

THE CONTRIBUTION OF THE NATIVE SMALL-SCALE AGRICULTURAL HOLDINGS TO THE ECONOMIC DEVELOPMENT OF THE INTERWAR KINGDOM OF ROMANIA

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Abstract

In the historical context of the social disorganization in both rural and urban areas following the conclusion of military operations in the First World War, as well as the various tensions between the different factions and political structures at that time, the Agrarian Reform Law was drawn up, marked both by a series of benefits and by insurmountable deficiencies, given the context of its conception. The final outcome was a major change in the way the land fund was allocated and a shift in the balance of economic, social, and political powers of the Kingdom of Romania. In this respect, it should be noted that while the need for a fairer distribution of the land fund had been called for time and again, the oppressive political regimes that came to power only sought to preserve their status quo, the old de facto and de jure states. The 1918-1923 period was marked by a series of political and economic events with historical relevance, as shown by the extensive literature dealing with this topic, concentrating on coordinates such as: the establishment of the unitary national state in 1918 and the enlargement of the socio-economic patrimony of the Kingdom of Romania; the elimination of the census-type voting system; a firm commitment to the principles of democracy on the basis of a new fundamental organic law - the Constitution promulgated in 1923. In the opinion of many important authors, the crucial event of that era was the adoption of the legislation of the 1921 Agrarian Reform, namely the law-decrees with the definitive title.

Key words: *the Agrarian Reform of 1921, Economic History, the Kingdom of Romania, the Rural economy, small-scale agricultural holdings*

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

I. INTRODUCTION

Under the pressure of the peasant masses in the autumn of 1920, the land appropriation operation began under the Alexandru Averescu government, by expropriation and provisional use of plots, based on the order of preference of nominal lists comprising entitled allottees. The beneficiaries of the Agrarian Reform Laws of 1918-1921 became lessees pending full ownership rights. However, prior to acquiring this status, the lessees had to pay amounts which were usually at least twice the local lease prices. The money was meant to cover the redemption payments for the former large landowners. The overall progress of expropriation and appropriation was particularly low. In some regions or areas including the county of Iași, the whole operation sometimes took 20 years to be carried out even in those provinces where the land fund had already been thoroughly measured by cadastre authorities prior to the Great Union of 1918. The multiple causes of the delay in the implementation of the agrarian reform in 1921 were on the whole the result of the vested interests of the political parties and factions, as well as the work methods imposed by the central and local authorities. From the point of view of the land fund, a particularly important factor was the fact that prior to the publication of the decrees-law in final form of 1921, most landed properties had not been measured by cadastre authorities. The only exceptions were on the whole the regions of Transylvania and Bukovina. Needless to say, due to the events and effects of the 1914 - 1918 interval the data and information from that period are marked by considerable inconsistencies (Liveanu et al., 1967, p. 507; Șandru, 1975, p. 238). The multiple causes of the delay in the implementation of the agrarian reform in 1921 were on the whole the result of the vested interests of the political parties and factions, as well as the work methods imposed by the central or local authorities.

II. METHOD AND MATERIALS

Initially this research dealt with the problems of the reform at the level of several localities and implicitly of the specific inter-war administrative units of the county of Iași - the “plase” (‘nets’) these localities belonged to. Subsequently, I decided to extend the research to the whole county in order to present, as clearly as the archival records allowed, the specific stages of expropriation of the big landowners, peasant appropriation and land leasing, various instances of abuse perpetrated during the implementation of the reform operations, the colonization, and any further stages of the application of the agrarian law of 1921.

Given that any historical economic analysis of the developments in rural areas implies taking into account their traditional, modern, and contemporary features, because rather than being static, the rural space has been a dynamic, evolving environment in confrontation and cooperation with the urban environment, it becomes obvious that any systemic interdisciplinary research must involve sociological and historical considerations as well as statistical calculations, in order to provide an accurate picture of this reform. To this end, we have turned to several historical sources: edited and unedited records in the archives of Iași and Bucharest, newspaper articles of the time, the corresponding historical bibliography, censuses and agricultural surveys, etc. As stated before, such research is impossible outside an interdisciplinary approach, which implies, besides history proper, an appeal to several other subjects - Agriculture, Demography, Geography, Sociology, Agrarian History, and Economic History.

By engaging into a review of the available literature it can be noted that many authors have pointed out the methodological and practical deficiencies involved in the recording, collecting, centralizing, and processing of the statistical data from 1918-1939. Despite such shortcomings, the contributions of several authors published in the last decades should be acknowledged, all the more so since the information and quantitative data provided attest to the improvement of the validation methods employed by historical statistics, which has made for the reduction if not the elimination of the margins of error: Axenciuc, 1997, p. 393-427; Constantinescu (ed.), 1997, p. 387-454, Berindei, D., 2003, p. 75-124. H. L. Roberts, one of the best-known foreign authors to have researched the Romanian interwar economy, noted the “general stagnation” of agriculture, a disastrous consequence of the interaction of several factors, including: the relative overpopulation engaged in the primary sector and related activities, the gradual decline of the European grain trade, the dramatic drop in cereal prices following the 1929 crash (between 50% and 75%), the lack of capital investments in the agricultural sector, the perpetuation of the former feudal-like land management system, including excessive, extensive cultivation and outdated forms of agricultural agreements and contracts (Roberts, 1951, p. 83; Murgescu, 2010, p. 225).

If the annual specific fluctuations are ignored, the available statistical data show that the volume of wheat production prior to the First World War was only replicated in 1926 and that the production peaks between 1929 and 1939 were only exceptions. On computing the average output of this period, one can note that the 11.3 million metric tons figure fell below the level of the 1911-1915 interval. Moreover, if the influence of population growth is taken into account, a considerable reduction in cereal production per capita can be observed, from ~ 890 kg/inhabitant in the Old Kingdom, in 1910/1913, to about 578 kg/inhabitant in 1919 and about 550 kg/inhabitant - the average of 1934/1938 (Axenciuc, 1997, p. 254; Axenciuc, 1992; p. 516; 700; 800; Murgescu, 2010, p. 242-243). To make sense of the consequences of this significant reduction, one needs to consider the larger context. The first issue to be noted is that the cereal production per capita was higher in volume in the Old Kingdom, compared to the other historical provinces reunited after 1918, and that the decrease would therefore be, at least to some extent, a consequence of the Great Union Act. If the data is studied even more thoroughly, it can be seen that this only partially accounts for the state of facts. In this sense, the overall average yields of the territories annexed to the Kingdom of Romania after 1918 were approximately 720-730 kg/capita between 1911 and 1915, which means that the losses caused by the military campaigns and operations were substantial (Axenciuc, 1992; p. 521, 645, 654; Scurtu (ed.), 2003, p. 101-102; Murgescu, 2010, p. 227)

Both prior to the 1921 agrarian reform and long after its implementation, the extended literature on the “agrarian issue” expanded with new approaches and interpretations of the problems of the rural space. Although this may appear beneficial, the very abundance of specialized literature and the multitude of opinions and perspectives, was and continues to be an impediment to the understanding and deepening of the topic, so that between 1918 and 1939 many researchers expressed conflicting points of view, a situation which has not changed. Thus, the necessity of a chronological staging of the numerous historiographical analyses of the agrarian reform of 1921 becomes obvious: the interwar period; the interval between 1945 and 1989, and the period post-December 1989. It can be noted that in the context of the shifting research paradigms, many scholars of this historical period have, over time, expressed different, fairly different, or indeed conflicting opinions. As a result, in the view of many researchers, it appears impossible to rank such opinions and interpretations.

The various interpretations given to the notion of the “agrarian issue” in social thinking over time represent another difficulty. While the urgent tackling of the “agrarian issue” could no longer be neither challenged nor postponed, the views on the essence of the problem and implicitly the possible solutions continued to generate countless series of debates and conflicts.

The conservatives emphasized the recognition and enforcement of their doctrine which was mainly based on the socio-economic inequality of citizens as the only acceptable status quo, an authoritarian spirit, and Eastern-European traditionalism. Among the supporters of the conservative doctrine were reputed scholars of the era, but also dignitaries, politicians, and publicists. It should be noted that through their obstinacy in doing anything they could so as to preserve their large estates and their efforts to distort the realities of the local rural environment, in the end, the conservatives basically managed to preserve the status quo since the Revolutions of 1848. Even after the bloody peasant uprisings of 1907, the large landowners persisted in their attempts to distract the general public from the real causes of the “agrarian issue”. Traditional exponents of the interests of the native large landowners, therefore, struggled to preserve their old conceptions of the “agrarian issue”. Prominent leaders of conservative

thinking made concerted attempts to illustrate, with claims, the advantages of and the need to preserve the large agricultural holdings. A major theorist of a novel orientation was Constantin Garoflid. As a fervent researcher of agrarian relations, and later minister of agriculture, Garoflid carried out his work around the time of the bloody events of 1907, during the drafting of the decrees of the agrarian reform of 1917-1921, as well as in the interwar period (Dropu, 2011, p. 89).

From a different perspective, agriculture was a priority of research up to the violent events at the end of 1989, following which, unfortunately, the interest diminished considerably. Controversy lingers even at present over the general effects of the reform, in view of its apparently low social impact throughout the country, the county of Iași included, in particular when considering the fact that it failed to lead to a considerable increase in the living standards of the rural population. This case study aims to determine the extent to which the findings in the studies herein mentioned hold true in the case of the former interwar Kingdom of Romania, arguably one of the most important Eastern European countries, from an economic, political, and cultural point of view, at present, as well as from a historical perspective. This research is currently relevant due to the fact that there are only a few extended studies on this topic. Through time, authors have often expressed contradictory views on the purpose, objectives, and usefulness of the 1921 land reform, mainly as a result of conflicting ideological paradigms.

III. RESULTS AND DISCUSSION

The implementation of the agrarian reform was hindered by the fact that, following the official announcements by the Brătianu Government that the reform operations had been completed, numerous district judges and county courts ceased to pay the same increased attention to the difficult issues involved. Thus, by the end of 1926, the “Agrarian Committee” had failed to pass judgement in about 50% of the expropriation complaints that had been filed to date. On the other hand, the figures indicated as expropriated, on 1 January 1927, an area of 5,962,000 hectares, almost equal to that which, according to some sources, was assumed to be certainly expropriated in the years of the Second World War. In this context, it is worth noting that the peasants exploited this total area of land, *not as owners, but as lessees*. Therefore, in order to benefit from their newly acquired properties, all small-scale farmers had to pay annual leases. As a result, most of the new landowners were not listed as such by local authorities, but as lessees engaged in contractual agreements with either the state or former proprietors (Liveanu (Ed.), 1967, p. 507; Șandru, 1975, p. 238).

Even in the case of agricultural holdings for which expropriation and ownership procedures had finally been settled in court, the peasants were not the *de facto* owners before calculation, breakdown and cadastral allotment had been completed. Consequently, one of the most important features of the agrarian reform of 1921, as argued by historian Dumitru Șandru amongst others, was the actual implementation of the expropriation and appropriation work, which proved to be the most difficult part of the whole process. This historical state of facts is amply confirmed by archival records. The “Cadastral and Technical Works Department” was the main governmental body tasked to carry out the complex and laborious operations of measurement, breaking down of all of the properties that were to be expropriated with the view of providing the necessary individual plots for appropriation purposes during the entire interwar period in Greater Romania (A.N.R. Iași & Iosif, 2011, p. 1). From the point of view of the land fund, an especially important factor was the fact that prior to the publication of the decrees-law in the definitive form of 1921, most landed properties had not been measured by cadastral authorities.

The very specific requirements, from an organizational point of view, as well as the extent of the reform efforts, had multiple adverse effects: numerous disagreements and even conflicts between entitled peasants and former large landowners, mainly due to issues related to the size of the appropriation plots; the sluggish pace and often past due completion of the cadastral technical operations forced small-scale producers to make years on end lease payments to either state authorities or former owners; in many cases, these payments exceeded even the free market value of the appropriated plots; the numerous individuals filing complaints contesting the breakdowns, the plots, as well as the measurements, had the adverse result of slowing, even more, the pace of the works carried out by the authorized bodies of the cadastre. The “Cadastral and Technical Works Department”, which operated under the supervision of the “Headquarters of the Agency for the Landed Property of Villagers”, carried out the measurement operations in two ways: on its own, by assigning graduates of topometric schools working within the department, as civil servants; or based on the concession of some of the specific cadastral works to different entrepreneurs from the private economic sector.

On 1 December 1918, the country's demographic statistics were known only by approximation. The censuses in the Kingdom of Romania and the Romanian territories, which were under foreign domination at the end of the 19th century and the beginning of the 20th century, reflected old states of affairs. In addition, they were prepared and carried out according to different criteria. The last general population census of the pre-war period was carried out in Old Romania in 1912, according to criteria and standards relatively similar to those in Bukovina and Transylvania. From the last censuses to the Great Union, however, all historical provinces had reported demographic changes, determined by the natural increase in population, by emigration and immigration, by

colonization and, in particular, by the vicissitudes of the First World War, so that their data merely served as a guideline in the estimation of the post-war population as well-known historian Dumitru Șandru had noted (Șandru, 1980, p. 5-6; ***, 1940, p. 37-38; Șandru, 1980, p. 6).

Nevertheless, in the period following the censuses the statistical bodies determined annually, on the basis of the data provided by the civil status agencies, the natural movement of the population. In spite of their efforts, data reliability was and still is to this day somewhat controversial, the figures being more or less faithful to reality. It was not until 1920 that the “Statistical Yearbook” was published, with complete data on the whole territory of Romania. The figures included in the Statistical Yearbooks published from 1920 until the general population census of December 29, 1930, are only the results of some comparative computations with those provided by previous censuses, for which the average birth rate, mortality, and natural growth rate, were taken into account, on the one hand, and approximate human losses in the years of World War I, on the other (Șandru, 1980, p. 6).

In this sense, it is worth noting that it was only in 1921 that the Ministry of the Interior enforced a duty on the local administrative authorities to keep records of the inhabitants of communes. The annual recording of the natural movement of the population after 1921 was, until the 1930 census, the main source of information on the demographics of the country. Consequently, in the absence of an accurate depiction serving as a starting point, the estimates of the first inter-war decade - although depicting to some extent the variations of the demographic indicators that had taken place over the years through the natural movement of the population – were still far from reality. In spite of all the efforts of the authorities and the responsible bodies, thanks to the general census of 1930, the severe discrepancy between the statistical data and the de facto state was finally officially acknowledged (Șandru, 1980, p. 6). The 1930 census was the first in the history of Romania in which the recording of individuals had been made according to scientific criteria, the computation, and centralization of data being carried out by employing quite modern methods and equipment at the time. Due to a lack of funds, the data and information were barely released a few years later. For this reason, contemporaries had the opportunity to make use of its findings much later than they had planned for in their studies focused on economic, demography, agrarian history, and/or other related issues. In addition to establishing the real size of Romania's demographic heritage, the 1930 census had other effects. Researchers or interested individuals studying the demographic evolution of Romania during the interwar period are faced with difficulties in deepening this issue, due to the fact that they have only census data - the one from 29 December 1930. The absence of censuses for the beginning and end years of the interwar period is, to a certain extent, complemented by publications issued by the Central Statistical Institute and data from various censuses or statistical surveys.

By reviewing the field literature, it can be noted that after the First World War the Central Institute of Statistics published a series of volumes, several of which are noteworthy: *The Statistical Yearbook of Romania*, the *Statistical Briefing of Romania*, the *Statistical Bulletin of Romania*, and the *Demographic Bulletin of Romania*. However, the accuracy of their data is approximate, the main reason being that they were drawn up on the basis of theoretical calculations rather than field surveys. In addition to those, several censuses, and statistics for the following years, that had been carried out at the level of the entire country, are available. Of these, the fiscal censuses of the Ministry of Finance of 1923, 1928, and 1933, which include data on the families or agricultural holdings by category of owners, are of particular importance. Notwithstanding their valuable insight their substantial methodological weakness, from the point of view of researchers interested in the local rural environment, is that they had recorded agricultural property at the level of tax districts (Șandru, 1975, p. 20-21; Șandru, 1980, p. 9)

In order to overcome the above-mentioned impediment, it can be noted that, besides the general population census of the 1930s, there are many other figures from the Ministry of Agriculture and Domains, which focus on particular aspects of agriculture and cover different years. In fact, these represent yet another valuable additional material for the study of rural demography in Romania. Paradoxically, the very development of several statistics during the interwar period poses somewhat of a challenge. Having to relate to different or even conflicting data and information in some cases does not allow interested researchers to clearly observe the evolution of the rural population and related issues (Șandru, 1980, p. 11)

During the inter-war period, particularly in the fourth decade of the 20th century, there was a significant increase in the number of rural population studies. The general interest in the autochthonous village can be easily understood given the large percentage of the rural population, which essentially shaped the very “biology of the nation”- as several authors have argued (Șandru, 1980, p. 12; Șandru, 1996, p. 200). In order to gain a better understanding of the demographic issues specific to rural settlements, in addition to the sanitary monographs, researchers have at their disposal a series of monographs and numerous sociological studies devoted to various villages, communes, or regions of the country. Civil status registers, judiciously elaborated and interpreted, can make it easier for interested individuals to identify villages or communes that no longer exist, those with changed names, and possibly reconstruct the administrative-territorial evolution of the urban and rural communes – to list just a few of the quite significant issues hindering numerous research efforts.

Interwar Romania was categorized as an agrarian country or a mainly rural state entity. According to the views and opinions of most members and supporters of the Peasants` National Party at least, the primary sector

was non-capitalist in nature. In this regard, economist Virgil Madgearu considered that a number of specific issues had to be addressed and clarified as well: “the efficacy of the principles of expropriation and colonization, the legal aspects of land ownership, the state of the agriculture, the ability to secure the means of exploitation, ensuring free, fair and full access by peasants to agri-food sector markets, ensuring of a sound and small-scale producer oriented legal framework for cooperation and credit-related activities” (Ciublea-Aref, 2006, p. 293-295; Madgearu, 1999, p. 85).

Another particularly important aspect that had been studied was the evolution of the population, focusing on the human capital. By analyzing its growth at country level, it can be determined that, in the time span between the two World Wars, it had increased numerically by 4,392,378 inhabitants, meaning an additional 1/4 in 1939 compared to the population in 1920. The rise had been more pronounced in rural areas, of 4,234,524 inhabitants, of which only 167,854 inhabitants were recorded in urban areas. The rapid growth of the rural population relative to the total urban population led the first to rise to no less than 81.8% in 1939. Apparently extremely high, the percentage of the rural population was close to that of the neighboring countries that had a predominantly agrarian economy: in Yugoslavia - 77.7% in 1932, in Bulgaria - 78.6% in 1936, and in Greece - 69.5% in 1935 (Georgescu, 1937, p. 68; A.N.R. Iași, 1930, f. 1-668; Șandru, 1980, p. 14-43).

The measures of the agrarian reform decreed between 1918-1921 led to the expropriation of about 6.4 million hectares, most of which were allocated to ~ 1.6 million small-scale holdings, but also for the establishment of grazing grounds and provision of forested areas for rural settlements. On the whole, the de facto result was the significant decrease of the percentage of the large property and the considerable increase of the number of small rural households. Statistical data sources report large-scale fragmentation of landed properties (Murgescu, 2010, p. 228; Șandru, 1975, p. 250-251; Axenciuc, 1992, p. 99-101). The available archival data and the published literature show that more than 50% of the peasant households owned less than 3 hectares and ~ 3/4 of them were below the 5-hectare threshold – usually considered to be the minimum span needed at that time to ensure the sustenance of a medium-sized family. In addition, the percentage of medium-sized farms (<20 hectares), considered as having the most significant potential to intensify the peasant production destined for commercialization, was particularly modest in the Kingdom of Romania, compared to other states on the European continent. Intense and often conflicting debates took place during the interwar period on the effects of the massive agrarian reform of 1918-1921 and the issue of agricultural productivity (Axenciuc, 1992, p. 242-243).

Even at present, the views and opinions on the issue are still, to some degree, rather controversial. In this sense, it can be seen that the viewpoints of academics can be differentiated by their adherence to certain ideological currents or political sympathies as well as by the inconsistency or inaccuracy of the sources and findings of studies and empirical research carried out on the different categories of agricultural holdings. Despite these debates and differences of opinion, it remains undoubted that households with extremely small plots were inadequate for the primacy of cereal-oriented production, a trend that persisted during the entire 1918-1939 period.

Another particularly relevant factor, which contributed to the modest performance of interwar agriculture, was the lack of agricultural inventory. Moreover, on the eve of World War II, despite the sustained efforts of some of the “County Agricultural Chambers” as of 1929 and due to some direct measures of the “Ministry of Agriculture and Domains” aimed at stimulating the use of fertilizers, the Kingdom of Romania was ranked last in Europe as to fertilizer amendments. Despite the historically documented fact that a number of improvements in the level of equipment and machinery in small family households were registered during the interwar years, the overall level of mechanization in the primary sector remained low compared to other states (Șandru, 1973, p. 83-84). Illustrative in this regard are also the sources and statistical data which show that, close to the end of the interwar period, the average ratio in Romania was 2,436 hectares of arable land per tractor, compared to 598 hectares per tractor - an average of 16 European countries. In the same order of ideas, it is important to bear in mind that, apart from the technologically deficient agricultural inventory and overall lack of it - the agricultural sector was particularly affected by the inadequate or flawed agro-technical practices of many small-scale producers. Some illustrative examples in this regard could be the continuous non-observance of crop rotation, lack of use of selected seeds, often due to financial reasons, but also the improper storage of harvested crops (Gusti, D. (Ed.), 1939, p. 154-156; Madgearu, 1995, p. 65-67; Șandru, 1975, p. 325-327).

Equally important, animal husbandry and small-scale livestock farming are yet other factors that hindered the performance of yields. In comparison to crops intended for industrial or agri-food sector purposes, these yields ranked, in general, even worse than cereal production (Gusti, D. (Ed.), p. 353-428; Axenciuc, 1992, p. 541-638). Some explanations of this state of affairs should include the severe reduction in the number of animals during the hostilities between 1916 and 1918 as well as the partial and relatively sluggish recovery during the interwar period (Axenciuc, 1992, p. 704). While the number of cattle registered in 1919 amounted to 4.6 million heads, by 1922 it rose to 5.7 million heads. The number of livestock then gradually dropped to 4 million heads in 1930, only to increase back to more than 4.3 million heads by 1939. Despite having a territory and population more than double in size, compared to that of the Old Kingdom, Greater Romania exported much smaller volumes of grains than in the years preceding the First World War, with 1931 being the only year when exports surpassed the 1910-1914 average. Despite having a territory and population more than double in size, compared to that of the Old Kingdom,

Greater Romania exported much smaller volumes of grains than in the years preceding the First World War, with 1931 being the only year when exports surpassed the 1910-1914 average. In the first inter-war decade, fluctuations in exported volumes were caused by variations in autochthonous agricultural production. Unsurprisingly, this situation persisted during the agrarian crisis that caused a great deal of disruption well into 1936. It was only as of 1933 that some signs of recovery can be observed with respect to the volume of agricultural goods exported, largely due to the improvements registered on international markets.

Historians have suggested a variety of possible potential explanations, such as the impact of extreme weather conditions that influenced some of the harvests to some degree (Bozga, 1975, p. 92-93; Lampe; Jackson, 1982, p. 445-446; Murgescu, 2010, p. 227). Despite these considerations, the reduction of the multiannual averages cannot be attributed entirely to this factor alone. More severe were, in a historical perspective, the excessive fragmentation of agricultural holdings, aggravated by the implementation of the agrarian reform, but also by the high birth rate, particularly in rural areas. Although Western historiographies tend to favor critical evaluations of the overall economic performance of Romania during 1919-1939, currently as happens in the other former communist countries, the interwar period is starting to be reconsidered by many Romanian authors as “a golden age” (Boia, 2012, p. 54-57). There has never been a complete agreement concerning the economic development of Romania in the interwar period (Murgescu, 2004, p. 43-64). Note can be made of the scholars who used statistical methods and instruments who provided relevant scientific results and interpretations by comparing it to that of other European countries so that the 1938 balance sheet looks negative (Axenciuc, 1997, p. 393-427; Constantinescu (Ed.), 1997, p. 387-454; Berindei, 2003, p. 75-124; Axenciuc, 2006, p. 51-52). In the *Encyclopedia of Romania* of 1939, Ioan C. Vasiliu, considered by academic Victor Axenciuc “one of the prominent researchers of the Romanian agrarian economy”, claimed that “While the agrarian reform ensured a fair and rational distribution of agricultural property, it has also created an impressive number of precarious economic units subject to continuous fragmentation which is bound to result in serious challenges for the authorities” (Gusti, D. (Ed.), 1939, p. 304).

Regarding the historical scope of the reform works, one particularly eloquent statement of historian Neagu Djuvara is highly relevant – “it must be emphasized that this agrarian reform, started in 1918 and completed in 1922 (N.B. - in his opinion -), is the most extensive agrarian reform ever put into practice by a bourgeois government or, at any rate, by the owners of agricultural land themselves, throughout the entire universal history that I have researched; I have only found one similar example in tenth-century China, but that was actually a revolution and the results were short-lived. On focusing on the history of Europe we can, of course, note the seizure of landed properties and goods during the Russian revolution of 1917, which was not in fact carried out with the aim of appropriating peasants with land, but setting up kolkhozes” (Djuvara, 2002, p. 208).

IV. CONCLUSIONS

On the whole, a key feature of the Agrarian Reform Act of 1921 stands out - the fact that the appropriation of peasants was made on the basis of the principle of compensation by means of redemption payments that had to be made to the government. As a positive result, the overall acquisition costs were projected to be lower than those on the free market. At the same time, it should be stressed that, in this massive process of redistribution of the land fund, the central and local authorities were essentially only an intermediary between the small farmers and the personnel of the cadastral services.

To this end, we have turned to a number of historical sources: edited and unedited records in the archives of Iași and Bucharest, newspaper articles of the time, the corresponding historical bibliography, censuses, and agricultural surveys, and more. As already stated before, such research is impossible outside of the interdisciplinary approach, which implies, besides history proper, an appeal to several other subjects - Agriculture, Demography, Geography, Sociology, Agrarian History, and Economic History.

According to current statistics and field literature available, the redemption payments that had to be paid by rural dwellers amounted to 6.2 billion lei. However, by 1939, only about 3.2 billion lei had actually been cashed in by tax authorities. The large-scale expropriated landowners were to receive as compensation rent securities at a nominal value of 9 billion lei. Irrespective of the many controversies and opinions regarding the “fairness” of the amount of compensation, it is certain that due to high inflation, aggravated by the world crisis of 1929-1936, the actual value of the state-issued bonds as well as that of the payment rates owed by the newly appropriated peasants, fell 4-5 times, according to some estimations. Therefore, while the payment burdens of the rural dwellers were significantly reduced, the amounts cashed in by the former large landowners also dropped severely according to data provided by Axenciuc. Not surprisingly such economic difficulties affected mainly the inhabitants of rural areas, a situation resulting in a partial and temporary solution to the “agrarian problem”. In other words, the important problem which affected much of society was basically postponed by the authorities and decision-makers of the time, in some cases for justifiable reasons, given the objective difficulties. In many other cases, however, the ensuing difficulties were unjustified, representing the logical outcome of a cluster of obscure, private, or collective interests of landlords or even of the state authorities themselves.

According to the data of the “Cadastral Department and Land Books” that were thoroughly analyzed by author Dumitru Șandru, with regard to the “volume of technical works still pending completion on September 1, 1942”, it emerges that out of 19,036 agricultural holdings, 15,780 (83%) had been definitively expropriated, 1,392 (7%) had not been measured, 1,275 estates (7%) lacked complete paperwork, and 599 estates (3%) were awaiting courthouse decisions. Historian Mircea Georgescu, on the other hand, puts forward compiled statistics indicating that “before the years of World War II, 18,262 large properties comprising an area of 5,812,000 hectares of arable land, meadows, pastures, grasslands, vineyards and more had been expropriated, amounting to 66% of the total area which had comprised the former properties exceeding 100 hectares”, according to both Georgescu and Șandru.

The period between 1919 and 1939 displays a dynamic and varied economic evolution, hence a wide range of consequences. Economist and academic Victor Axenciuc, basing his assertions on the numerous detailed studies of secular statistical series, claimed at one point that in the Kingdom of Romania, on the whole, there had been processes and structural changes of historical significance that had ultimately resulted in the consolidation of a capitalist specific type of economic structure and a relatively higher level of overall development. The first thing noted in this respect was the fact that, as a result of the establishment of a Romanian unitary state in 1918, the natural and man-made wealth of the nation more than doubled, thereby increasing the capacity and potential for economic growth. If accurate estimates were made for the years 1938 and 1939, the situation at the beginning of the interwar period proves to be more difficult to assess, as there is a large deficit of statistical information, both for the pre-war Romanian state and for the Greater Romania of 1918. In addition, any economic information expressed in monetary terms is more or less vitiated by the galloping inflation registered up to 1926. However, irrespective of their degree of uncertainty, any such assessments prove to be of particular importance for at least two reasons: the need of evaluating the global economic heritage of the country before 1918, and the national wealth that was created over the two decades of the interwar period.

Under the influence of both external and internal factors, determined by the economic policies of the various successive governments, the national economy displayed a particular propensity for industrialization, especially in the second inter-war decade. As a result of the agrarian reform of 1921, major transformations took place in the distribution of the land property and the structure of the agricultural holdings. Therefore, the expropriations carried out with a view to dismantling the large, landed properties/estates and the appropriation of peasants determined in the end the conversion of the agricultural sector into one consisting mainly of small-scale agricultural holdings with low productivity and profitability. It is worth noting that, on a socio-political level, the political power of large landowners, who had been dependant on the economic influence over small-scale producers, gradually declined, mainly as a result of the introduction of the universal right to vote.

Economist, statistician, and academic Nicholas Georgescu-Roegen carried out one of the most insightful analyses of the agrarian economy of Romania in the 1930s, which has not come to the attention of many researchers, as can be noted by consulting the list of references in contemporary field works. Georgescu-Roegen rejected the statements of many officials who had often claimed that the peasants had been lazy or indolent and economically inert. Moreover, the reputed economist argued with solid evidence that in Romania, like elsewhere, the sacrifices and efforts of small-scale producers over the centuries had contributed decisively to laying the foundations of the modern-day urban civilization. Georgescu-Roegen, much like other Romanian and foreign authors, argued that on the whole, the urban environment had maintained its domination over the rural inhabitants through fiscal levers and law enforcement forces, while the democratic institutions of the state had mostly failed in limiting the effects of this often-detrimental domination. Last but not least, the apparent indolence of the small-scale producer may have been the result of involuntary inactivity, or a constraint determined by the limited availability of land resources and lack of agricultural inventory and financial means.

Given the large volume of existing archival material, it takes much effort to identify and research the filed records in order to retrieve a general historical picture of the land fund including its first major division determined by the implementation of the 1921 agrarian reform and the overall development of the rural economy of the county of Iași. This research first aimed to present the problems related to this reform in a limited number of communes and implicitly their interwar administrative units the “plase”; subsequently, we extended the research to the whole county in order to get a clear picture of the stages of the reform – the appropriations and leasing, the expropriations of the big landowners, the abuses registered during the implementation of the reform and the colonizations. In the interwar period, the 1918-1921 agrarian reform was the topic of heated debates as well as research which became a priority for the economic and social development of Romania. As a turning point in the modern history of the country, this topic continues to be of interest and will probably continue to do so.

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