sociology, not surprisingly, is based on techniques specific to qualitative research, such as participant observation, interviews and life histories. In terms of the analysis of the various forms of informality and their relation to formal structures, anthropology and interpretative sociology tend to build knowledge focusing on the meanings that actors give to informality (Giordano and Hayoz, 2013: 14). Therefore, in this current of thought informality tends not to be fully understood on negative terms but rather as ambiguous, neither good nor bad, neither positive nor negative, and neither functional nor dysfunctional, but sensible and rational, contingent on a given socio-cultural context.

Informality is an expression of state-society relations (Polese et al., 2016: 182). There is no organization or democratic state that is free of informal practices. Indeed, 'informality is, in fact a globally enduring and resilient phenomenon, not transitory and only characteristic of modernizing/transitioning societies' (Polese et al., 2016: 184). Informality can be understood only in relation to formal rules as it can only exist in the presence of formal rules. Yet, the nature of the interaction between the formal and informal rules and practices is contextual and temporal. Looking at social and political change after socialism, Chavance drives home the point that 'post-socialist transformation has not taken place in a uniform way in informal institutions: enduring legacies have co-existed with the rapid collapse of unwritten rules and with the swift emergence of new non-codified rules' (Chavance, 2008: 65). Informality underpins the democratic system

across East European countries. It has shaped governance via personalized networks that undermine democracy and the rule of law. This mode of governance cannot maintain itself without informal institutions. Hence, as Giordano and Hayoz have argued, 'understanding how democracy is reworked we need to pay attention to how informal arrangements, rules or institutions have become indispensable' (Giordano and Hayoz, 2013: 11) and how they shape social, political and economic life.

The everyday life, commonly referred to as 'the informal' is no less important than the formal bureaucratic institutions. The notion of 'informality' in everyday life and impact on lived experience often went unrecognized by many theoretical models (Steenberg, 2016: 294). As Rune Steenberg has pointed out, studying informality one needs to recognize the analytical limitations of the concept itself. Indeed, Steenberg sees utility in the concept of informality, yet argues that the usefulness of the term itself 'depends not only on our recognition of its limits and its strong ideological embeddedness, but also in its communicative potential' (Steenberg, 2016:303). Thus, in the vein of Steenberg's line of thought, it would be erroneous to insist on the negative effects of informal practices and to project bad informality as a trait of WB societies, or more generally, societies of the global south. Moreover, it would be also misleading to put the 'negative' conception of informality, usually associated with corruption and clientelism, in the field of political science studies on democracy, and leave the 'good' informality in the field of anthropology and micro-sociology.

This inquiry on informality in everyday life takes advantage of the theoretical model of the INFORM project to analyse how informal relations and practices interact with formal institutions in the domain of everyday life. This model builds on Gretchen Helmke and Steven Levtisky's definition of formal institutions as constitutional and legal norms, as well as contracts and mechanisms of implementation (Helmke and Levitsky, 2004: 727), considering them as determining 'formal constrains' of social behaviour. Thus, informal constraints consist of unwritten rules derived from traditions, customs, beliefs, former formal rules or practices in response to new formal rules in the 'emerging game.' Here, formal constraints are treated as by-products of new formal rules, which in our case relate to the set of EU provisions known as *acquis communautaire*. Examples of laws passed in compliance with the EU law but not put into practice in WB societies have indicated that rules, whether formal or informal, do not automatically become constraints. In order to become effective in practice

they must pass through what has been termed as an 'enforcement belt'– the process of interpretation, designing mechanisms of implementation, and of positive and negative sanctions that would enable their effectiveness (Hysa, Kera, Pandelejmoni, 2018: 8). The following is the discussion of key findings stemming from the survey and ethnographic data showing how informality pervades realms of everyday life in WB societies.

Informality is Omnipresent in WB societies

Citizens in WB societies perceive informality to be omnipresent. The 2017 INFORM survey shows that more than 70% of those surveyed in these societies think that having connections and to 'have people in places' is crucial in order to 'get things done.' However, perceptions of informality vary in the fields surveyed by the research and across countries. For instance, giving money, having contacts or giving gifts to doctors is perceived as most most widespread in BiH and Serbia, followed by Montenegro. This perception is less marked in Macedonia, Albania and Kosovo. In terms of institutions, the survey data indicate that informality is more pervasive in the health sector. In kindergartens, schools and university education, informality is viewed as most prevalent in BiH (47.4%) and least in Albania (13.6%). Offering gifts to police officers in order to dismiss or avoid paying a fine is perceived as a widespread practice in BiH (47.4%) and Serbia (43.8%). This is seen to be to less common in Kosovo (10%) and Macedonia (26%).

Moreover, the research affirms strong bonds of family and kinship. Citizens across these societies express that they can rely on their parents, cousins or friends to help them with childcare or care for the elderly and ill (70%). A further 50% to 60% of the respondents consider that, in cases of great life misfortunes (death, illness, permanent loss of employment), they can count on the help of their families, cousins, friends, and neighbours. However, trust in people is rather low across the region, scoring from 2.9 in Macedonia and 3.8 in Albania (1.0 min to 5.0 max). The level of trust in state institutions is higher than trust in people. It is the highest in Montenegro (mean score reaching 4.9), followed by Albania, Serbia and Kosovo. In contrast, BiH and Macedonia show less trust in state institutions (mean

scores 3.5 and 3.7). The family is the most trusted institution while political parties are the least trusted. Relatives and friends enjoy high levels of trust, while colleagues, neighbours, people of the same national and religious backgrounds are somewhat trusted. Thus, we are able to conclude that eroded trust in state institutions is conducive to informality.

Encountering Informality on an Individual Level

When looking at personal experiences of respondents and the people they know about informal practices, such as gift giving, providing services, money, and connections to 'get things done' in healthcare, courts, the education system, and gaining employment in the public sector, the INFORM survey identifies sites where informality emerges. Informal practices in healthcare are a fact of life throughout the region. The survey data show that half of the respondents from all the countries, except Kosovo, know someone personally who has had to bring a gift, provide a service, pay money, or find a connection in order to obtain better health care. Moreover, most respondents in Albania and Kosovo paid to get treatment in public healthcare (Albania 68%, Kosovo 54%); in Macedonia and Montenegro 40% of respondents sought and found a connection. Gift giving is the most frequent practice in Serbia (45%); in BiH almost the same percentage of respondents give gifts and as give money (39%).

   With regard to informality in the courts, a smaller number of respondents report resorting to informal practices to influence court decisions. This is not to say that the level of informality is lower in the courts compared to other institutions. One should bear in mind that interaction of citizens with the courts is less frequent compared to other institutions. However, the most common practice of informality in the courts consists of 'giving gifts' with around 47% in BiH, Serbia 44%, Montenegro 35%, Macedonia 26%, Albania 14%, and Kosovo 10%, reporting that they have offered gifts in order to obtain service from the courts. However, informal practices favour/s, giving money and connections are in place also.

   Enrolling children in kindergarten, school or university is less connected to informal practices in comparison to other domains of everyday life. The percentage of those who know someone who has used connections

to get a place for their child in the kindergarten and/or enrol in school and/or university ranges from around 18% in Kosovo to 30% in Macedonia. The informal practice that was least frequently reported is having to seek connections to get a place for a child in a kindergarten and/or enrol in a school or university (Macedonia 6% and Kosovo 2%).

The research data also indicate that informality encompasses employment. Of those surveyed who have reported to personally know someone who had to provide a gift, service, pay money or find a connection to get employment, it is Macedonia and Serbia that score the highest (40%), followed by Kosovo (16.7%) and Montenegro (9.3%). It is in BiH that these practices that are the least prevalent (2.7%).

The Informality Mediators: Family and Friends

The mediators in the informal exchanges across all countries are interwoven between family and friends. Informality through family members and relatives is most often prevalent in Kosovo and Albania. While friends are everywhere, they are most common in Montenegro (44.83%) and Macedonia (44.35%). In BiH (25.40%) and Serbia (36.13%) friends are the main mediators to 'get things done.' In dealing with the courts, the main mediators are friends and relatives, followed by political parties. In employment, the mediators are friends. In BiH (47.98%) there are fewer intermediaries and respondents report less help from friends, while in Albania friends (30.92%) and relatives (35.20%) are the main mediators. In Kosovo (33.33%), relatives seem to be of paramount importance to gain employment in the public sector.

The research data indicate that many citizens are in pursuit of connections to 'get things done'. Indeed, connections, as Čarna Brković has argued, 'intertwine with public administration and how *veze* and *stele* enable flexibility to approach the 'right people'" (Brković, 2017: 106–107). In order to get what they need, many citizens approach friends and family with 'connections.' The interlocutors count on connections, as can be seen from the following quotes:

> In order to get the job that I applied for I had to contact someone, as I knew I wouldn't have a chance to get the job without connections. Besides me another person applied for the same job, who did not have a CV like me, but had two years of

work experience more than I did. And the commission first gave the job to that person, because of those two years. Thus, I had to intervene through somebody and finally I got the job. (A teacher, Tirana)[3]

Not all people can have 'connections,' yet they proactively search for them. A single mother, unemployed from the countryside near Tirana, with three daughters, one of whom is a university graduate, when asked what about how to find a job for the daughter, replies that:

It's not easy to get a job; it requires 'mik' (friend/acquaintances) and 'lek' (money). We don't have money, we have to look for friends. (unemployed woman in Tirana)

A teacher from eastern Albania confirmed that family and kinship ties are important in finding a job.

I have relatives and kin, who are employed in Tirana. I have an aunt's son who has employed many of my kin… he offered 'punë me mik' (a job through connections). (teacher from Eastern Albania)

These experiences are exemplary of how informality reworks the power relations shifting the 'state' and the 'public' towards 'personal relations' and 'private arenas' (Brković, 2015: 279), having a profound impact on the distribution of rights in the society. Thus, connections and personal relationships not only show how 'things get done', but also how certain actors improve their livelihoods (Brković, 2017: 107).

Political Parties as Mediators of Informality

The ethnographic fieldwork on the case of the 2017 elections in Albania indicates that people get involved in clientelist relationships and practices, especially during elections. When individuals were asked whether resolving issues of everyday life had influenced their decision to vote, the research identified two types of problem-solving through favours. The first has to do

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3   To protect the privacy and confidentiality of participants in the research, personally identifiable information such as name, age, residence and affiliation were altered from the interview transcripts to ensure that the informants and the data participants in the research remain anonymous.

with long term problems, where a vote might attract help in solving them. The second is related to problems which might not show up during the elections, but once they emerge, people have to find contacts in a party that influences the institution involved. From the ethnographic fieldwork in Albania it seems that employment and other issues which are important for economic and social security and wellbeing lead to the creation of long-lasting clientelist relationships between individuals/families and political parties, in which resolutions are offered in exchange for votes (Hysa, Kera and Pandelejmoni, 2018: 55). Such practices are shared by citizens of Montenegro as well who think that 'in state institutions in particular, more people than necessary are employed and that their employment stems from their loyalty to the ruling party' (Sedlenieks, Puzo and Dubrovska, 2018: 25–26).

Concluding Remarks and Policy Implications

Informality in the WB can be understood through the interconnections between formal institutions and informal practices. The most common practice is 'gift giving' followed by rendering services, giving money, and favours achieved through clientelist relations. Our data implies that informality is most prevalent in the public health system and the least so in childcare and education. The research confirms that informality does not exist independently of everyday life experiences, but it is part of it, and that it can only be defined in the context of formality.

In Albania, BiH, Kosovo, Macedonia, Montenegro and Serbia, informality permeates everyday life through various practices that are often based on family/kinship relations, but also in response to formal constraints on upward social mobility. Informality is not the preferred course of action, but a reaction to unresponsive state institutions. The research findings indicate that informality is not free from ambivalence and ambiguity. Practices of informality can be understood only in relation to the interplay between the accepted norms and rules on the one hand, and formal structures and processes on the other. In everyday life informality is embedded in social norms, solidarity and reliance on kinship and social networks. Overall the research finds that citizens across WB countries, while agreeing to formal rules, often subscribe to informality to 'get things

done' as informality ensures the security of the procedures that make things happen.

The states, civil society and the EU each have a stake in overcoming challenges that informality poses in everyday life. Governments should work towards an integrated policy framework to address informality in everyday life and demonstrate accountability in governance through the rule of law. The states in WB region should promote equality and anti-discrimination policies, as well as increase transparency mechanisms to guarantee equality and fairness in healthcare, employment, education, social services, judiciary and security. Moreover, the governments in WB region should extend social and health protection; improve the public health system by increasing public expenditure on health and welfare protection. In addition, the governments in most of the WB countries should enact legislation to combat corruption, clientelism, and nepotism in employment in the public sector and ensure that recruitment is merit-based.

Not only should government be active, but the civil society should continue to promote equality, solidarity and reciprocity and counteract negative informality. Civil society organisations should work to restore public trust through citizens' participation in decision-making at community and state levels. The EU policy should prioritise socio-economic development as integral to EU integration strategy of the countries of WB.

Finally, EU policy should ensure that the national governments take steps to enhance the trustworthiness of formal institutions and uphold the rule of law. In addition, the EU's support to WB countries should address informality in the public sector, especially in health, public administration and courts as the growth of informal practices is a consequence of insufficiency of formal institutions.

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