

## **ECONOMIC SECURITY IN ROMA COMMUNITIES THROUGH SOCIAL ECONOMY**

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### **ABSTRACT:**

*ECONOMIC SECURITY IN ROMA COMMUNITIES, TODAY, WOULD MEAN SOLVING, AT LIST AT THE BASE LEVEL, THE LABOR MARKET ACCESS PROBLEM OF ROMA PEOPLE, THUS ENSURING ACCESS TO OTHER AREAS OF DAILY LIFE : HEALTH, HOUSING, EDUCATION, AND SO ON. IN A WAY THIS IS QUITE TRUE, WHEREAS IT IS WELL-KNOWN THAT THE BASIC PILLAR OF ANY COMMUNITY WHICH IS ASPIRING TO PROGRESS, IS THE LABOR MARKET, IN OTHER WORDS, BUDGET TO CREATE JOBS.*

*HOWEVER, THE SOCIAL ECONOMY AND ITS PATTERNS/MODELS CAN BE AN OPTION IN ENSURING ECONOMIC SECURITY OF THE ROMA COMMUNITY BECAUSE IT CAN CREATE MECHANISMS TO ENSURE ACCESS TO THE LABOR MARKET, ESPECIALLY THAT IN THE NEAR FUTURE IS EXPECTED A NUMBER OF TAX AND BUSSINESS BENEFITS AND NOT ONLY, FOR THE SOCIAL ECONOMY ENTITIES/STRUCTURES.*

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**KEY WORDS:** SOCIAL ECONOMY, THE ROMA COMMUNITY, ECONOMIC SECURITY.

### **INTRODUCTION**

We start this paper the motivation and construction of that title is one suggestive Economic Security through Social Economy in Roma communities, wishing to exhibit mainly the idea that economic security in Roma communities could have a chance to become a positive field from the point of view of the individual, with the social economy which seems to be a choice in response to the economic situation of Romania today.

If one accepts the idea that the development of human security engine within a national space is primarily the economic security, in other words the existence of a positive and sustainable economic development, we must agree that the most important interest domain should be the access on the employment market. In this context, we believe that the social economy can be the solution for the economic security in Roma communities in a country as Romania, with 17 minorities, nearly 20 vulnerable groups, 18 religious cults under Article 46 of Law 489/2006.

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## MAIN TEXT

### 1. THE SOCIAL ECONOMY

The purpose of this title, is to try and give a small definition to social economy, or actually trying to formulate a definition to a nonexistent field in terms of success practice in Romania and almost invisible in theory, except that the definition is given in a strong connection with the economic security or how she could be influenced through the social economy.

*"The social economy is a reality present in various forms in most human communities which experienced a natural development from the early eighteenth century in the development context of industrial capitalism"*<sup>2</sup>. Thus, the cooperatives of the eighteenth century, coming up with different forms of employment or joint ventures are among the first people association in which members share the profits in order to answer the problems of the labour market, in other words, they were pursuing also a "social profit" like the social economy does today.

Turning our look at the practical side of social economy and better comprehension of its various structures and how it is seen by European institutions, we must mention the definition provided by CIRIEC (International Centre of Research and Information on the Public, Social and Co-operative Economy): *"The set of private, formally-organised enterprises, with autonomy of decision and freedom of membership, created to meet their members' needs through the market by producing goods and providing services, insurance and finance, where decision-making and any distribution of profits or surpluses among the members are not directly linked to the capital or fees contributed by each member, each of whom has one vote"*<sup>3</sup>. Most definitions are formulated in accordance with the seven principles of social economy as they were written in the "Charter of Principles of Social Economy" by Social Economy Europe, the social economy's representative institution in the European Union. By following the seven principles in the framework of a social economy, it makes the difference between it and a simple economic or commercial business. The principles are:

- "-the individual and social aspects outweigh the capital*
- voluntary and open participation*
- all members must have control of activities in the social economy*
- solidarity and responsibility should be present in such activities*
- members' interests are good to consider also the public interest*
- created in the spirit of social economy, entities will be autonomous and independent from public authorities*
- economic activities, financial gain is used to benefit members but also for the sustainable development of the community"*<sup>4</sup>.

The social economy is a bunch of concepts that promote business structure legally established, based on a value system where in the first place, is very important solidarity among members and democratic decision-making, but also the priority to the people's needs before the profit distribution. Social economy encourages citizens to fight and wake up from

<sup>2</sup> Asiminei Romeo, *Social Economy A Conceptual Framework*, Journal of Social Economy No.1 , 23-39, January 2009, 23, accessed may 10-th 2014, <http://profitpentruoameni.ro/wp-content/uploads/2013/05/01-Social-economy-a-conceptual-framework.pdf>

<sup>3</sup> Sorin Cace et all, „*Social Economy and Vulnerable Groups*” study presented at the meeting for Vulnerable Groups in Social Economy Project, Bucharest , 16-18 September , 2009, 7.

<sup>4</sup> Adam Gabor, *Economie Socială în Comunități Multietnice* ,( Cluj Napoca, Idea Design&Print 2011), 5.

passive to active modellers status of their own destinies. Therefore we can say that through social economy its individuals construct their own motor starter for the economic security.

The social economy is recognized throughout Europe the same. If experienced countries named it generally the third sector, there are countries such as the *"group containing mainly Germanic countries and those that have joined the EU in the 2004 enlargement, such as Austria, Estonia, Germany, Lithuania, the Netherlands, Czech Republic, Slovenia and Hungary are the countries where the concept of social economy is less known, or can be found in an early stage or even unknown. Related terms, like the non-profit sector, voluntary sector and nongovernmental organizations, are enjoying a relative recognition"*.<sup>5</sup>

We can say very briefly that the social economy is translated into practice by setting up a structure type, where the basic rule is that the birth of a social profit, meaning to reinvest a portion of the profit in activities, services or goods that benefit the community ( more or less vulnerable) for a better integration.

All this process we will closely connect with economic security, and finally to demonstrate that the social economy can be an important driver of economic security in Roma communities.

## **2. ROMA ISSUES**

In order to discuss this subject we must decide whether we have a problem with the Roma communities. I mean the Roma community can be seen as a vulnerable group as a group with special problems. In other words, the question is whether or not to help the Roma community more than other communities or vulnerable groups? We could argue an affirmative answer by citing history studies (from which we could emphasize slavery, holocaust, the marginalization for a few hundred years), unpractical social policies, national or European indifference of public authorities, or through a couple of examples of Roma poverty families, or "touching" examples of social stagnation or almost "ostentatious" regress in the development of these Roma Community. No, we won't do these things today, to demonstrate that Roma are a vulnerable group, and they have special problems. We will put the problem much simpler. It is true that in recent years have appeared all sorts of problems with the Roma community in big European newspapers, in countries such as France, England, Italy and recently in German.? It is true that they say about the Roma community that are on the periphery of cities and live in tents. It is true that almost everywhere the Roma people are accused of small crimes like stealing or begging. Then ladies and gentlemen, dear readers, I rest my case. We admit it or not, Yes we have a problem with Roma communities, Yes they need social integration.

In Romania, Roma issue, not necessarily its solutions, it is quite well reflected in the Strategy for Roma Inclusion, HG 1221/2011, where the majority of Roma social inclusion issues were divided into education, employment, health, housing and small infrastructure, culture, social infrastructure. These domains are closely related to social economy and are of great importance in the life of the Roma community. In theory we could probably find alternatives, where the labour market is not the main importance in the progress of a community, because there would be a few who rightly would support such as education is the greatest importance in the development of a community. On a practical level however, without access to the labour market all other areas are more difficult to access by the ordinary individuals. In order to ensure an integration process, a sustainable development, labour market access of Roma communities is of course the priority domain that this community

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<sup>5</sup> Jose Luis Monzon Campos, Rafael Chaves Avila, *The Social Economy on the European Union*, (Bruxelles, Groupe Editorial Peter Lang, 2007), 36.

needs. Motivation is simple. Existing access to the labour market, that means the possibility of access to health, housing and education. Simply put, if there is a job, there is medical insurance, there are at least possibilities to pay the rent even it is a modest one, it is possible to send children to school.

### 3. ECONOMIC SECURITY IN ROMA COMMUNITIES THROUGH SOCIAL ECONOMY

Before talking about this title, we feel compelled to say a few words about economic security, and what could this mean. To keep things simple we choose a definition as simple and accessible as follows:

*"It can be seen both at the individual and state level. In the first case, the essential economic security implies the absence of poverty, but it often transcends this state to include possession of sufficient resources to participate with dignity in society, but also a degree of protection in the face of uncertainty and risk. ...At the state level economic security involves maximizing the relative economic power of the state on the grounds that economic power is desirable and national power, including military power, ultimately depends on economic power"*<sup>6</sup>. The dictionary of international security quoted above, highlights two ways of defining economic security. First one is in terms of the individual reflected by the absence of poverty and its ability to participate in everyday life with dignity in the society which he lives. In other words, the economic security of the state is reflected by the prosperity of the ordinary individuals. A second option is to define economic security in terms of state's point of view. This would mean, taking into account the economic power of the state as the main index to define the state of economic security and also considering the economic power as a basic pillar of national strength. In this variation look, on the economic security, it stresses that economic progress, economic security is the centre gravity of national security. Economic security can mean to each of us something different, but at a certain level or at a minimum level, this should mean access to a decent life, the ability to always make another "step forward". I do not think I exaggerate if I say that the ultimate goal of a positive economic security is the welfare of the individual. Of course, talking about the economic security of a community as the Roma community is, we are primarily interested in the economic security of the individual so that references to this term, written here from now on, will be not referring to the state economic security point of view.

If we consider the ultimate goal of economic security and welfare of the individual, the social inclusion represent itself a goal of economic security, especially since the poverty is the way that social exclusion is often born. The main pillar or national domain who should be developed, in order not to reach social exclusion, if socially excluded means to be poor, not to have a family doctor, impossibility to attend school, not to have access to minimal resources such as heat or light, not to take part in ordinary social life, then the answer is the domain of labour market access. Thus, the mirror of a normal individual possibilities (opportunities), represents the condition but also the measure scale of the economic security of that individual. Social economy, we believe is the answer to the problems of access to the labour market, especially for Roma communities, so that now the picture is much clearer on this paper: elimination of social exclusion as a result of improved access to the labour market through the social economy, thus helping the main purpose of economic security, that of a minimum implementation degree of comfort for the ordinary individual.

Let's see some statistics. In 2013 we have a total of 731 000 registered unemployed according to the National Statistics Institute. Ministry of Labour shows a figure of 692.340

<sup>6</sup> Paul Robinson, *Dicționar de securitate Internațională*, (Cluj Napoca, Ca Publishing, 2010), 200

people with disabilities in 2012 (17.285-institutionalized), [www. manager.ro](http://www.manager.ro) a website specialized in various statistics and analysis and [www.ziare.com](http://www.ziare.com) website says that there are 30,000 detainees in Romania where one inmate cost per month is 2,500 lei while the same sources say costs of 1867 lei / month for a student and the Institute of Statistics shows the number of 600,000 Roma citizens in Romania. If we make a small calculation and we notice that I gather a number of 2.05334 million people included in only four categories of vulnerable groups. Note that the result is a sum of the official data, which means that the real figures are much higher. If the social economy has as main target the vulnerable groups, this would mean that in Romania would have a target of at least 2 million people.

Ultimately the problem is that the Romanian state should be ready to promote the social economy and more, to provide other tax benefits to its development. In this sense the state, the policy makers, have to make a calculation so they can decide what variant is optimal for national economic security: either they further increase fees and taxes (because foreign investment in Romania doesn't quite look to happen in the near horizon) so they will get money for annual budgets but with the risk that in time, more and more segments of the population (especially the 2 million I mentioned above) to no longer be able to afford their payments resulting in widespread poverty; either they accept less taxes promoting social economy mechanisms, by creating jobs, resulting in at least two positive effects: stable annual budget, reviving of the labour market. The two effects combined creates a third: positive economic security for ordinary individuals through social economy. Since we are here it may be the time to mention that Romania spend 23 millions Euros on 1 highway km (according to <http://www.antena3.ro/> one of the biggest national news channel). Instead of throwing money on a 10 highway km (230 millions Euros) we could promote the social economy and give birth to about 10.000 jobs.

Even without legislation, implementing the seven principles of social economy, economic security especially in Roma communities would still have a chance, but with an adequate legislative framework with policy makers who really want to implement mechanisms like social economy, so an economic security might reflect on a minimum of 1 million people in Romania where the Roma weight would probably be at least 200 000. That 1 million people that we talk about can account for our calculations, the group of 18 vulnerable types of people which are mostly, socially assisted in one way or another. This is one of the reason why it is said in the national press about Romania that has turned into a state of social assisted people. Through social economy, by introducing people on the labour market, Romania could begin the transformation of an assisted social state in an active state, resulting the inevitable effect : starting the achievement of a positive economic security.

During this panel of promoting the social economy through the development of labour market access with a direct effect on the economic security, the Roma community together with the majority, benefits from another positive aspect, societal security. In this sense we can exemplify a real situation in 2012 that happened in a Roma community, let's call it X village, to which the undersigned writing those lines has witnessed:

X village Police Department for example, was extremely interested in the success of the social economy association founded in the same year, which had the main activity the collection of plants and berries in a collecting centre. The interest of Police reason was simple: the Roma community members were involved most of the time in collecting and than selling scrap iron, but quite often they commit petty small crimes to complete this activity. In such situation the village police had dozens of complaints from various citizens, victims of burglary, public scandal, etc. From the moment the social economy activities started, many members of the Roma communities left every day at berry and plants picking in the nearby woods area, and in the evening they were coming back to the collection centre

to sell what they have collected on that day. In order to illustrate an example, one berry picker after a day of collecting activity could get between 100-200 lei (25-50 Euros), money brought home to his family. Per week, this means a minimum of 600 lei (about 140 Euros). Thus, the local police helped as much as their resources allowed them, to the social economy project implementation, because they anticipated that giving labour occupation and remuneration to the Roma community in the area, this will bring a double effect:

1. Improving economic security and local development through labour market access of the Roma community and other members of vulnerable groups such as long-term unemployed.
2. Overall improvement of security environment in declining local offenses or small crimes but also a better understanding and cooperation between Roma and majority community life, meaning an improved societal security.

The example above is proof of what I was trying to show over these few pages, namely that the social economy is the glue to the economic security of the Roma, but even more, it may have positive effects on societal security.

### **CONCLUSION**

The main conclusion that we can draw from this paper is that, in general, at least theoretically, Romania is trying for the first time to align with European theories to implement social economy business, trying deliberately or not the development of economic security.

Also as a conclusion it should be noted that once established social enterprises, there is a risk that the goods or their products to be labelled as equivalent to "poor or bad" on the grounds that they were made by people belonging to vulnerable groups such as people as the Roma or former prisoners.

In Romania, the concept of social economy addresses to vulnerable groups. The common denominator of the concept of social economy in Romania at the European level is the very purpose of this concept, that of creating new jobs, qualification, requalification for the people looking for a job.

Addressing to vulnerable groups, the concept of social economy in Romania can be hit by old barriers that would not accept anything different, new, or by discrimination where, intentionally or unconsciously, are subject to vulnerable groups.

We believe that one thing is certain, Roma communities can develop through social economy by reviving the labour market, moreover ensuring a positive effect on societal security.

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