INTERVIEW WITH MR. GHEORGHE CHIOARU, 
PRESIDENT OF „OMENIA” PENSIONERS 
MUTUAL AID ASSOCIATION[1]

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Abstract
The present paper addresses issues such as reducing the risk of social exclusion and poverty of older people, creating a mutual aid community, increasing the trust of beneficiaries, exploring a social enterprise’s capacity to expand. The paper introduces the activity of „Omenia” Pensioners Mutual Aid Association which provides its members with financial aid based on the mutual aid principle and conducts a wide range of social economy-type activities. In this interview, Mr. Gheorghe Chioaru, the association’s president, talks about the challenges faced by the enterprise he’s currently managing and offers relevant stakeholders a few suggestions for promoting social economy.

Key words: Pensioners Mutual Aid Association, social economy, elderly/older people

1. What type of social enterprise are you running?

G.C. We have four departments that define our organization’s profile: a social care department through which we aim to aid the elderly by providing multidisciplinary care and support, a credit department through which we provide financial support, a day center which
provides seniors with a setting for socializing and connecting with local community members, and a department for providing production services typical of repair shops, medical practice, hairdresser's, social store etc.

2. Who are the beneficiaries working in your enterprise and what kind of activities do they perform?

G.C. CARP „Omenia” Association has more than 32,000 members who benefit from our services, be they reimbursable financial aid (loans specific to mutual aid organizations) or social services, more precisely provision of services or non-reimbursable aid. We have more than 120 employees hired with individual labor contract, most of them pensioners, and over 40 volunteers working to support the other members. Every month, 200 members with mobility disabilities, with income below the poverty limit, and persons at social risk benefit from social, medical and home care services. More than 2000 elderly persons benefit from the services provided by repair and maintenance specialists (barbering, hairdressing, clothing, shoe wear, whitewashing, tinsmithing, carpentry, electrical and home appliances etc.), while others benefit from the free of charge bread program. We distribute 250 loaves of bread daily, and our elderly buy food from our social store or receive aid in the form of food, money or various goods. In April 2012, 1200 people received non-reimbursable in-kind aid.

When we talk about our beneficiaries, we mean older persons, especially the elderly with low or very low income or those who live alone and are sick. If young people find it easier to deal with job search failure or rejection, it is not so with older persons who can’t find a job to boost their income, can't emigrate to another country because they can't start over and they can’t revisit their contribution to the pension system since they no longer have a salary.

These are the reasons why elderly people may see a pensioners mutual aid association such as ours as being perhaps their only hope of
support, one of the few places, if not the only one, that provides them with the opportunity to showcase their potential. The limited resources of a pensioners mutual aid organization and the lack of involvement/support on the part of relevant authorities and civil society organizations have not enabled and are not enabling the provision of support for all vulnerable elderly persons. Pensions have decreased dramatically, the pension point dropped consistently from 45 percent of the national average wage to less than 32 percent, while inflation hits hard on today’s pensioner’s earnings.

3. What are the funding sources of the social economy enterprise you are running? In what do you reinvest the profit you’re turning?

G.C. Our association operates for the most part from resources drawn from its own members in the form of small monthly contributions of 3 RON (30 percent of the contributions are used for welfare and 70 percent for burial aid) and membership fees of minimum 5 RON per person used as social fund for loans. In addition, we receive donations and sponsorships/co-funding from individuals, from the Ministry of Labor, Family and Social Protection or from other associations/foundations. Since it is a non-profit organization, the revenues obtained are used according to the organization’s charter and for internal needs (including for development: upgrading spaces, procuring equipment/tools required in delivering our services, etc.). The items our volunteers make as crafts in the creation workshops of „Omenia” Day Center are offered as gifts to those who make donations or support the elderly aid campaigns.
4. What are the enterprise’s chances and capacity to expand? To this end, what would be the role of mobilizing funds or creating new partnerships?

G.C. The chances and capacity to expand are limited primarily by our members’ reduced resources made available to our organization. Unfortunately, the old Romanian saying „save money for a rainy day”, though shockingly topical, doesn’t apply here because we lack the adequate revenues.

Based on the elderly people’s growing number of needs, our organization’s general assembly approved the initiation of a project for expanding and upgrading the „Omenia” Day Center that would allow us to provide free of charge medical care services, mainly reflexology, applied kinesiology, psychological counseling, etc. With this in mind, we submitted a funding application with the 2007 – 2013 Regional Operational Program, Priority axis 3.2., Expansion and upgrading of social capacity. Our proposal passed the technical eligibility evaluation with flying colors, but almost one year later we received notification that we were on a waiting list. That happened even though our project proposal was evaluated long before others and scored above average. So, we are sadly witnessing our current political class’ failure to effectively manage national resources in support of our seniors.

5. What significant community social problems do the activities initiated by your social economy enterprise address?

G.C. Firstly, CARP comes to the aid of the elderly with low and very low income, people who are not eligible for bank loans and to whom we provide loans at convenient rates and terms. We meet the needs of an important category of citizens through the services we provide which are subsidized, though not by the state but by the funds to which our own members contribute. Last but not least, through the free of charge
socio-medical services we provide our members, we support the state in fulfilling its duty to ensure the well-being of its citizens.

Our members’ voluntary participation in socializing activities sets the stage for active ageing. The Romanian pensioners mutual aid associations are an almost unique phenomenon in Europe as to their modus operandi, they go back almost 100 years and stand a good chance to last another 100 years. None of the Pensioners Mutual Aid Organizations have gone bankrupt and oftentimes they proved to be pensioners’ safest form of savings.

6. In your opinion, what does social economy mean, how would you define the concept? What means should one use to promote social economy so that it becomes public knowledge in Romania?

G.C. The studies made in Romania lately have shown that the „Pensioners Mutual Aid Associations” phenomenon is a pillar of social economy because it fully abides by its principles. On the other hand, pensioners mutual aid organizations try to address social problems specific to the elderly community: access to financial aid, social care services, counseling, medical services subsidized by the organization. What is to be noted here is that what these organizations do in Romania does not conflict with and does not limit in any way the freedom of any other NGO or association in Romania to engage in a social activity. What matters is for everyone to follow the basic principles of social economy, while respecting the others’ right to set their own policy and path. In Romania we have a lot of social economy stakeholders and the only way to make this field known to the public is by promoting the results of their work, the added value they bring to the community in which they operate.
7. Do you find the Romanian legislation favors or obstructs your social economy activity? How should the Romanian Government get involved in promoting and regulating social economy?

G.C. So far, the legislative framework allows us to operate just fine, but there’s room for improvement. Certain mentalities need to change and then things will run their normal course. The civil society grows stronger nationwide and its voice is heard more and more often. In our opinion, it is not the Government that should be concerned with regulating the field of social economy, but rather every stakeholder who is directly involved in this social process. Any attempt to find a global resolution or to adopt a unitary law in the area of social economy is definitely bound to dissatisfy one stakeholder or another.

8. What would you advise someone who wants to set up a social economy enterprise?

G.C. Nothing is impossible in life. You just have to know what you want to do, with whom and to what end. You must rely on what you can do and less on the help of others. I wish the best of luck to all those now trying to establish a social economy enterprise, and to those who made it, I wish them to keep at it and to grow.