

SOCIAL ECONOMY IN MEHEDINȚI COUNTY

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***Abstract:** This article presents the results of a study conducted in Mehedinți County on the social economy, focusing on employment and on the solutions, identified and implemented, to control unemployment. The closedown of the unprofitable enterprises and mining exploitations from this area of the country increased the numbers of the unemployed, with major social and economic consequences. The results of the survey have shown a high level of institutional passiveness regarding the accessing of the pre-accession funds and then of the structural and cohesion funds for the inclusion of the disfavoured groups on the labour market, as well as some kind of ignorance of the civil society regarding this problem. It also reflects the need for a coherent legislative framework, for fiscal facilities and for campaigns of information and formation of the decision-making factors at the county level.*

***Keywords:** social economy, unemployment, European funds, employment rate, vulnerable social groups*

County's profile. Characteristics of the economic and entrepreneurial sector

Mehedinți County is located in the South-West part of Romania, on the left border of the Danube, at its exit to defile. It has a surface of 493.289 hectares (2, 1% of the total surface of the country) and is surrounded by the counties: Caraș-Severin at West, Gorj at North and Dolj at South-Est. At South are Bulgaria and Serbia. It has two big town (Drobeta-Turnu Severin and Orșova), three cities (Baia de Aramă, Strehaia and Vânju Mare), 61 communes and 344 villages.² The stabile population of

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² <http://www.mdpl.ro/documente/regiuni/4.SWro.pdf>.

Mehedinți at 1st of January, 2009 was 294.364 inhabitants (144.662 male 149.702 female), 143.137 (48,63%)¹ in the urban environment.

The demographic evolution during 01.01.-31.08.2009 compared to the same period in 2008:

- the number of the living new burns was 1.897 (higher with 162);
- the number of deceased was 2.761 (lower with 60);
- the natural increase continued to be negative (-864 persons);
- the number of marriages was 1.145 (higher with 14);
- the number of divorces was 354 (lower with 131).

Considering the ethnicity at the census in 2002 were registered:

- Romanians 96,12%;
- Romma 3,01%;
- Serbians, Croatians, Slovenians 0,38%;
- Czechs, 0,25%;
- Hungarians 0,09%;
- Germans 0,08%.

The geographic features are mountains, plateaus and plains under the shape of an amphitheatre descending from the North-North-West to South-South-East. The highest level, at the North-West, is formed by the Mountains Mehedinți and Cerna; the middle level consists in Plateau Mehedinți, Motru Hills and the high Plain of Balacita; the lowest level, Blahnita Plain, is formed by Danube's banks and the vast valleys of Drincei and Blahniței.

Plateaus like Baia de Aramă, Comănești-Halânga, and large valleys and Sub-Carpathian depressions ensure good conditions for living and transportation, including in the high areas of the county.

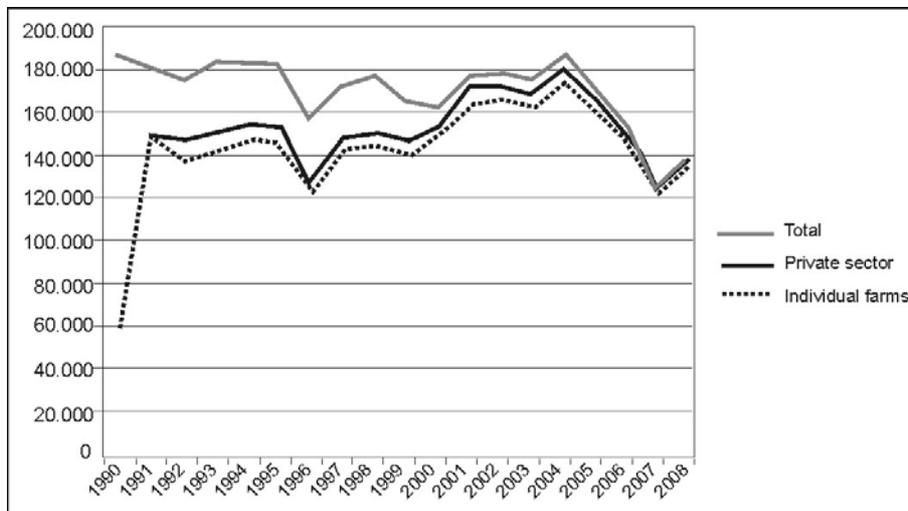
The climate of the county is continental-temperate, with Mediterranean influences in Cazane area and in Drobeta Turnu Severin. The most important river is the Danube, which constitutes the natural border of the county for 192 km. The main underground resources are: coal, asbestos, calcareous stone, slate, sand and sulfurous water. Due to its geographic position, the access to Danube, Mehedinți County has a vast and old tradition in trade, naval transportation, mainly merchandise. The terrestrial

¹ National Institute of Statistics, Tempo Online: <https://statistici.insee.ro/shop/>.

transportation routes consists in 1. 856 km of national and European roads. The Mail and telecommunications were established in 1862 and highly developed during the last years.

The county is crossed by the European route E70 and the Canal Rin-Main-Danube makes the direct connection between Drobeta Turnu Severin and all the cities located on the rivers' borders from the Black Sea to the North Sea. The bridge from the hydro-energetic system Iron Gates shorted the distances between Drobeta Turnu Severin and other European cities, but this did not improve of a significant manner the welfare of the county. The lack of efficient programs to promote the tourism (the percentage of actual use of the accommodation possibilities in August 2009 was 37, 8% 10 points lower than August 2008). The poor road transport infrastructure and the unqualified human resources obstructed the development of the county. The president of the Chamber of Commerce believes that the poor infrastructure plays a negative role, and so do the hydro-electric stations on the Danube. These last ones block the traffic due to harbor locks and discourage the use of navigable route by high taxes.

Graphic 1
Surface cultivated with the main agrarian cultures on forms of property in Mehedinți County (hectares)

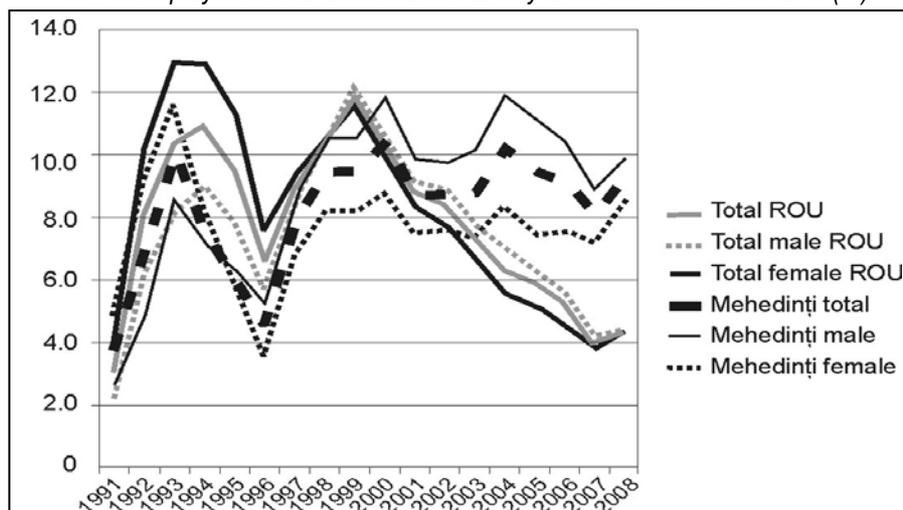


Source: National Institute of Statistics, Tempo-Online: <https://statistici.insse.ro/shop/>.

In the county there are important means of production in the navy and wagons construction, wood processing, wood furniture fabrication, inorganic products fabrication, cellulose and paper fabrication, ready-made clothes, food industry, coal extraction and production of electricity (hydro and thermo). The number of the foreign companies registered in Mehedinți County during 01.01 – 31. 08.2009 was 25 with a social capital of 9, 8 thousand lei (equal to 3.157, 0 USD or 2.253, 7 euro).¹

Shutting out of the enterprises and unprofitable mining exploitations increased the number of the unemployed, leading to negative social and economic consequences in the respective areas. Also, the lack of jobs in the urban areas and the growth of the housing costs caused the migration of the unemployed population towards the rural area where an inefficient agriculture is practiced.

Graphic 2
The unemployment rate on Mehedinți county level and on national level (%)



Source: National Institute of Statistics, Tempo-Online: <https://statistici.insse.ro/shop/>.

In graphic 2 is presented the evolution of the unemployment in Mehedinți County from 1991 to 2008. We may observe a similar evolution on national level until 2003; after that the unemployment rates are constantly higher and do not follow the general trend. This was caused by the restriction of activity of the biggest companies in the

¹ INS, *Buletin statistic lunar al județului Mehedinți*, nr. 8/2009, p. 19.

county (Naval Yard Drobeta-Turnu Severin and Orșova, CELROM SA, RAAN) in 1998, added to the lack of alternatives and a low level of investments.

The restriction of activity is reflected also in the diminution of the **export of goods** (FOB) on county level, which in 01.01.-30.06. 2009 was 86.234 thousands euro, lower than the same period in 2008 with 5.903 thousands euro.¹ The highest percentage is represented by the exports of “means of production” -75, 2% (64.874 thousands euro). On the second place is the export of “machines, electric appliances, video, audio recording devices”, with a percentage of 7, 5% (6.450 thousands euro). In the same time the **imports of goods** (CIF) have been diminished to 45.943 thousands euro – with 7.758 thousands euro lower than that from the same period in 2008.

The most representative industrial companies in Drobeta-Turnu Severin are:

- SC „Severnav” SA –navy construction;
- SC „Meva” SA –production of rolling material;
- SC „Celrom” SA – cellulose and paper fabrication;
- SC „Cildro” SA – wood processing;
- SC „Romag-Prod” – production of deuterium;
- SC „Romag-Termo” – production of thermic energy;
- SC „Hidroconstrucția” SA – hydro- technical constructions;
- SC „IMSAT” D. Automatizări SRL –electric installations and automatization;
- SC „Aurora” SA –mills and panification ;
- SC „Landro” SA – processing of ferriferous metals;
- SC „Somaco” SA – prefabricates of cement, plaster and metal.

Apart from the traditional commercial companies about 4.500 of companies develop industrial, construction and transportation activities, services etc. Considering the capacity of production, number of employees and the total amount of money, the number of small and medium enterprises was in constant growth. The main economic areas and their contribution to local economy²:

- production: 9,19%;
- trade: 56,12%;

¹ INS, *Buletin statistic lunar al județului Mehedinți*, nr. 8/2009, p. 16.

² The Mayoralty of Drobeta-Turnu Severin, *Development Strategy*.

- services: 9,17%;
- import-export: 22,6%;
- constructions: 3, 92%.

Mehedinți County has a percentage of 15% of foreign investments. The number of companies with foreign capital is 292, as follows:

- with Italian contribution: 42 companies;
- with German contribution: 41 companies;
- with Serbian contribution: 32 companies;
- transnational: 23 companies;
- with Chinese contribution: 14 companies;
- with Turkish contribution: 11 companies.

National Employers Confederations represented in Mehedinti County are

- Employers Confederation of Romanian Industry "CONPIROM";
- Romanian National Employers Confederation;
- CNPR – National Council of Romanian Small and Medium Private Enterprises CNIPMMR;
- Union of Romanian Industrialists UGIR 1903.

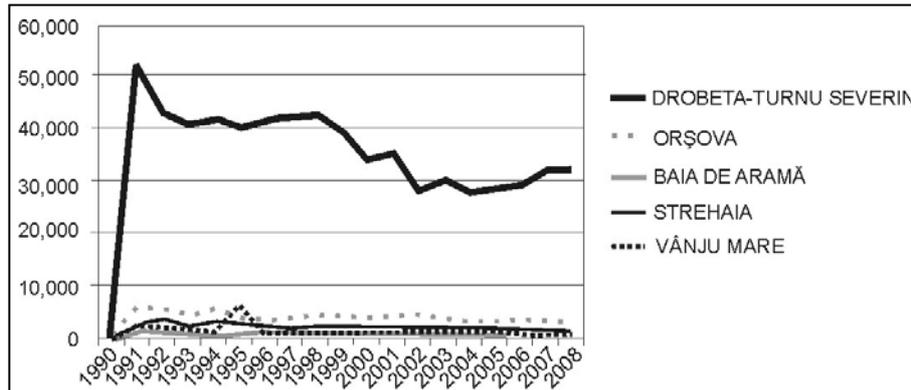
The net of Small and Medium Enterprises is a feeble structure (clusters are not formed) and has a high volatility caused by the absence of coherent plans, financial support and proper management.

Disadvantaged groups (assessments, critical areas)

A first aspect that needs to be cleared is that Mehedinti County is one of the poorest and isolated counties in Romania. Therefore, when we refer to disadvantaged groups we must specify that most of the inhabitants face economic obstacles, which generates other social problems.

The amount of employees at the end of August 2009 was 47. 770 persons, lower with 385 comparing to the prior month. Comparing with August, 2008 the decrease was of 4.462 persons. The brut medium wage in August 2009 was 1. 662 lei, lower with 183 lei compared to the national one. These figures illustrate the small contribution of the third sector and enterprises using highly qualified labour force.

Graphic 3
*The medium number of employees in the cities of Mehedinți County
(number of persons)*



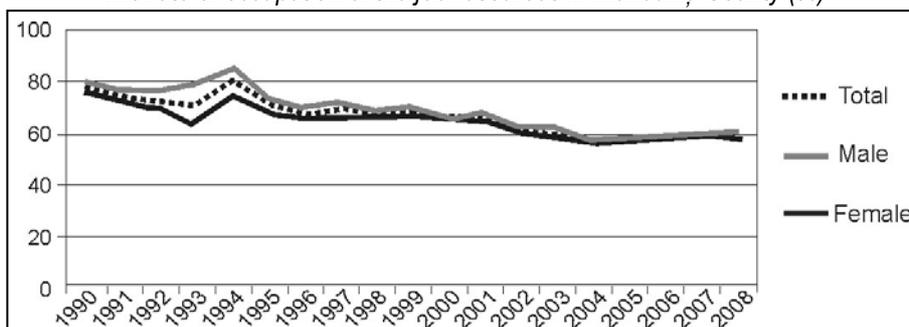
Source: National Institute of Statistics, Tempo-Online: <https://statistici.insse.ro/shop/>.

The number of unemployed persons registered in Mehedinți County at the end of August, 2009, was 14.937 persons (6.370 women), higher than the prior month with 1.085 persons. Considering the level of education of the unemployed persons registered in Mehedinți County at the end of August we have the following categories:

- Graduates of University – 603 persons;
- Graduates of high-school and college – 3.267 persons;
- Graduates of elementary, gymnasium and vocational schools – 11.067 persons

The prevalence of the industrial companies such as the navel yards or resources extraction caused a low mobility of the local labour force. When these companies reduce their activity the dismissed persons have low opportunities to find a different job because the job market is feeble and their qualification insufficient. Under these circumstances the role of the local institutions, mainly the County Agency for Labour Force and the Chamber of Commerce, may contribute to the professional orientation and reconversion of the unemployed persons. It must be mentioned that the percentage of unemployment in August, 2009, in Mehedinți County was 7, 9%, compared to 4, 3% on national level.

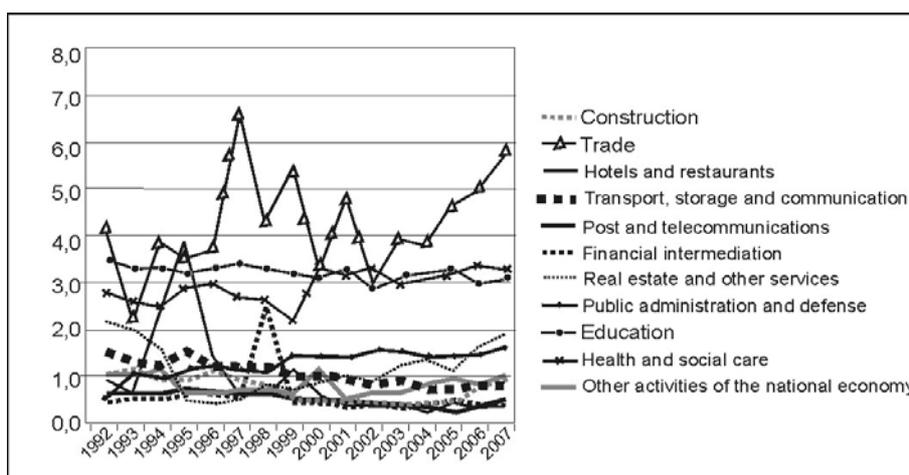
Graphic 4
The rate of occupation of the job resources in Mehedinți County (%)



Source: National Institute of Statistics, Tempo-Online: <https://statistici.insse.ro/shop/>.

In graphic 4 is presented the rate of occupation of jobs in Mehedinți County from 1990 to 2008, from a maximum of 76, 8% to a minimum of 57, and 1% in 2004. We may notice that there are no major economic differences based on gender. The main domains of activity for women are agriculture, industry, education, health and social assistance.

Graphic 5
The occupied female civil population in 1992-2007, on activities of national economy at level of section CAEN Rev. 1 (thousands of persons).



Source: National Institute of Statistics, Tempo-Online: <https://statistici.insse.ro/shop/>.

The census of the population of period 18-27.03.2002 identified 9.230 Roma persons in Mehedinți County. The larger community resides in Strehăia. Here the law is frequently infringed and the level of life is highly heterogeneous. There are no projects especially for this population on county level, except for that promoted on national level and implemented by the local organizations.

The AJOFM Mehedinți representative declares that in Roma communities from Jiana, Bahna, Vânjuleț, Târna and Eșalnița the attempts to include the inhabitants in the labour market by the campaign "Roma' Caravan" failed.

Supporting programs for disadvantaged groups *(focused on women and Roma)*

The providers of support services for the disadvantaged groups on Mehedinți County are mainly the state institutions and less the civil society's organizations. The main actors are the mayoralties, AJOFM and the General Directorate of Social Assistance and Child Protection. These institutions develop national programs and rarely local projects or joint programs with different private or state financial sources. An important role in integrating the institutional activity is played by the Prefecture and the County Council of Mehedinți, but, according to the declarations of some representatives of the local institutions, the cooperation is critical due to political instability and incompetency. In order to access pre-adhering and structural and cohesion funds according to the Regional operational plan for social, economic and cohesion policy for Drobeta-Turnu Severin, the **Mayorality** suggests the following projects aiming support objectives for the disadvantaged groups:

- Project of professional formation 'A new chance', addressed to the disadvantaged persons;
- Continuing the program of building blocks of flats for rent to young people of 18-35 years old.

We must specify that the Mayorality of Drobeta Turnu Severin does not emphasize the social dimension of the problems, but it is focused on the aspects regarding the infrastructure. In Annex I, at the end of this material, is presented the list of projects considered as priority by the Mayorality. This leads to the perception that it rather spends funds in infrastructure or tourism projects and, according to the declarations made by the representatives of this institution, tries to develop projects financed with European funds for social activities. On 26th of June, 2009, **AJOFM Mehedinți** organized the *Labor Market for Roma* at its residence in Drobeta Turnu Severin; a regular activity during the last years. Over 100 companies were invited, 19 among these accepted and offered a total amount of 62 working places. Among the trades required by the employers within this labor market were: textile worker, construction

foreman, blacksmith, mason, painter, welder, carpenter, turner, unqualified worker, hydro-technician, security agent, truck driver, seller, butcher, and mechanic. At the labor market participated 16 companies providing information regarding the job descriptions; the number of participants was of 15 Roma ethnic citizens.

Providers of social services

The providers of social services accredited by the Ministry of Labor, Social Solidarity and Family are:

- Association "Total Aid" (association), Dr.-Tr. Severin, Mehedinți.
- Association Filantropia Severin (association), Dr.-Tr. Severin.
- Association of Physic .Disabled Mehedinti (association), Dr.-Tr. Severin, Mehedinți.
- Association „Vasiliada” Filiala Dr.-Tr. Severin (association), Dr.-Tr. Severin, Mehedinți.
- Office of Social Assistance within the Episcopate of Severin and Strehaia (public service of assistance), Dr.-Tr. Severin, Mehedinți.
- Family House of the Baptist Christian Church (association), Orșova, Mehedinți.
- Social-Medical Assistance Center Cujmir (unit of medical-social assistance) Cujmir, Mehedinți, village Cujmir.
- Social-Medical Assistance Center Bicleș (unit of social assistance) Bicleș, Mehedinți, village Bicleș.
- General Directorate of Social Assistance and Child Protection (unit of social assistance), Dr.-Tr. Severin, Mehedinți.
- Foundation „Ajutați Aproapele” (foundation), Dr.-Tr. Severin, Mehedinți.
- Foundation „Bambi” (foundation), Dr.-Tr. Severin, Mehedinți.
- Public Service of Social Assistance and Protection (public service of assistance), Dr.-Tr. Severin, Mehedinți.
- SPAS Orșova (public service of assistance), Orșova, Mehedinți.

According to its competences and under the provision of the law, **Mehedinți County Council**, provides the necessary frame for the social services of local interest for the protection of children, persons with handicap, elders, family and other persons or groups in social need.

The main attributions of the County Council in the field of social assistance are:

- Approves the county strategy for social assistance and the plan for social marginalization prevention and control;
- Approves the establishment, financing/co-financing of the public institutions of social assistance;
- Decides upon the cooperation and association with legal Romanian and foreign persons, including partners from the civil society in view of joint financing and accomplishment of activities, services or projects of public local interest.

Under the authority are established and function:

1. Commission for child protection, specialized body, without legal individuality, acting in the field of protection and promoting the rights of children.
2. Commission for assessment of adult persons with handicap, specialized body without legal individuality, acting in the field of evaluation of the adults with handicap, respectively the field of promoting those persons' rights.

The following day services are functioning in Mehedinți County under the authority of local councils:

- in Salcia commune: the day center for children of 0-3 years; the support and conciliation center for parents and children;
- in Gârla Mare commune: the center for children "Sf. Dumitru" consisting in: the day center for children of 0-3 years; the day center for pupils; the support and counseling center for parents and children;
- in Pătulele commune : the day center for children of 0-3 years;
- in Târna commune: the day center for pupils; the support and counseling center for parents and children;
- in Eșelnița commune: the day center for children of 0-3 years; the day center for pupils;
- in Vânju Mare: the day center for children of 0-3 years; the support and counseling center for parents and children;
- at Titerlești, Baia de Aramă: the day center for children of 0-3 years;
- in Vânjuleț: the day center "Teodor Costescu"; also, under the authority of Local Council, a home for elders with 40 places, providing social services for elder people.

Day services under the authority of the Local Council Orsova are provided by the center for social integration of children with special needs and major learning difficulties.

The Mayorality of Drobeta-Turnu Severin, residence of Mehedinți County, the mayoralties of county's cities and communes.

County Agency for Labor Force (AJOFM) located in Drobeta Turnu Severin, no 3, Carol I Boulevard, was established on 1st of January, 1999. It is a county public institution with legal individuality under the authority of AJOFM. AJOFM organizes and coordinates on county level the activity of occupation, professional formation and social protection of the labor force and the unemployed. Its main objectives are: increase of chance employment for the unemployed people and encourage the employers to hire unemployed persons. The legal frame is ensured by the Law no 76/2002 regarding the system of insurance for unemployment and encouragement of employment. AJOFM Mehedinți develops its activity in a local agency and five working points in: Baia de Aramă, Cujmir, Orșova, Strehaia and Vânju Mare.

General Directorate of Social Assistance and Child Protection (DGASPC) Mehedinți is a public institution with legal individuality functioning under the authority of the county council. DGASPC was established in 2005 as a result of the reorganization of the public service for children protection – established in 1997 – and the public service of social assistance, both of them functioning under the authority of county councils and local councils of Bucharest.¹ DGASPC enforce on local level the policies and strategies of social assistance in the field of protection for children, family, single people, elder people, handicapped people as well as any people in need.

Institutions acting in the field of *prevention and control of domestic violence*:

1. Directorate of Labor and Social Protection Mehedinți, department regarding domestic violence control.
2. DGASPC Mehedinți, provided services: information, temporary accommodation (7-30 days), psychological and social counseling, medical assistance, social and legal assistance, legal counseling for children and family members/legal representatives in emergency situations.
3. Association for Women Promotion (branch Drobeta-Turnu Severin: legal conciliation, psychological counseling, social assistance...
4. Association „Filantropia” Severin, Episcopate of Severin and Strehaia: social counseling, emergency support to reduce the crisis situation for children, elders, poor, sick people, prisoners, victims of domestic violence.
5. Association "Ajutor Total": support of the victims of domestic violence, conciliation and social reintegration of the delinquents.²

¹ <http://www.copii.ro/dgaspc.html>.

² <http://www.anpf.ro/>.

Forms of support for disadvantaged groups

The mayoralty of Drobeta-Turnu Severin develops:

1. The project “*Arrangement of the house for elders Gura Văii*”, with the general objective to develop the capacity of the social assistance Service of the Mayoralty of Drobeta Turnu Severin to provide quality social services.

Results:

- A house for elder people providing constant medical assistance, constant care, food, weekly laundry, TV access, phone, library, meals in bed (for short illness), heating, counseling.

Present status:

- Study of operability done;
- Documentation done;
- Preparative for submitting within the regional operational Program

Value: 450.000 euro.

2. Project „*We are here for everybody*”. Main goal is to improve the quality of life for disabled persons, hoping to change gradually, but sure, the society’ mentality towards these persons.

The expected results are:

- Improving the quality of life of disabled persons and their families;
- Increase of efficiency of the services provided to the disabled persons;
- Increase of the degree of responsibility of the institution in their relation with disabled persons;
- Favorable social impact for all citizens;
- Reduction of the unemployment rate.

Value of the project is 36.230 euro.

Present status: evaluation.

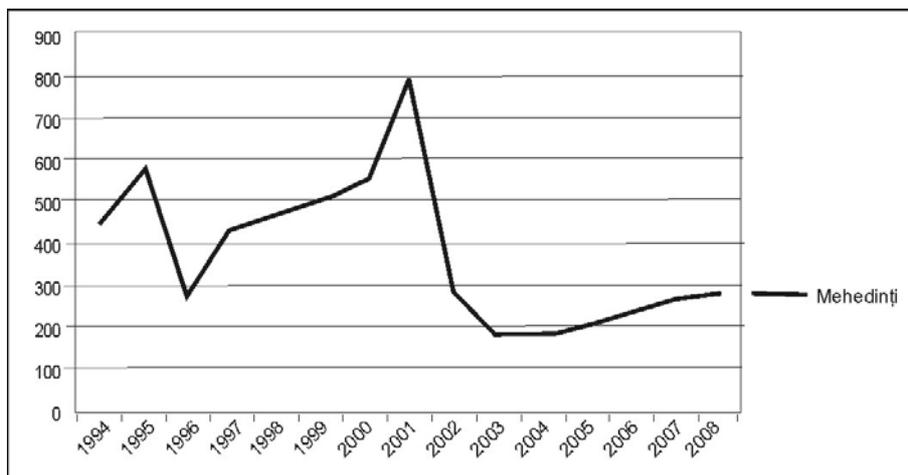
The development strategy of Drobeta Turnu Severin contains the following provisions pertaining to the disadvantaged groups:

- Accessing projects financed by the European Union in the field of social protection of elder people deprived of self support resources, as well as for children in distress.

- Detecting persons and families in special socio-economic and medical circumstances, in order to provide the social protection measures stipulated by the law.
- Monitoring the street children, counseling the origin families in view of their reintegration, as well as the internment of those unable to be integrated.
- Finding a location to receive the street children unable to be integrated in their families.
- Finding a location destined to be house for elder people that due to different reasons are not able to support themselves, and providing medical and social assistance within the house.
- Ensuring financial sources to cover the costs of social aid for the persons and families with low income, subventions for thermic energy to cover the local price, sustaining gratuitousness at local transportation for those benefiting based on special laws.
- Support of Roma families in socio-professional reintegration, mainly of the families raising children of school age, in order to provide opportunity to attend pre-University courses.

Graphic 6

Beneficiaries of the services provided by the social aid canteens in Mehedinți County (number of persons)



Source: National Institute of Statistics, Tempo-Online: <https://statistici.insse.ro/shop/>.

AJOFM Mehedinti provides for free to interested individual persons or legal bodies, under the provision of the law, services regarding the employment¹:

a) *Services for individual persons:*

- Professional information, orientation and counseling of the unemployed persons, as well as other persons to obtain job;
- Mediation between demand and offer on the labour market;
- Qualification and requalification of the unemployed persons;
- Supplementing of the unemployed persons' income and encouragement of the mobility of the labour force by granting hiring and installing bonus
- Settlement and payment, according to law, of social protection rights for unemployed persons and other socio-professional categories.

b) *Services for legal bodies:*

- Mediation between demand and offer on the labor market;
- Selection of candidates for jobs
- Enforcement of the measures to encourage creation of new jobs
- counseling to establish small and medium enterprises
- Encouraging hiring graduates and other categories under the provisions of the law.

Professional information and counseling services are provided for the persons interested in labour market, regarding the career choices, training and complementary formation opportunities; unemployed persons and those addressing the agency are helped to take decisions regarding:

Services of information and professional counseling are provided for those interested in jobs opportunities, career, training possibilities; unemployed are assisted in taking decisions regarding:

- Choosing a profession or occupation;
- Attending courses of professional qualification and re-qualification
- Changing occupation or job.

DGASPC 'attributions pertaining to child protection:

¹ <http://www.ajofmmehedinti.ro/index.html>.

1. draws up the initial report of evaluation of the child and his family and suggests the settlement of a measure of special protection;
2. monitors trimestrial the applying of the special protection measures;
3. identifies and evaluates the families and the persons able to take the child in foster care;
4. monitors the families and the persons that took children under foster care, all during this measure;
5. identifies, evaluates and prepare persons capable to become professional foster parents, under the provisions of the law; concludes individual contracts and ensures the constant training of professional licensed foster parents; evaluates and monitors their activity;
6. provides assistance and support to the parents of the separated child in order to reintegrate him in the family;
7. reevaluates, at least once/three months and each time is necessary, the circumstances for establishing the special protection measures and suggest accordingly to the case to maintain, modify or cease the measure;
8. makes the necessary steps to initiate the internal adoption procedure for the children under its supervision;
9. identifies the families and the persons residing in Romania, which intend to adopt children; evaluates the financial condition and the moral guarantees of those and releases the family or person certificate of capability;
10. monitoring the evolution of the adopted children, as well as their relation with the foster parents; supports the foster parents in fulfilling the requirement to inform the child of his adoption as soon as the maturity level and the age permit;
11. fulfils any other obligation stipulated by the law.

DGASPC is managed by a general director, assisted in his activity by at least two deputies, one conducting the activities pertaining to the adults, and the other the activity of protection of the child rights. The activity is regulated by the Decision no. 1434/02.09.2004 and the Decision no. 1896/2006.

Programs/measures of reintegration on the labour market

The institution administering the programs pertaining to the labor market in Mehedinti County is AJOFM. As result of the activities developed by this institution in 01.01.2009-31.10.2009, a number of 3.196 persons (1.086 women) has been hired or received certificates of agricultural producer:

- 1.897 unemployed persons by mediation;
- 74 unemployed persons by information and counseling on career issues;
- 375 unemployed persons after graduating the professional training courses;
- 135 unemployed persons by receiving allowances for hiring before the expiration of the period;
- 179 unemployed persons over 45 years or single parents by subvention of the job;
- 1 unemployed person in his last 3 years before pension by subvention of job;
- 70 unemployed (with wage) were hired in jobs located at a distance higher than 50 km from their residence or changed their residence benefiting of hiring or installing bonus;
- 47 graduates were hired by subvention of the job;
- 43 graduates were hired benefiting of bonus for hiring
- Two disabled persons were hired by subvention of the job;
- 373 unemployed persons were hired by convention concluded with the county authorities for temporary occupation for local community interest

On 25th of December, 2, AJOFM Mehedinți organized the *Labour Exchange for Graduates* in Drobeta Turnu Severin at the Cultural Palace „Theodor Costescu”. A labour exchange was also organized in Baia de Arama. In order to discover a highest number of jobs for a diversity of professions over 200 companies have been contacted; 34 of these confirmed their participation and offered a total amount of 159 jobs, 12 of these for Faculty graduates. The trades required by the employers were: construction engineer, topographic engineer, mechanic engineer, horticulture engineer, agricultural engineer, assistant manager, construction foreman, mason, painter, iron worker, carpenter, security agent, textile worker, designer, tailor, cook, bartender, insurance agent, pastry cook, mechanic, tourism agent, unqualified worker.

At the labour exchange participated 33 companies providing information regarding the job description; the number of participants was 240 persons, 185 of those were graduates. As a result of this activity 38 graduates were hired by the companies.

To increase and diversify the professional competences of the persons looking for jobs in 01.01.2009 - 23.11.2009, AJOFM Mehedinți initiated 41 *courses of qualification/requalification*; 1.018 persons attended these courses (compared to 960 scheduled for 2009); 1.018 of these were unemployed (904 unemployed

scheduled this year). Several of these courses were organized for rural area (346 of unemployed persons from the rural environment attended the courses in 01.01-23.11.2009), the trades were: cook, hair stylist, communication in English, carpenter, seller, animal breeder, PC operator, mason, security agent, bartender, waiter, painter. During the same period was made a course of qualification for the prisoners in their last 9 months of detention; 13 prisoners attended at the course for painter.

During 01.01.2009 – 23.11.2009, 1065 persons (including graduates of the qualification courses initiated in 2008 and ended in 2009), among these 972 unemployed, graduated and 375 got jobs (or certificates of agrarian producer); 187 were women.

AJOFM organized on 30.10.2009, *The Labour Exchange for the young people leaving the social protection system*. As is well known these children have to face great difficulties in finding a job. Over 100 companies were contacted, 10 of those confirmed the participation and offered 38 jobs as; auto electrician, electric welder, mechanic, textile worker, turner, seller, butcher and unqualified worker. At the event attend 25 companies and 25 participants.

The profile of the offer of the entities of social economy (cooperatives, ONG, CAR etc) distribution in the county (rural/urban)

Chamber of Commerce, Industry and Agriculture Mehedinți (CCI-MH) was established in 1865 as a consequence of the Decree no. 1225 of 30 of September, 1864 and had is its area of jurisdiction the counties Mehedinți, Gorj and Romanați. It functioned as independent institution until 1886 when in its attributions have been taken over by the Chamber of Commerce and Industry in Craiova. During 1886-1925 functioned in Drobeta Turnu Severin a branch of the Chamber of Commerce and Industry in Craiova. In 1925 was re-established CCI-MH, that functioned until 1949 when all the Chambers in Romania were suppressed. CCI-MH was re-established in 1990 based on the Decree-Law no 139/1990. The last reorganization was made based on the Decree Law no 335/2007.¹

CCIA-MH is non profit, apolitical, private organization functioning based on a statute elaborated on the basis of the Law no 335/2007 and represents an interface for the business environment on different levels: local, national, international. The services provided are: electronic archive, consulting, training courses. The main activities are development of European funding projects, fairs and exhibitions. The chairman is elected for 4 years; the director represents the Chamber in foreign relations. The

¹ <http://www.cciamh-proiecte.info/camera/istoric.html>.

quality of member of the Chamber is obtained upon request. The subscription is settled by the border of administration and varies according to the company. The companies are exclusively private: trade, services, construction (Italy, 6 million euro), furniture (CILDRO, Germany, 5 million euro), naval yard, BRD France, industry of wagons, metallurgic industry, tyres (Romanian capital)

The Chamber currently develops the following projects:

1. *Performant business for a durable society*. Main applicant CC-MH, partners in Romania and Germany. The total value of the project 8.616.170 lei (2.003.760 euro).
2. *People meeting people, opportunities meeting opportunities, in Mehedinți-Vidin cross border area* (Romania cross-border cooperation programme 2007-2013, main axe 3). Main applicant CCIA-MH, partner CCI Vidin. Total value 206.031,30 euro.
3. *Eco-business – joint centre for managing unexpected situation in Mehedinți-Vidin cross-border area*. (Romania cross-border cooperation programme 2007-2013, priority axe 1). Main applicant CCIA-MH, partners CL Drobeta-Turnu Severin, ISU Drobeta, CCI Vidin. Total value 992.859,75 euro.
4. *Development of Southern interregional entrepreneur – DAIRS* (POS DRU, axis 3.1.). CCIA-MH is partner, total value 6.452.572 lei (1.536.327 euro).
5. *Promoting entrepreneur culture to exploit the opportunities generated by environment protection and reusable energies. (PAGER)* (POS DRU). CCIA-MH is partner, total value of the project 19.456.780 lei (4.632.567 euro).

The management of CCIA-MH believes that in Mehedinți County the foreign investments are low and there are no transportation and business infrastructures. Also, the business environment is seen as negative due to the politic interference. A delicate issue for the Chamber is the Register of Commerce, which is currently administer by the Ministry of Justice and that CCIA-MH intends to take back. The differences form the justice prevent inter-institutional cooperation (the Institution of Prefect is nominated); the partnerships and the connections are limited to the county area.

The Trade Cooperative „Mehedințeană” (SCM-M) is the legal descendant of ADCOM Mehedinți established in 1990 that left its active and passive in 2005. UJCM Mehedinți had before 1989 a position of main centre, with 56 employees coming from different trades (carpenters, glaziers, reelers etc). The main area of activity consists in 5630 bars and other activities of liquors' serving, but actually the incomes come from renting spaces. Currently it has 15 hired cooperative members, 4 of them had

recently retired. Most of those are working within the cooperative for a long time, for some this is the first job; the social capital is subscribed and given entirely (this is established by the 1/2005 at 1500 lei minim, representing 20% of total capital). As long as they are employees of the cooperative the members have dividends and the capital is restored a year after the departure, it does not carry interest. The social capital is used for investments, used for the benefit of the cooperative or restored at the end of the fiscal year upon request (retreat from cooperative) or at the retirement. The members benefit of support provided as wedding, funeral, retirement aids. Also, according to work legislation, they have length of service. There is no difference among contracts, and when someone joins the cooperative pays a "social contribution" (according to the former law) that is not refundable

SCM-M is administered by a board consisting in five members: the president, chief-accountant, vice-president and two more members. The elections are every 4 years based and each one has a vote. Legally it must be a majority of half plus one, which has never been a problem because all 15 members attend the meetings.

SCM-M is affiliated to ASCOM/Association of Cooperatives and Trade Organizations and it pays a subscription of 300 lei/year.

Other trade cooperatives in Mehedinți County:

1. „Unirea” Mehedinți Trade Cooperative, Republicii street , no. 86, Vânju Mare.
2. „Prestarea” Trade Cooperative, Drobeta-Turnu Severin. Object of activity: revision auto, unit ITP.
3. *Territorial Association of Trade Cooperatives Mehedinți*. Object of activity: producer of textiles; trade of supplies, trade cooperative, services for confection industry.
4. *Cooperative „Cerna” Orșova*. Object of activity: production of doors, windows and accessories, construction services, trades and art crafts, services.
5. *Cooperative „Progresul” C.M. Drobeta-Turnu Severin*. Object of activity: producer of textiles and shoes; trades and art crafts, tailor and accessories.

According to the National Office of the Commerce Register (<http://www.onrc.ro/>, consulted on 01.12.2009), the Trade Cooperative Company „Constructorul” did not published its account balance for 2006, consequently it is in the process of liquidation.

Cooperative of consumption is located in Drobeta-Turnu Severin, Mehedinți.

Local Centers are in:

1. Drobeta-Turnu Severin.

2. Cujmir.
3. Vânu Mare.
4. Orșova.
5. Strehaia.
6. Baia de Aramă.

Currently these cooperatives are organized in FEDERALCOOP at county level; at national level is functioning CENTROCOOP. Between the Wars their activity was well developed in Mehedinți County; in 1912 were 12 such associations, containing 378 inhabitants with a capital of 32.515,41 lei.¹ After just 10 years 92 cooperatives activated in the county (Mehedinți occupied the second place on national level); with de 3.409 members.²

Due to the fact that the county had a low rate of urbanization the activity of the cooperatives highly developed. Their economic activity in 1928 is presented in Table 1.

Table 1
The activity of the consumption cooperatives in Mehedinți in 1928

No.	No. of the consumption cooperatives	No. of members	Media members of the cooperative	Subscribed capital / lei			Asset / passive / lei		
				Total	Media on cooperative	Media on an associate	The total	Media on cooperative	Media on an associate
1	101	6.620	66	5.392.365	53.390	815	28.071.166	277.932	4.240

Source: Barbu, 1996.

Successively, based on the laws of 1938-1941, is established the National Institute of Cooperation (INCOOP), that replaced the associative existent structures and becomes an associate of the cooperatives. The state intervention in this type of activity reached is peak in the communist period; the trade and consumer cooperatives functioned together. The respective period is seen by the present members of the cooperative as a successful one; the responsible said that "during Ceausescu's regime 70% of the cooperatives were financially self supported and in 1989 the profit of CENTROCOOP was of 3 billiards." Until 1989 the consumer

¹ Barbu, Paul-Emanoil (1996), *Din istoria cooperăției de consum și de credit din România*, Craiova, Scrisul Românesc, vol. I, p. 167-169.

² Barbu, Paul-Emanoil, *op. cit.*, vol. II, p. 234.

cooperative in Mehedinți had 250 employees, its own residences and large repository spaces did not need loans, had money from sales. The main activity was the trade of products (leather, blueberries, and snails) generally in the shops located in rural area; and activities of production and services. The main problem was that “before there were no products and now there are”. Since 1990 the consumer cooperatives had a new evolution, this time negative. In the first phase they organized as commercial companies with limited responsibility or, most of the cases, they became private; in the rural area “the manager of the shop opened a buffet in the same place”. As the current representatives of the cooperative say “carpenters became private-at the beginning they thought it was best”. Then they saw that “it was better to be grouped”. Now the cooperative has 12 employees and a management team elected by vote consisting in director, accountant and 3 board members and rents spaces for deposit. From the profit are paid the dividends according with the decision of the general assembly. All the employees are old at the age of retirement and they are members of the cooperative since the communist period. According to the management “no one invest money in the cooperation now”. The main object of activity (in fact, the only one)⁰ is renting spaces for deposit to a third person. This is the only profitable activity.

The Credit Cooperatives have a long history in Mehedinți. This was in the between wars period one of the most developed places. For instance, the value of the social capital deposited was 12.632.096, 91 lei, with an average on bank of 66.836 lei¹ that put Mehedinți on second place in the country.

Table 2
Number of popular banks in Mehedinți

No.	Year	No. of popular banks	No. of associates	Media on a bank
1	1919	189	28.982	153
2	1929	198	36.721	185

Source: Barbu, 1996.

The Credit Cooperative „Dunărea” Drobeta-Turnu Severin was established in 1953 (after the suppression of the inter-wars cooperatives) and is now a branch of the Cooperatist Bank Târgu Jiu (that has branches in Hunedoara, and 14.000 de members) and eight agencies and work units. Since 2004 the cooperative is affiliated

¹ Barbu, Paul-Emanoil, op. cit., vol. I, p. 111.

to CREDITCOOP – Central Bank Bucharest. It functions upon the same rules as a commercial bank, is authorized and verified by the National Bank.

Its activities are:

1. Offers loans for individuals and legal bodies;
2. Offers deposits guaranteed up to 50.000 euro;
3. Makes payments for companies like Orange, Electrica, Cosmote etc.;
4. Makes payments for APIA;
5. Administers accounts of some companies.

The clients must be members, have deposit capital (for expenses). The capital (social part) is 10 lei. The management of the cooperative believes that the main client targets are:

1. majority pensioners: old clients with small income;
2. State employees;
3. Employees from the private companies, less numerous due to the instability of jobs, are avoided by the cooperative;

The basic structure of the cooperative is: CREDITCOOP – Cooperatives County and inter-county banks- branches, agencies and working points. The management is elected by the general assembly on every 4 years and consists in one director, deputy director, economic director and board of administration. According to the management' statements very few members participate in the meetings, about 50-100 from a total of 6000. According to the statute for the first summoning it is required 50%+1 of the members and if the members do not come it is necessary to re-summon again. The managers of the cooperative believe that the mechanism "one man, one vote" is functional and does not obstruct decision making. The cooperative offers loans on stable interest (the managers refused to specify the quantum and there are no data). For loans it can be accessed up to 10% of the social capital. The managers estimate that the rate of unpaid loans increased with 1-2% due to the crisis.

The capital of the credit cooperative are from deposits, social capital and the money of the companies with open account (very few companies have opened accounts here, the director says that it offers to little facilities to attract the deponents that prefer the commercial bank). From the profit are distributed the dividends. The loans are up to 200 million and are approved by the board of administration. The loans up to 100 million are approved by the credit committee based on a risk analysis. The director of the cooperative specifies that the main destination of the loans is personal

needs (daily expenses, woods for fire etc). Prior to approval the persons are verified in the data base.

A different credit cooperative is located in Vânju Mare, Mehedinți.

The number of the **pensioners** within the state social system of insurance registered in Mehedinți in the second trimester of 2009 was 58.424 with 126 persons less than the prior trimester. The average pension was 666 lei, with 24 lei higher than the first trimester of 2009 and 139 lei than the second trimester of 2008.¹

CAR of Pensioners Drobeta-Turnu Severin was established in 1952. It functions like a non-profit organization and has 10.200 members (9.700 actives), 3.000 of these at the funeral section. The management consists in a director board elected on every 4 years. Each year is a meeting of the general assembly when the managers present a report and a balance of expenses and incomes. The delegates for the assembly are elected according to OG nr. 26/540 (51 delegates organized on cities, quarters, streets); the proportion is of 1 to 200. To become member it is required a subscription of 1% of the pension and 2 RON per month (guarantees coffin on acquisition price). At the funeral section where the subscription is 3 lei per month the coffin is for free. Members may receive un-refundable aids (from the social fund) according to the income:

- under 200 RON – 180 aid;
- 301-400 – 60 RON aid.

A different form of aid is the balneary aid (with prove and receipt) of 70 RON/month.

Since 1st of October, 2009 the amount is 100 RON/month.

The main activity of CARP DTS is to offer loans. The maxim amount is 3.500 lei (at a capital of 1.400). For 700 lei a pensioner must offer guarantees, have state pension, have a guarantee paid by the state; he may loan 3.500 lei (the difference of capital is retained). For the CAP pensioners, veterans, and disabled the level of loan is limited to the level of capital. If the family members are CARP members the social capital may be cumulated (if is a disadvantaged category).

Now there are many delays generated, according to new managers, by the un-statutory practices of the former managers: 168 loans have the due time exceeded 700 loans without a guarantee that lead to debts of 1, 7 billion. At the time of the interview existed 22 legal suits, all approved by the director border. For two

¹ INS, *Buletin statistic lunar al județului Mehedinți*, nr. 8/2009, p. 18.

consecutive months un-payment it will be established deduction on pension, without prior notice, as a result of the border's decision.

The managers of CARP estimate that the reasons for loans are different:

- Pensioners, for current needs, do not take loans frequently;
- The registered employees (a category that number about 2000 persons in '94, with high wages and soliciting frequent loans, about 13 million on every 4 month). The current managers of CARP intend to promote a decision to interdict the possibility of membership of the employees;
- The employees with handicap certificate go to spas and then, according to the managers, came for money "15 million pension, gr. II handicap asking for balneary aid?"

Institutional CARP is affiliated to Federation „Omenia”. Other CAR of pensioners are in Strehaia and Orșova.

Mutual Cooperatives (CAR) Employees

Their activity was reduced in the last period within the context of dismissing operated in the state enterprises. In the private sector this form of social economy is very low developed.

Association „Ajutorul Total” Drobeta-Turnu Severin acts in the field of social economy. In Mehedinți County there are no protected agricul cooperatives or workshops (SC or ONG).

Forms of association of the social economy entities

Association of Trade Cooperatives Mehedinți – ASCOM, Drobeta-Turnu Severin is affiliated to UCECOM. Based on the Law no.1/2005 the cooperatives are no longer forced to be affiliated to a county association, therefore some of them choose to affiliate directly to UCECOM. Now three cooperatives, SCM „Mehedințeană”, „Pionierul”, „Mobila”, are affiliated on county level, SCM „Prestarea” is affiliated directly to UCECOM. SCM „Constructorul” is un-affiliated, probably in process of liquidation. The cooperatives from Strehaia, Vânju, Orșova, and Baia de Aramă are, according to the managers of ASCOM, in process of liquidation. ASCOM is a non profit organization providing consulting services. A different area of activity is retail of goods, but it is not practiced. A cooperative pays over 300 lei per year membership subscription. The elections for presidency are every 4 years and the quorum was never a problem. It was suggested that the elections for ASCOM to be made every 5 years. The director border was made from the affiliated presidents.

The services provided by UCECOM are limited to consulting and sending the related legislation.

Perception on the social economy

Level of knowledge of the social economy (including legislation)

The knowledge of the social economy in Mehedinți is much reduced. Most of the representatives of the interviewed institutions never heard of this syntagm and use according to their knowledge expressions like “economy that take care of the people” or “let everybody live”. Within the county there is no project oriented explicit on social economy.

Perception of the utility of social economy and its potential

Most of the representatives of the interviewed institutions believe that this form of organization of economic activity is viable, but they see this as a market without competition where the state plays a determinant role as supporter and protector. The reference point is the communist period when, they believe, “the activity went very well” (the case of trade and consumer cooperatives) or “it was all right” (the case of the Chamber of Commerce).

The representatives of SCM-MH believe that this form of economic organization is viable because it preserves the jobs. The work relations are “settled”; they are based on individual work convention. They are not obligated to ensure the minimum wage on economy (the wage is settled based on quality and quantity). They do not respect the labour code (personal wage system)

Impact/results of the social economy

Forms of social protection for disadvantaged groups

In the table below is presented the structure of **DGASPC**, types of services provided and capacity:

Table 3
Forms of services provided by DGASPC in Mehedinți

No.	Name of service / facility	Beneficiaries	Capacity
I. Services for residential care:			
1	Center for placement and rehabilitation of disabled children	Children with disability in need	40
2	Center for placement and boarding for children with special needs	Children with disability in need	40
3	Maternity Center „Sf. Ana”	Mother-child couples in difficulty	10

No.	Name of service / facility	Beneficiaries	Capacity
4	Center for assistance and support for adolescents and young	Teens who are ready for independent living; young people who have acquired full legal capacity and are in need	8 apartments 48 beneficiaries + 44 studios 88 beneficiaries
5	Center for minors	Children found unattended	10
II. Family care services:			
1	Compartment placement, custody	Children in need who are prepared for family reintegration	N/A
2	Compartment adoption / post adoption	Children in need who are prepared for adoption	N/A
3	Foster care and Evaluation Office	Professional caregivers and children in foster care network	N/A
4	Office evaluation and support children / families in need, family planning and monitoring to the pregnant women at risk	Mother-child couples in difficulty	N/A
III. Prevention service (emergency mode) - complex community services for preschool children in need:			
1	Center for advice and support for parents	Children and parents in crisis	N/A
2	Child Support Services in the exercise of rights	Child abuse, neglect and exploitation	N/A
3	Reception center for children in emergency	Children at risk	10
4	Family placement center	Children in difficulty	12
5	Day-care center for child neglect	Children at risk of abandonment of families in difficulty	32
6	Day-care center for disabled children	Children at risk of abandonment of families in difficulty	24
7	Day Center for recovery and rehabilitation of disabled children	Children with disability from families in difficulty	211
8	Center „Resspiro”	Mother-child couples in difficulty	4
9	Day-care center for neglected child of 0-3 years „Prichindel” Punghina	Children 0-3 years from families in difficulty	24
10	Day-care center. neglected child of 0-3 years „Sf. Gheorghe”	Children 0-3 years from families in difficulty	24
11	Day-care center for children with special needs	Children with disability from families in difficulty	40
IV. Service for advice and support of abused and exploited children:			
1	Child Helpline	Child mistreated, abused and exploited	Permanent
V. Service for delinquent child:			
1	Residential center for guidance, surveillance and support the reintegration of delinquent child	Children who commit a criminal act and are not criminally responsible	32
VI. Support services, evaluation and counseling for adults:			
1	Assistance for disabled persons		

No.	Name of service / facility	Beneficiaries	Capacity
2	Counseling for adults in need		
VII. Residential care services:			
1	Center for Integration through Occupational Therapy	Adults with disabilities	24
2	Surveillance Centre for people with visual disabilities	Adults with visual disabilities	50
VIII. Social Services Complex Strehaia:			
1	Care and support service Strehaia	Elderly people in crisis	40
2	Specialized centers for people with neurological disabilities	People with neurological disabilities	40
IX. Mobile Team: disabled children from families in difficulty			

Forms of support for the entities of social economy

Projects to develop/sustain these (initiator, types of beneficiary entities, concrete forms of support, obtained results)

The County Council Mehedinți established for 2006-2013 a number of objectives and activities concentrated in the Program of economic-social development. Among these we mention those referring to social protection and implying the inter-institutional collaboration on county level:

Table 4
Program of the County Council for economic-social development of Mehedinți County, 2006-2013

No.	Action planned	Objective
1	Coordination of building of social houses in accordance with the Law no. 114/1996	To continue construction of the micro district „Policlinică” from Drobeta-Turnu Severin and delivery to the beneficiaries of 240 apartments. To modernize the blocks for singles from Strehaia and Orsova and their transformation into social houses
2	Houses building Houses building for young people, GO no. 19/1994	Providing utilities (sewer, water, heating, electricity and gas supply) of the district „Aeroport” from Drobeta-Turnu Severin Construction of a cogeneration at Strehaia and gas supply of housing blocks Completion of blocks „Centrocoop” from Drobeta-Turnu Severin – 100 apartments
3	Increasing housing supply in the Mehedinți County	Construction of residential areas in villages surrounding the city through partnerships between the Mehedinți County Council and local counties
4	Reorganization, rehabilitation of old	Reorganization and modernization of the nursing home Ilovăț Reorganization and modernization of the hospital-home Strehaia

No.	Action planned	Objective
	residential institutions	Modernization, construction of utilities and services at home Ciovâmășani Construction of a rehabilitation center and rehabilitation of disabled persons in the locality Dubova Continued purchase of apartments for disabled young people with higher skills – through PHARE funds
5	Awareness and informing the public opinion about the rights of persons assisted	Media action to improve attitudes and behavior public on issues of social integration of people with social problems and of their families Working with the Labour Inspectorate to prevent / combat child labor The organization of actions for information, referral and prevention of abuse
6	Social integration of institutionalized children and youth	Implementing the project "Support services for young people leaving orphanages" Providing residential and providing integration services, recovery
7	Creating a support system for elderly	Establishing partnerships with local authorities or private bodies approved for community social services Further partnerships with civil and religious organizations in providing social services for elderly
8	Further decentralization of services from child protection system	Advising local councils to set up alternative services : day care centers, foster care services, counseling services, services to prevent child abandonment and to maintain children in their families

Source: www.sejmh.ro.

We must specify that The County Council is not involved in any program addressed to or implying an entity of social economy. The undergoing projects are:

- Program of neighboring Romania-Serbia: nine projects;
- Program of neighboring Romania -Bulgaria: four projects;
- PHARE Program for economic and social cohesion: one project (integrated management of wastes in Mehedinți County)
- Program Management of the Fund for Environment: one project (Natura 2000 and Geo-park Plateau Mehedinți);
- Financing PHARE 2005 for objectives of road transport infrastructure affected by the floats of April-May and July-August 2005: six projects.

Currently, there are six projects submitted within the regional operational Program (modernization of infrastructure), 22 within the fund for modernizing and development of the local administration (voluntary work and modernization of informational infrastructure) and one within the operational sectorial Program for environment (charting and monitoring the natural patrimony of Geo-park Plateau Mehedinți).

Financing won by the entities of social economy (refundable and un-refundable)

The entities of social economy do not develop any program of financing.

The cooperation between the entities of social economy and institutions/organizations on county level

The inter-institutional collaboration relations are reduced at county level. Most of the of the interviewed representatives believe that if they pay their debts or obligations they may survive on their own, using the available resources and making sure that they can maintain exclusivity or monopoly of the activity. "The cooperation with the institution in the city is good, we obey the law", say the representatives of the consumer cooperative, which are pleased by their relation with the Mayoralty, mainly because there are no problems related to the possession over the spaces.

AJOFM Mehedinti has good relations with the Territorial Inspectorate of Labour, County House of Pensions, Statistics Department, Public Finance Directorate and School Inspectorate. The Prefecture is informed on the undergoing activity and the County Council suggests plans for local community development. AJOFM Mehedinti is part of the County Consultative Council together with the employers and union organizations. This council has 15 members, 5 of them from the national representative employers' organization, 5 from the unions and 5 from the local public authorities.

The management of the Chamber of Commerce cooperates well with the Mayoralty, but not with the County Council (the Prefect is a former waiter, you can imagine!). It is accused of the high political instability on legislation and declaration level, which harms the currency and obstruct the normal development of the businesses.

Legislation for social economy

Strong/weak points of the legislation in the field of social economy

The representatives consider the legislation in the field of social economy the legislation regulating the functioning of their own institution. The observations refer mainly to local and transitory aspects.

The representatives of SCM „Mehedinteana” believe that law no. 1/2005 is wrong because it created confusion and differed regarding the patrimony. In the same time the declare that 'no objections are made because a worst one will come (it costs more to transform the company from non profit in services)', that is way "it makes no sense to start over again".

At CAR of Pensioners in Dr.-Tr. Severin the management declares that legislatively there are no problems; the activity is based only on the Order no 99 issued by the

National Bank. "There have been problems with the former management that approved loans for persons that did not comply with the conditions." The activity of CARP is controlled by a central service with local audit. The status of the employees is also an issue, because if they are dismissed they are unable to pay their loans.

The management of AJOFM Mehedinti accuses the frequent modifications of the law no. 76/2002. The law is considered modern, complying with the European legislation in the field, but the collective dismissing represents a discrimination regarding the social protection of the dismissed persons from the state companies and the dismissed from the private companies. For instance, the employees of the Autonomic Administration for Nuclear Activity when they are dismissed they receive compensations, while those working in the private companies do not receive. This generates a social inequity. A lack of the law is generated by the absence of any form of protection for the employees dismissed few years before their pension.

Suggestions to improve the legislation

The management of DGASPC Mehedinti considers as a main legislative problem is the absence of markers and standards for the food allowances for the assisted (adults and children). Also an important problem is the absence of a standard for wages for the social assistance.

The management of CAR of Pensioners in Dr.-Tr. Severin wants to be included in the law a special stipulation regulating the condition of the wage earners that wish to become members; the main concern is to obstruct their access to cheap and easy loans.

AJOFM Mehedinti considers that there are unemployed of all categories; most of them high school graduates (less of faculty), vocational school at work, young graduates. This is generated by the inadequacy between the school curricula and the demand of the market (on county, country, CE level). Even if there are conditions for work in the UE within the EURES net, it is desirable to restructure the educational system according with the European context

Perspectives of the social economy

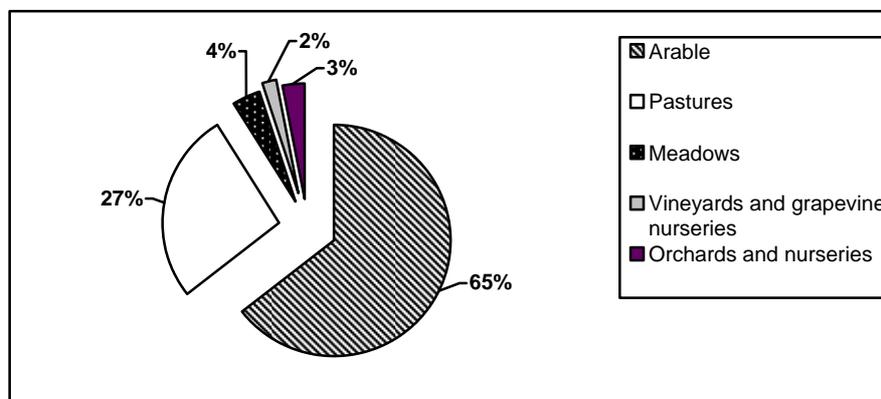
Factors influencing the evolution of the cooperative sector

Within a county where the general economic perspectives are low, the evolution of the cooperative system does not look favorable. In the urban environment the consumer and trade cooperatives will survive as long as their members, which are now at the moment of their retirement. Without to be able neither to offer an alternative nor to guarantee a job for a long period of time (the case of the state sector), the cooperation will be interesting only for the patrimony. In the rural sector

the effects of the restoring of the land on the former locations generated a patrimonial situation that makes impossible their compression within an agricultural cooperative. Plus, the geographic conditions of a county dominated by hills and mountains do not permit monocultures, but a diversity of manners of using of the field according to the climate conditions, traditions and knowledge.

Graphic 7

The surface of the land according to the manner of use in Mehedinți County (%)



Source: National Institute of Statistics, Tempo-Online: <https://statistici.insse.ro/shop/>.

An aspect underlined by many of the local representatives is that within the rural environment it is an important resource of labour force, which now when the temporary external migration is no longer a solution for surviving, has to find another form of income. That is why is necessary to provide means of accommodation or transportation from Dr.-Tr. Severin and Baia de Aramă (a short term solution suggested by the representatives of AJOFM Mehedinți) or to develop some infrastructure projects in the area. The Romanian state did not have a right attitude towards the cooperative sector. The fiscal system is seen as a brake in the field of cooperatives; one of the central aspects is the incapacity of prediction on the evolution (the frequent changes in the system make planning difficult). The topic was marginal on the agenda for European Union joining, and the representatives of this sector did not have the necessary force to preserve the patrimony from the communist period and to draw young and competent human resources. After the privatization of the majority of the commercial spaces and procurator nets, the state seems to have no intention to elaborate a frame for the development of activities profitable for some categories of citizens. On the county level the institutional representatives have a passive and resigned attitude. The cooperatives

sector is not seen as a development resource. This is why there are no local initiatives; all is expected from the central authorities.

Close connected to the institutional passivity is the passivity of the civil society. Few ONG acting in the county develop activities mainly ecologic, the economic aspects are ignored. I have mentioned that in the county do not exist agricultural cooperatives and protected workshop, and no project accessing funding for social economy projects, only intentions on AJOFM Mehedinți level.

Types of social activities that may be developed by the entities of the social economy

The most important aspect is to create a frame for the establishment or development of the existent entities of social economy. The coherence of a legal frame, fiscal facilities information campaigns and creation of the county decision makers are required. Since no existent entity of social economy fulfils the main goal of its activity, any type of activity may be developed.

Annex I

List of priority projects of Hall Drobeta-Turnu Severin

No.	Identified Project	The stage of documentation elaboration (SF, PT)	Estimated date of completion of documentation	Estimated value of investment, lei without VAT
1.	Rehabilitation College „Decebal”	PT	-	1.031.480
2.	Rehabilitation of sports hall of school no. 4	PT	-	230.128,35
3.	Rehabilitation of school Dudașul Schelei	PT	-	200.917,65
4.	Sports hall of school no. 9	SF	-	930.740
5.	Sports hall of school no. 5	SF	-	2.889.303
6.	Economic High School	-	February 2010	116.280
7.	Endowment of school no. 3	-	February 2010	16.280
8.	Endowment of High School „Lorin Sălăgean”	-	February 2010	16.280
9.	Rehabilitation of Calea Cernetiului	-	February 2010	232.558
10.	Urban furniture street Crișan	SF	-	232.558
11.	Business center	SF	-	232.558

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