

DOCTRINAL LANDMARKS OF THE INTERWAR PERIOD REGARDING THE SMALL AGRICULTURAL HOLDINGS AND THE ROMANIAN RURAL AREAS

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Abstract

The 1921 agrarian reform had a strong social and national character, enforcing a certain degree of uniformity in the structure of the Kingdom of Romania’s land fund, as well as a political one, yet not an economic one, given that although agricultural holdings under 5 hectares became numerically dominant, they did not prove to be economically viable over time. The agrarian reform enacted in 1921 attempted to address millions of peasant land ownership claims. As it intended to establish a consistent structure for the land fund of the interwar Kingdom of Romania, this extensive historical reform had far-reaching social and national ramifications. However, it did not have the envisaged significant economic implications, as the prevalence of smaller agricultural holdings (under 5 hectares) increased numerically to the point where they essentially became dominant but failed to demonstrate long-term economic sustainability or viability. Contemporary and recent authors who specialize in Romanian rural issues emphasize the fact that, despite the assertions of the National Liberal Party and the National Peasant Party that the 1921 reform successfully resolved the agrarian issue, representatives from other political parties during that period continued to argue that the agrarian question remained unsatisfactorily unresolved.

Keywords: *The Agrarian Reform of 1921, the Kingdom of Romania, Economic History, Small-Scale Agricultural Holdings, Doctrinal Landmarks*

JEL Classification: *B10, B20, C10, C18, J10, J11, N00, N4, N30, N50, N53, N54, Q01, R1, R2*

I. INTRODUCTION

In the aftermath of World War I, “Greater Romania” experienced profound alterations in its economic, social, and political spheres, owing to the favorable circumstances facilitated by the successful reunification of all its historical provinces. The advent of the universal suffrage in November 1918 heralded a transformative shift in the course of Romanian politics. The implementation of universal suffrage facilitated the active participation of diverse social strata in the political sphere, thereby fostering the amplification of the role and importance of small and medium-sized entities. This development, in turn, fostered the growth of a democratic ideological movement, enabling political parties and groups to assume a prominent position in advocating the democratization of governmental affairs, whether through effective action or mere rhetoric. The 1919 parliamentary elections marked a significant milestone in Romanian history, as they represented the inaugural direct electoral clash between democratic and conservative factions. These elections played a pivotal role in shaping the future political landscape of Romania, not only by encompassing all the provinces that had been reunified but also by establishing the prominence of democratic forces within the nation’s political sphere (Axenciuc, 1997, pp. 243-270; Ciublea-Aref, 2006, pp. 155-268; pp. 269-326; Iancu and Păun (Ed.), 2019; pp. 3-10; pp. 20-73). The enactment of legislation in the year 1921, followed by the subsequent execution of agrarian reform, precipitated a profound alteration in the fundamental dynamics of land ownership across the entire nation. The proportion of extensive landed property has experienced a notable decline, while the prevalence of modest peasant households and their consequential role in fostering the advancement of the domestic economy has witnessed a marked upsurge. As the waning of the economic prowess of the prominent landholders transpires, their political influence within the societal fabric shall correspondingly diminish, ultimately culminating in the dissolution of the Conservative Party that espoused their vested concerns. The process of economic consolidation undertaken by the industrial and banking bourgeoisie is accompanied by a discernible augmentation in the societal significance of the peasantry within the Romanian context. Indeed, the agrarian reform of 1921 in Romania was a monumental shift in the structure of the country’s agrarian system and socioeconomic dynamics. It is worth delving deeper into some of the key transformations that it precipitated. The legislative measures effectively dismantled the hegemony of the landholding aristocracy, thereby facilitating the redistribution of extensive plots of land. This change was not just a mere economic rearrangement but had profound sociopolitical implications. The decline in large agricultural estates paved the way for a more democratized agricultural system. Small and medium-sized agricultural holdings, primarily run by peasants, became the mainstay of the Romanian countryside. With the right instruments and resources, these agricultural holdings had the potential for substantial output, especially given the proper knowledge peasants had of their land. The redistribution of land was a severe shock to the traditional elites and

empowered a significant section of the Romanian population that had previously been marginalized. This newfound empowerment brought about a realignment in the social hierarchy. The waning power of large landowners translated into a reduced influence of the Conservative Party. Their vested interests, once a dominant force in Romanian politics, now took a backseat. The residents of rural areas, now more crucial to the economy than ever before, found themselves in a position to demand greater political representation. Their concerns could no longer be sidelined, leading to a stronger voice in national politics. Parallel to the changes in the agrarian sector, the industrial and banking sectors in “Greater Romania” were undergoing a process of consolidation. While agriculture remained essential, industries and services began to form a more substantial portion of the national GDP. As the industrial and banking sectors grew, the bourgeoisie associated with these sectors started wielding more economic power. The agrarian reform not only amplified the economic contribution of the peasantry but also their societal significance. Their cultural and traditional values, which had always been an integral part of Romanian identity, now took center stage in national narratives and ideologies. The 1921 agrarian reform in the Kingdom of Romania was not merely a policy of land redistribution. It was a transformative tool that reshaped the economic, social, and political fabric of the nation, setting it on a path of modernization while simultaneously ensuring that the cultural essence of the country, rooted deeply in its peasantry, remained vibrant and influential (Axenciuc, 1997, pp. 11-106; Cartwright, 1999, pp. 33-170; Ciublea-Aref, 2006, pp. 155-269; pp. 259-332; Iancu and Păun (Ed.) 2019, pp. 3-72; Murgescu, 1990, pp. 214-314; Șandru, 1975, pp. 18-375; Șandru, 1996, pp. 199-240; pp. 241-284).

II. METHOD AND MATERIALS

The study of the socioeconomic evolution of the Kingdom of Romania during the interwar period is intricate and multi-faceted. Many aspects of this era remain, to some extent, under-researched, leading to gaps in contemporary historiographical literature. Central to this study is the evaluation of the agrarian reform decrees between 1918 and 1921, which deeply impacted the economic sectors of Romania. To gain a comprehensive understanding a statistical-descriptive approach requires a detailed collection of data, charts, and figures pertaining to the economic indicators of the time. As is well known a quantitative approach implies that numerical data should be processed and analyzed to identify trends, patterns, and deviations in the economic trajectory of Romania. Field literature acknowledges that a mixed approach is usually relevant. While numerical data provides the backbone of the research, qualitative assessments, and interpretations offer depth and insight into the context behind the numbers. The Agrarian Reform Decrees of 1918-1921 were pivotal in reshaping the economic landscape of Romania, especially in its agrarian sectors such as land distribution. This issue should always take into account an analysis of how the distribution of land changed post-reform. An assessment of the overall economic impact is needed to understand how the 1921 reform affected the broader economy, especially the sectors related to agriculture like production, distribution, and trade. As far as the social implications are concerned one should gauge the impact of these reforms on the social fabric, especially in relation to landowners, peasants, and the working class. As far as the issue of objective quantification is concerned, this research aims to some extent to move beyond a general opinion. It also seeks to offer some accurate and objective quantifiable data by comparing and contrasting existing literature to validate or challenge prevailing narratives, addressing gaps in current research by shedding light on under-studied facets of Romania’s interwar economy (Axenciuc, 1997, pp. 243-270; Iancu and Păun (Ed.) 2019, pp. 3-72; Șandru, 1985, pp. 9-10; pp. 168-172). Given that existing literature on this topic is somewhat under-researched, a comprehensive literature review would highlight existing theories, findings, and gaps. Emphasis on primary sources like government reports, economic analyses of the time, and first-hand accounts would ensure authenticity. Contradictions or ambiguities in current literature can be re-evaluated in light of fresh data and insights. This research, overall grounded in qualitative methodologies, hopes to offer a more in-depth and nuanced understanding of Romania’s socioeconomic evolution during the interwar period. Through the careful analysis of the agrarian reform decrees and their impact, it seeks to provide clarity and enrich the historiographical discourse. A combination/mix of quantitative and qualitative approaches usually ensures a well-grounded study, giving due respect to numbers and narratives alike. Field literature documents in detail the historical landscape of the economic and political complexities that “Greater Romania” faced in its post-WWI era, as well as the broader European context that shaped its path and development. These rather intricate issues highlight the need for an integrated, multidisciplinary approach to understanding the dynamics of developmental undertakings, economic resurgence, and state policy. The interwar period saw Romania at a crucial juncture: the need to transform its primarily agrarian economy into an industrialized one while facing both the challenges and opportunities of a continent reeling from war and political upheaval. Romania was expected to navigate the intricacies of geopolitical strategies, the formation of new international alliances, and emerging economic paradigms. This required not only substantial capital investments but also a thorough rethinking of social structures and labor systems. Of similar importance, the post-1918 Kingdom of Romania’s developmental ambitions were tied to its broader desire to integrate with Western Europe, which was not merely an economic project but also a doctrinal one. It posited questions about identity, governance, and values.

III. RESULTS AND DISCUSSION

The numerous Romanian analyses embraced the truly joyous and un hoped-for historical moment that was December 1st, 1918. They highlighted the intricate and close connection with previous entities/institutions and integrated it into the country's modernization agenda. This was accomplished in accordance with the various plans and actions of the main political parties involved in the governing act (Axenciuc, 1997, pp. 5-12; Axenciuc, 2012, pp. 13-18; Boia, 2013, pp. 43-53; Iancu and Păun (Ed.) 2019, p. 8; pp. 20-72). The imperative prerequisites of this novel historical juncture, especially for Romania, and the different influences exerted by the realities of post-WWI Europe called for the economic and political discourse to outline the integration processes and economic resurgence, thereby defining a proper framework thinking for prospective developmental endeavors. This strategic approach duly acknowledged the pressing necessity for general technological advancement, as well as the transition of "Greater Romania's" economy from a primarily agrarian-based one to one that encompassed both well-balanced agrarian and industrial sectors. It sought to rapidly accelerate and broaden the process of general industrialization, augmenting capital investments, enhancing the social product and the then equivalent of the present-day GDP, and duly recognizing the pivotal significance of capital, management, and labor. The pursuit of modernization and integration of the Kingdom of Romania within the Western development growth paradigm demanded the proactive involvement of the state authorities in the realm of economic affairs (Axenciuc, 2012, pp. 13-18; Boia, 2013, pp. 43-57; Ciublea-Aref, 2006, pp. 155-269; Iancu and Păun (Ed.), 2019, p. 8; pp. 20-73; Ionescu, 2006, pp. 83-191; pp. 215-280; pp. 288-318; Șandru, 1980, pp. 44-58; Șandru, 1980, pp. 1-43; Șandru, 1985, pp. 11-172). The implementation of the agrarian-industrial development strategy in Romania required the mobilization of a considerable contingent of highly skilled personnel. Author M. Manoilescu distinguished himself during the interwar period through his notable emphasis on the advancement of technical education, as well as education as a whole, which he perceived as the pivotal element in the modernization of the entire Romanian society. The progressive European mindset, aligned with contemporary methodologies for fostering economic and technical proficiency, recognizes Mihail Manoilescu's research as well-known in Europe during that era, and its relevance persists even to this day. At the core of the nation lies the prioritization of economic development, a crucial prerequisite for the establishment of a cohesive nation-state, ensuring both its economic and political autonomy, as well as the efficient use of the plentiful soil and subsoil resources. Manoilescu properly insisted that the impact of the state, as well as the very course of the nation, depends upon its capacity to initiate the efficient harnessing of its sources of energy (Dropu, 2011, pp. 84-132; Iancu and Păun (Ed.), 2019, p. 9). The ideas put forward by Mihail Manoilescu, together with other equally valuable concepts of the time, owing to the influence of prominent intellectuals such as Vintilă Brătianu, I. G. Duca, I.N. Angelescu, Dimitrie Drăghicescu, Al. Topliceanu, and Ștefan Zeletin, among others, played a pivotal role in supporting and disseminating the principles of neoliberalism in Romania during the interwar period (Iancu and Păun (Ed.), 2019, p. 10; Zeletin, 2006, pp. 157-180; pp. 191-229). The ideology of neoliberalism, as understood by the National Liberal Party, encompassed a comprehensive vision of societal advancement across various dimensions. It emphasized the pursuit of social progress within the context of individual ownership, facilitated by a well-coordinated collective effort. This approach is underpinned by principles of order, democracy, nationalism, and social cohesion, all of which were seen as integral to the realization of neoliberal objectives.

The esteemed I.G. Duca regarded these elements as the foundational pillars that provided unwavering support to the revered edifice of liberalism. The state possessed both the prerogative and the duty to intervene in the realm of the economy, with specific objectives in mind. These objectives included safeguarding the welfare of consumers, guaranteeing a sustainable revenue stream for the public authority, safeguarding the interests of the national economy in the face of concerted pressure from influential global powers, and fortifying the stability of the system and the national currency. According to Zeletin, the doctrine was distinguished by the state's intervention in the economy, the emergence of significant financial entities compelling industrialists to foster mutual understanding, and the establishment of cartels, trusts, and unions in both vertical and horizontal dimensions. These measures aimed to cultivate a sense of harmony among the various large business owners (Dropu, pp. 133-178; Iancu and Păun (Ed.), 2019, p. 10; Ionescu, 2006, pp. 83-191; pp. 215-280; pp. 288-318; Popescu, 2009, pp. 908-950; Șandru, 1985, pp. 11-105; 129-144; Zeletin, 2006, pp. 157-180; pp. 191-229). Numerous scholars still argue the notion posited by the aforementioned renowned author, that the 1923 Constitution served as the genesis of Romanian neoliberalism, solidified the manifestation of governmental authority and the interpretation of personal liberties as "social functions". In contrast to its predecessor from 1866, the revised Constitution duly acknowledged the exigencies of society and introduced a fresh articulation of the concept of property rights. Classical liberalism reveres property as a sacrosanct and inviolable entity, whereas neoliberalism acknowledges its significance as a social construct and allows for expropriation in cases of public utility. In light of the aforementioned premise, the 1923 Constitution espouses the principle of nationalization of subsoil resources. Ștefan Zeletin viewed neoliberalism as a process of reevaluation, modernization, and adaptation of 19th-century liberalism to the novel and specific historical circumstances, facilitated by the intervention of the

state (Iancu and Păun (Ed.), 2019, pp. 10-11; Ionescu, 2006, pp. 83-191; pp. 215-280; pp. 288-318; Zeletin, 2011, pp. 157-180; pp. 191-229).

Neoliberalism mainly represented a corpus of intellectual concepts implemented within the realm of economics, with notable contributions stemming from scholars affiliated with the National Liberal Party, albeit not exclusively so. It is worth noting that Mihail Manoilescu, an exception to this trend, hailed from the People's Party. The aforementioned liberals, namely Vintilă Brătianu, C.I. Băicoianu, N. Basilescu, I.N. Angelescu, I.G. Duca, D. Drăghicescu, Ștefan Zeletin, and others, exhibited a prescient approach in addressing various economic quandaries. These included but were not limited to matters pertaining to industrialization, agrarian reform, property rights, the role of the state, and other related concerns (Ciublea-Aref, 2006, pp. 155-269; pp. 259-332; Dropu, 2011, pp. 133-178; Iancu and Păun (Ed.), 2019, p. 11; pp. 20-73; Ionescu, 2006, pp. 83-191; pp. 215-280; pp. 288-318; Murgescu, 2010, pp. 235-236; pp. 251-254; pp. 307; Zeletin, 2006, pp. 157-180; pp. 191-229). During the post-Great Union era, a prevailing economic doctrine emerged known as the "peasant doctrine". From its inception, peasantism was distinguished by its propensity for eclecticism. In accordance with a multifaceted social foundation and the plethora of sources of inspiration, in addition to certain notions derived from the "poporanist" legacy, it incorporated socialist concepts intertwined with the pursuit of class-based conflict. Constantin Stere, Virgil Madgearu, I. Mihalache, I. Răducanu, M. Ralea, E. Ene, G. Zane, and various other intellectuals have collectively espoused the notion that the crux of peasantism lay in the peasantry's ability to coalesce into a political entity with the purpose of constructing a "peasant state". The fundamental underpinning of its economic structure was commonly referred to as the "labor-centric agrarian economy", with cooperation serving as the pivotal mechanism for its actualization (Ciublea-Aref, 2006, pp. 155-269; pp. 259-332; Murgescu, 2010, p. 214; p. 226; pp. 229-332; pp. 237-240; p. 242; pp. 247-249; pp. 252-256; p. 260; pp. 266-267; p. 270; p. 274; p. 313; p. 340; Dropu, 2011, pp. 133-178; Iancu and Păun (Ed.), 2019, p. 11; Madgearu, 1999, pp. 17-44; pp. 59-82). The peasant or agrarian doctrine claimed that the state's role was to promote order, maintain balance, and protect civil liberties for all members of society, regardless of social class. The efforts of "Greater Romania" to establish a state modeled after Western ideals, characterized by a robust capitalist economy driven by industrialization, encountered significant impediments stemming from its limited crop yields and overall low agricultural productivity. As a result, small-agricultural holders, and peasants, in general, brought up various accusations against the liberals over time, arguing that their actions were disorganized, as they appeared to disregard "Romanian customs and traditions, as well as the well-being of the people and the purpose behind the establishment of our communities in this state" (Ciublea-Aref, 2006, pp. 155-269; pp. 259-332; Constantinescu (Ed.), 1997, pp. 387-454; Dropu, 2011, pp. 133-178; Iancu and Păun (Ed.), 2019, p. 11; Ionescu, 2006, pp. 83-191; pp. 215-280; pp. 288-318; Murgescu, 1990, pp. 214-297). Rather than remaining stagnant, the peasant doctrine pushed for the state to evolve in tandem with the social forms that comprised it. As a result, regardless of how and what shape the evolutionary process took, the state was compelled to perform "the broadest possible economic functions" by actively participating in the industrial process (Ciublea-Aref, 2006, pp. 155-269; pp. 259-332; Dropu, 2011, pp. 133-178; Iancu and Păun (Ed.), 2019, p. 11; Murgescu, 1990, pp. 214-297). "Greater Romania's" status as a constitutional monarchy required the establishment of a comprehensive system that included both decentralized political, economic, and social structures, as well as centralized institutions in charge of critical functions such as maintaining public order, safeguarding national defense, conducting foreign affairs, administering justice, supervising public education, ensuring national hygiene, and overall managing the national economy. The cooperative socio-economic model was largely regarded as the most effective means of promoting agricultural development while placing the industry as a complementary sector to agriculture (Ciublea-Aref, 2006, pp. 155-269; pp. 259-332; Dropu, 2011, pp. 133-178; Iancu and Păun (Ed.), 2019, p. 12; Ionescu, 2006, pp. 83-191; pp. 215-280; pp. 288-318). Ion Mihalache, for one, joined the conceptual argument, claiming that this sort of state belonged to the future, with the national specificity of Romanian employment, of the economic, social, and spiritual structure, becoming a true laborers state that would prevail over the current capitalist state. Individual ownership was allowed to the extent permitted by law. The peasant politician advocated the progressive nationalization of industry as a means of reducing wage labor and peasant exploitation caused by the price difference between industrial and agricultural products (Ciublea-Aref, 2006, pp. 155-269; pp. 259-332; Dropu, 2011, pp. 133-178; Iancu and Păun (Ed.), 2019, p. 12; Murgescu, 1990, pp. 214-297). G. Zane linked the concept of the "peasant state" with that of the "peasant economy" which was fundamentally different from the capitalist one. According to economist Vasile Serdici, the new state could only be founded based on a state-guided economic policy. He also believed that the "peasant state" had the right to get involved in the production, circulation, and retribution processes on behalf of the collective. This new entity would have been able to adapt output to consumption, achieving the much-needed correlation between the branches of the national economy, most notably between industry and agriculture. In the pursuit of steering the country's economy, the concept of the "peasant state" was put forward with the noble objective, as envisioned by I. Mihalache, of implementing the economic agenda of the National Peasant Party. This agenda, in its essence, revolved around the paramount goal of "harnessing the full potential of the nation's labor force, by judiciously leveraging the bountiful resources of the land, the intellectual prowess of the Romanian population, and their unwavering dedication to toil" (Ciublea-Aref,

2006, pp. 155-269; pp. 259-332; Dropu, 2011, pp. 133-178; Iancu and Păun (Ed.), 2019, pp. 11-13; p. 50; p. 53; p. 60; Ionescu, 2006, pp. 83-191; pp. 215-280; pp. 288-318). The sectors comprising the overwhelmingly agricultural economy were to be based upon the principles of cooperative enterprises, which emerged as a response to the prevailing capitalist system (Axenciuc, 2012, pp. 21-34; Ciublea-Aref, 2006, pp. 155-269; pp. 259-332; Dropu, 2011, pp. 133-178; Iancu and Păun (Ed.), 2019, p. 13; pp. 14-72; Murgescu, 2010, pp. 205-242; pp. 250-273). The notion of a state-guided economy, as elaborated by Ion Mihalache, extended beyond the mere exclusion of individual capitalism, instead embracing, and incorporating it within the confines of a meticulously regulated and guided state program. The National Peasant Party's economic program was underpinned by the concept of a directed economy and the establishment of a "peasant state". Amidst its manifold progressions, within the confines of the capitalist economic framework, upholding the tenets of private-capitalist proprietorship in both industry and agriculture, while concurrently integrating an ensemble of ownership structures, encompassing the forms of both state and private enterprise, and especially, cooperative (Iancu and Păun (Ed.), 2019, p. 13; p. 22; p. 61). The advancement of the doctrine was consistently aided by the intellectual contributions of various theoreticians, who engaged in rigorous studies to further its development. However, it is noteworthy that these scholars did not confine themselves solely to academic pursuits, but also assumed an active role in the political sphere. They engaged in the governance process and played a pivotal role in shaping the state's economic policies. The scholars refrained from contesting the prevailing neoliberal state that was de facto present in Romania when the National Peasant's Party came to power, however, they did emphasize the need for state intervention within the economic sphere (Axenciuc, 2012, pp. 21-34; Ciublea-Aref, 2006, pp. 155-269; pp. 259-332; Iancu and Păun (Ed.), 2019, p. 13; p. 22; p. 55; Ionescu, 2006, pp. 83-191; pp. 215-280; pp. 288-318; Murgescu, 2010, pp. 250-274).

The primary objective of the development and modernization plan of the National Peasant's Party was to foster the consolidation and integration of the nation into the Western model and mindset, thus encompassing economic, political, and socio-cultural dimensions. The development of the aforementioned entity took place subsequent to the year 1918 and was notably enhanced through the active involvement of several parliamentary factions. The substantial backing for the process of Europeanization of the nation resulted in favorable outcomes for society. The emergence of the "peasant state" as an alternative to the neoliberal model should not come as a surprise in the given setting. The National Peasants' Party first articulated this concept in its party program of 1935, following the Great Depression. The policy emphasized the equality of state interventionism in general, which could also be seen as neoliberalism, and guided economy. Confusion was common in the thinking of the time. The National Peasants' Party specifically declared in its 1935 platform that "the state-guided economy did not mean a new type of economy, but one based on the coexistence of the sectors: private, state, and cooperative, the latter being the most important in the peasant state" (Axenciuc, 2012, pp. 21-34; Bozga, 1975, pp. 19-59; Ciublea-Aref, 2006, pp. 155-269; pp. 259-332; pp. 97-201; Dropu, 2011, pp. 84-132; Iancu and Păun (Ed.), 2019, p. 14; p. 21; Ionescu, 2006, pp. 83-191; pp. 215-280; pp. 288-318; Madgearu, 1999, p. 85).

The scholarly discourse concerning economic thought during the interwar period in "Greater Romania", set within the broader European doctrinal discourse, perpetuated a dialogue between liberalism and interventionism, which encompassed various perspectives on the capitalist system while upholding its fundamental tenets such as economic freedom, competition, and individual property. According to the prevailing perspective of academics, the rise of the state-guided economy in the fourth decade can be attributed to the implementation of various interventionist measures by the state prior, which can be understood as a consequence of the inherent progression of the capitalist system. Within the context of the developmental pathway, it became imperative to procure suitable instruments that would effectively augment the processes of production, circulation, distribution, and consumption (Dropu, 2011, pp. 84-132; Iancu and Păun (Ed.), 2019, p. 18; pp. 20-73). The political establishment encountered challenges subsequent to the diminishing of national confidence following the unification of the country in 1918 and the cessation of a profoundly calamitous conflict, particularly in light of the exuberance and elation exhibited by the appropriated peasantry. The primary concern revolved around guaranteeing the continuation of progress subsequent to the dissolution of the extensive agricultural estates that had served as a foundation for development over a span of half of a century. A multitude of approaches were proffered and thoroughly deliberated upon, commencing with the utilization of extant assets: advancement via the augmentation of agrarian output and, to a greater extent, the establishment of a rural governance system as a manifestation of the prevailing human capacity - encompassing a staggering majority of over 80 percent of the population (Axenciuc, 2012, pp. 21-34; p. 98; Dropu, 2011, pp. 84-132; Șandru, 1975, pp. 315-349).

The unification of Romania in 1918, an outcome of the "Great War" was a historic moment that brought together territories with varying degrees of development, administrative systems, and social fabric. This unification, while a cause for celebration, presented a multitude of challenges and issues, particularly in managing the complex agrarian dynamics. The after-effects of the First World War and the enormity of the task post-unification led to the apprehension. The political establishment grappled with integrating new territories and harmonizing the national psyche. The redistribution of land brought immense joy and hope to the peasantry but also led to uncertainties. The newly allotted and emancipated peasants now faced the task of making their small-scale holdings economically viable. The political establishment had to ensure that the euphoria post-unification

did not dissolve into turmoil or disillusionment. It required firm governance, a long-term vision, and a hands-on approach to address immediate challenges. The disbandment of the larger agricultural holdings, which had historically constituted the foundation of Romanian agriculture, was a profoundly transformative endeavor carried out on an unparalleled scale. These agricultural holdings were overall efficient production units, benefiting from economies of scale in several ways. Their breakup risked reducing the agricultural output, at least in the short term. The social structure, with large-scale landowners, peasants, and agricultural laborers, underwent a significant upheaval. The newly allotted peasants needed guidance and resources to navigate this new reality. A relatively wide range of solutions was put forward to ensure that the momentum of national development was not lost. Initiatives were proposed to increase productivity. This involved promoting modern farming techniques, providing access to better seeds and fertilizers, and educating the peasants about the best agricultural practices.

With over 80% of the population in rural areas, it became imperative to have a robust rural administrative and governance structure. This wasn't just about agriculture but encompassed education, healthcare, and infrastructure in rural areas. While agriculture was the primary focus, there was an acknowledgment of the need to diversify. Encouraging industries, especially agro-based ones, became a strategy to provide value addition to agricultural produce and generate employment. The strength of "Greater Romania", in its newly unified form, lay in its people. Harnessing this vast human potential was both a challenge and an opportunity. Skill development, education, and empowerment of this majority became the cornerstone of national strategy. Post-WWI Romania, while generally marked by optimism, had to navigate a complex maze of socio-economic and political challenges and issues. The country's agrarian roots and the massive shift in land ownership dynamics meant that any national strategy had to be to a certain extent agrarian-centric. The discerning awareness of the political establishment precipitated the formation of a broad framework with the objective of developing a societal environment distinguished by enhanced equal opportunities and wealth within the confines of Romania. During the interwar period in Romanian economic discourse, a prevailing trend emerged wherein the necessity and efficacy of the national economy were only sporadically acknowledged by a select few influential intellectuals, such as M. Manoilescu and M. Constantinescu. However, this acknowledgment remained largely superficial and failed to delve into more comprehensive analyses. The Romanian discipline of economic science, while lauded and filled with patriotic sentiment, particularly by scholars of economic doctrines during the latter half of the 20th century, regrettably failed to conduct comprehensive quantitative analyses of the national economic framework, its deficiencies, or the viable solutions and attainable prospects. Instead, it primarily served as a platform for the exchange of subjective viewpoints and contentious debates, wherein the subjective inclinations of politicians all too frequently manifested, whether overtly or covertly (Axenciuc, 2012, pp. 21-34; p. 98; Ciublea-Aref, 2006, pp. 155-269; pp. 259-332; Dropu, 2011, pp. 84-132; Madgearu, 1995, pp. 25-49; 54-85; Şandru, 1980, pp. 32-106).

This phenomenon was further exemplified by the notable inclusion of several Romanian economists, namely N. Georgescu-Roegen, M. Manoilescu, and Gr. Mladenatz, within the field of European economic science. It is notable to mention the potential dominance of subjectivity and political inclinations over rigorous, empirical analysis (Georgescu-Roegen, 1997, pp. 157-286). As with many nations during the interwar period, economic thought can be heavily influenced by political ideologies, given the tumultuous nature of geopolitics at the time. Despite the perceived lack of in-depth quantitative analysis domestically, Romanian economists like Nicholas Georgescu-Roegen gained significant recognition internationally. Georgescu-Roegen is particularly well-known for his work on ecological economics and the concept of "entropy" as it applies to economic processes. It is crucial to acknowledge that the nature of economic discourse and research varies across time periods and geographies. The interwar period was characterized by significant upheavals in many parts of Europe, and economic thought was intrinsically tied to pressing geopolitical and nationalistic concerns. Hence, the focus might have been more on broad theories and debates rather than detailed empirical research. The interplay between economic thought and politics is not unique to Romania. However, given Romania's geopolitical position and the challenges it faced during the interwar period, it is understandable that political considerations might overshadow economic discussions. In retrospect, while the interwar period might not have seen a profound depth of quantitative economic research in Romania, it was still a foundational period that set the stage for subsequent economic discussions and reforms. The nation's experience during this era provides valuable insights into the complexities of melding economic thought with political realities (Georgescu-Roegen, 1997, pp. 11-141; pp. 157-286; pp. 287-301). Georgescu-Roegen gained a considerable reputation for his scholarly contributions in the field of Ecological Economics, specifically his profound exploration of the notion of "entropy" and its profound implications within economic processes. It is of utmost importance to recognize that the character of economic discourse and research exhibits variations contingent upon temporal epochs and geographical contexts. The interwar era was marked by profound disruptions across various regions of Europe, wherein economic ideology became intricately entwined with urgent geopolitical and nationalistic considerations. Therefore, it is plausible that the emphasis could have been placed more heavily on overarching theories and intellectual discourse rather than intricate empirical investigations. The intricate symbiosis between economic ideology and political dynamics extends beyond the borders of Romania. Nevertheless, in light of Romania's intricate geopolitical positioning and the formidable obstacles it encountered throughout the interwar era, it is comprehensible that political deliberations may have

taken precedence over economic discourse. Upon reflection, it becomes apparent that the interwar era in Romania, although lacking in extensive quantitative economic research, served as a pivotal epoch that laid the groundwork for subsequent discussions and reforms in the realm of economics. The historical period under scrutiny offers invaluable perspectives on the intricate interplay between economic ideologies and the practical constraints imposed by political circumstances (Georgescu-Roegen, 1997, pp. 11-141; pp. 157-286; pp. 287-301).

Romania underwent a significant demographic change during the interwar period, from 1920 to 1939. Following a considerable population surge in 1918, the country witnessed a remarkable 28% increase in its demographic potential. Consequently, by 1939, Romania's population had reached an impressive figure of nearly 20 million individuals. During the tumultuous decade following 1939, owing to the territorial losses of 1940, the cataclysmic Second World War, its ensuing ramifications, and the subsequent peace treaties, the nation's population was diminished to a near nadir, reminiscent of the population figures recorded in 1920, amounting to a mere 15.9 million denizens. In an economy based on rapid development, population potential emerged as a critical determinant of economic growth (Axenciuc, 2012, p. 91; Dropu, 2011, pp. 84-132; Şandru, 1980, pp. 1-43; pp. 44-58; Şandru, 1985, pp. 32-106). The agrarian structure in "Greater Romania" during this period was characterized by the dominance of small-scale agricultural holdings. These were essentially subsistence farms, often producing just enough for the family with little left for sale. After World War I, the Romanian government promulgated several decree laws, which culminated in the 1921 Land Reform Law, the main goal of the law was to achieve a more balanced land ownership structure by means of redistributing especially farming land from larger agricultural owners to smaller agricultural holders. Whilst a significant number of individuals residing in rural areas were duly allotted plots of land in accordance with their rightful entitlements as per legal provisions, it is regrettable to note that these plots often proved to be too small to be economically viable. Thus, while the reform increased the number of small-scale landowners, it did not necessarily lead to a more efficient or productive agricultural system. Unsurprisingly, many economists of the period viewed the Romanian agrarian structure with skepticism. The prevalence of small, subsistence-level agricultural holdings was seen as a barrier to proper development and increased productivity. Economists such as Mihail Manoilescu pointed out the inefficiencies of the small holding system and the need for modernization. Others saw the 1921 land reform as a political move rather than a purely economic one, given that it was also aimed at appeasing the rural population and solidifying the post-war nation-building process, especially given the fact the peasantry had sustained a significant loss of life and suffering during the military campaigns of 1916-1919. The phenomenon of Romanian armed forces primarily consisting of peasants during the WWI military campaigns was reflective of larger socio-economic and demographic dynamics at play in early 20th-century Romania.

The small-scale nature of most Romanian agricultural holdings between 1921 and 1939 hindered the adoption of modern agricultural techniques and technologies. A sizeable percentage of rural residents lacked the proper access to the financial capital needed to invest in machinery or improved seed varieties, leading to stagnant or declining productivity levels. Romania, on the other hand, faced a great deal of economic challenges externally as well. While the Great Depression of the 1930s impacted global commodity prices, agri-food sector products witnessed the most severe declines. This economic downturn affected the largest part of Romanian agricultural holders and rural residents, particularly those trying to sell their produce on domestic or foreign markets. Some economists proposed cooperatives as a solution to the challenges faced especially by smallholders. By means of setting up or joining various types of cooperatives, agricultural holders could potentially access larger markets, pool resources for machinery or seeds, and share knowledge and best practices. However, the implementation of such strategies was inconsistent and faced various challenges. All in all, the Romanian small-scale agricultural holding system between 1918 and 1939 was characterized by inefficiencies and challenges. While land reforms increased the number of landowners, they did not necessarily lead to a more productive agricultural sector. Economists of the time were well aware of these challenges and proposed various solutions, though translating these solutions into practice was a complex endeavor (Axenciuc, 2012, p. 91; Gusti, (Ed.), 1939, pp. 353-428; Hitchins, 2013, pp. 374-460; Murgescu, 2010, pp. 205-268; Şandru, 1975, pp. 17-80; pp. 81-252; pp. 253-340; Şandru, 1985, pp. 9-177).

IV. CONCLUSIONS

Romanian economic thought during the interwar period was complex but often focused on matters of national interest and identity, reflecting the broader political and social currents of the time. These theories and doctrines often extended to the role of agriculture, which was a foundation of the Kingdom of Romania's economy. In particular, the issue of small-scale agricultural holdings received considerable attention both from policymakers and scholars, especially in the context of land reforms and the large percentage of the rural population. Romanian economists and academics who were actively engaged in conceptualizing or supporting land reforms often described these measures as both a form of social justice and an economic necessity. The 1921 Land Reform Law, for instance, was seen by some economists as a move towards economic decentralization, reducing the influence and power of the owners of larger agricultural holdings and thus empowering smaller

agricultural owners. Prominent authors like Mihail Manoilescu advocated economic theories that promoted national self-sufficiency/autarky and rapid industrialization. As such, the primary sector and smallholdings were often considered and studied in the context of their potential contributions to the wider national economic framework, either as suppliers of raw materials and produce or as buyers of domestically produced industrial goods.

While land reforms were popular with certain segments of Romanian scholars, economists who were more empirically inclined often pointed out the inherent inefficiencies related to small-scale agriculture. They argued that small plots of land and traditional farming methods were basically obstacles to modernizing interwar Romanian agriculture, hindering its ability to achieve competitiveness. Some economists and sociologists pointed out the quite significant disparities between rural and urban areas, often advocating policies that could improve the livelihoods of small-scale agricultural holders as a means of reducing the socio-economic divides. However, these propositions usually focused on qualitative arguments rather than quantitative analyses, as per the general trend in the Romanian socio-economic discourse of the time.

The concept of agricultural cooperatives was considered and promoted as a solution to the severe fragmentation of landed properties and inefficiencies of small-scale farming. The economists who favored cooperatives/collective organizations perceived them as a way to combine the benefits of scale with the alleged social advantages of individual land ownership. Unfortunately, these ideas and concepts often encountered significant issues in implementation due to numerous, various, and complex social, economic, and political constraints. Many of the debates and discussions surrounding small-scale agricultural holdings in “Greater Romania” were marked by political, ideological, and economic doctrinal considerations. Whether it was the drive for national unity and identity or the ideological clash between various economic schools of thought, these factors often influenced the discourse more than empirical economic analyses. In brief, the viewpoint of Romanian economic doctrines on small-scale agricultural holdings between 1918 and 1939 was intricate and multidimensional, influenced by social justice aims, nationalistic ideals and aspirations, and doctrinal stances. While there were influential economists, historians, and sociologists who meticulously pointed out the inherent limitations and inefficiencies of small-scale holdings, their assertions, arguments, opinions, and viewpoints were part of a larger discourse that also included economic, political, social, and even moral issues and concerns.

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