

AGRARIAN LAWS IN MODERN ROMANIA. IMPACT ON THE AGRICULTURAL DEVELOPMENT.

Doris-Louise POPESCU¹

“Lucian Blaga” University of Sibiu, Romania

Abstract

The aim of the paper is to emphasize the influence of the agrarian laws on the modern Romanian agriculture. The incomplete character of the enacted rural legislation not only that made impossible the structural reformation of this essential economic sector, but also contributed in a great measure to the perpetuation of the "land issue" and to the malfunctioning of the agrarian Romanian holdings. The juridical provisions and the concrete appliance of the agrarian laws maintained the major gaps existent between the different categories of agricultural exploitations, generating the ultra-parceling of the land and the limited seize of the great portion of the peasant farms. That fact generated negative effects both in the agricultural sector, and in the general economic evolution, in a period of transition from modern to capitalist relations. In this respect, the paper intend to establish a causality relation between the inequitable distribution of land and the Romanian agricultural underdevelopment.

Keywords: agriculture, rural development, productivity.

JEL classification: Q15, R14

1. Introduction

All the way its history, Romania was acknowledged for its considerable agricultural potential. The generous cultivated surface, the numerous rural population and the fertility of the sole recommended our country for practicing an efficient agriculture. Despite all these assets, Romania was unable to exploit its potential, due to some major deficiencies. Among those, the unbalanced distribution of land represented one of the most determinants factors of a non-proficient agriculture.

¹ Assist. Prof., PhD, "Lucian Blaga" University, Sibiu, The Faculty of Economics
Department of Management, Marketing and Business Administration, doris.popescu@ulbsibiu.ro

Even if land reforms were applied, the issue of land distribution was not entirely solved, the seize of the agricultural holdings, the accentuated parceling, the lack of effective inventory, of a basic infrastructure and of capitals giving birth to one of the most defining paradoxes of our economy. Although Romania was labeled as an "eminently agrarian country" (more than 80 % rural population, over 80 % of the production being agricultural production), it struggled with a low agrarian productivity and efficiency, the agriculture rather than being a growth factor becoming one of the most problematical domains throughout all the historical periods.

All these past evolutions still affect the present and the actual shape of the national economy, under its agrarian aspect. Especially the Romanian integration within the European Union was considered a significant opportunity for developing a competitive agriculture. Despite some progresses, the Romanian land ownership system still conserves some of its traditional problems, that representing a major obstacle in its economic development.

2. Brief history of the "land issue".

The land ownership system in the Middle Ages allowed the practice of the crop rotation system, which provided Romanian feudal economy with satisfying agricultural yields. A major turning point in terms of land propriety emerged once with the Treaty of Adrianople (1829). Signed between the Ottoman Empire and Russia, the Treaty stipulated the abolition of the Turkish monopoly on the Black Sea. The economical consequences of the act were tremendous, the Romanian Danubian Principalities obtaining not only the trade liberalization, but also a new dynamic in their development.

The significance of the Adrianople Treaty was noticeable, meaning a greater opening towards the Western Europe and the transfer of modern, capitalistic relations in the Danubian feudal economy. Once with the trade liberalization, the European demand for the Romanian agricultural products increased, as well as the value and the price of the land. This was practically the germ of the "peasant issue"/"land issue", the autochthones boyars seizing the opportunity of profits and expanding their proprieties, to the prejudice of the small peasant holdings.

On a hand, the new created context led to an extension of the cultivated areas, stimulating the agricultural production especially of wheat (in Moldavia

the cultivated areas: from 278000 ha in 1829 to 1 million ha in 1863; in Walachia: from 5110000 in 1839 to 1415000 in 1863). On the other hand, the Adrianople Treaty imposed some substantial changes in the social relations from the Romanian agriculture, plunging the dependency between the boyars and the peasants, damaging for the economic interests of both of the two categories.

Furthermore, starting with Adrianople, the Romanian Danubian Principalities were placed under the Russian Protectorate, in 1831-1832 the Organic Reglèments being adopted.

The introduction of these new Constitutions also influenced the agrarian relations. The Reglèments officialized the dominance of the boyars over the land, reinforcing their economic power, by recognizing the boyars' propriety right over one-third of their land. Even if they were obliged to provide the peasants land for housing, plowing and pasturing, the law limited the land owned and used by the peasants and increased the forced labor services in exchange for the land usage.

In fact, we assist to a continuous aggravation of the peasant situation. As the provided agricultural surfaces were insufficient, the peasants were constraint to set up supplementary deals with the land owners, in extremely difficult terms (for example, the days of "clacă"/"corvée" increased exponentially in Walachia and in Moldavia. See also the "nart" and "dijma").

Although on a short term a certain surge of the great exploitations profitability was registered, the lack of invested capitals, of modern inventory and of vision did not stimulated a sustainable growth neither in the case of the agricultural sector, nor in the one of the Romanian economy, overall.

That fact was reflected in the character of the agricultural yields, the statistics recording in Walachia (1831-1851) 4 disastrous yields (of which 1 was catastrophic), 9 modest harvests, 2 mediocres and only 7 acceptables (Dan Popescu, 2002).

3. The Agrarian Reform of 1864. Abolition of feudal obligations and premises of a capitalist development in agriculture.

In order to operate some adjustments regarding the land propriety and to improve the efficiency of the agricultural sector, a Rural Law was introduced starting with 1864. The main principle of the reform was the land reallocation based on the peasant's economic power (expressed in the number of cattle). The law also stipulated the prohibition of land abalienation for 30 years.

The Rural Law of 1864 recognized the peasant's propriety right on the detained land, in conformity with the anterior laws that provided the propriety distribution based on the peasant's productive capacity. The expropriation was limited to two-thirds of the landowner propriety and provided an appropriate compensation.

As a direct consequence of the reform, 1.810.311 ha were allocated to a number of 463.554 peasant families, resulting allotment parcels of 4 ha/per family. About 60.000 of the peasants received land for housing and gardening. Later on, another 48.342 families were provided with about 228.329 ha (K. Hitchins, 1996, p. 379).

Even if the allotment process was relative generous, the Agrarian Reform of 1864 could not succeed in limiting the preponderance of the great land tenure, the great exploitations continuing to englob 70 % of the agricultural surface, comparing to the peasant proprieties representing only 30 %. The insufficiency of the land continued to represent a major issue and kept the peasants dependent of the great land owners and of the tenants.

Besides the land propriety restructuring, the main gain of the Rural Law of 1864 consisted in the abolition of "claca", "dijma" and others feudal obligations, the agrarian reform officially creating the premises of the modern relations in the Romanian agriculture.

However, the process of change was difficult and stolid (at the beginning of the XX th century, about 40-45 % of the peasant families were still subject to the practice of "dijma") (N.N. Constantinescu, 1998, p. 280), causing numerous social convulsions and culminated with the Great Peasant Riot from 1907, the main request of the peasants being the land: "Noi vrem pământ!"/"We want land!". The peasant riot was smothered, the Romanian society and the political decidents not being prepared to operate a much profound land reformation.

The situation of the land propriety at the beginning of the XX th century is more than illustrative and reveals even a deeper embedded inequitable land division and a more accentuate parceling process.

Table 1. Land propriety categories. Number of holdings criterion

Land propriety category	Number of holdings	%
Total – 10 ha	920.939	95,40
Total 10 – 100 ha	38.723	3,96
Total 100 - over 500 ha	5.385	0,64
Total	965.047	100

Source: C. D. Creangă (1907)

The data clearly expose the predominance of the small agricultural exploitation, representing more than 95 % of the total number of registred holdings. By contrast, the great exploitation is represented only by 0.6 % of the tenures, the medium exploitation sensibly interfering between the two oponents poles with its under 4 % representation.

Table 2. Land propriety categories. Surface criterion

Land propriety category	Surface	%
Total – 10 ha	3.153.645	40,29
Total 10 – 100 ha	862.800	11,02
Total 100 - over 500 ha	3.810.351	48,69
Total	7.826.796	100

Source: C. D. Creangă (1907)

As concerns the surface criterion, the gap between the land propriety categories widens. As the great exploitation occupies almost the half of the total agricultural surface: 48.69 %, the medium exploitation having a modest presence of 11 %, the small peasant exploitation dispose only of the 40 % of the land. Taking into consideration the number of small proprieties, it results

an ultra parceling process, the lack of land condemnig the modern Romania peasant to poverty and starvation and the national economy to stagnation and underdevelopment.

All those descripcencies amplified making the Agrarian Reform from 1921 not only necessary, but mandatory as well.

4. Conclusions

The trade liberalization of 1829 encouraged the Romanian agricultural development, the autochthone agrarian production being engaged in the market economy system. That fact lead to the increase of agricultural productivity but also, to the urge of adjusting the land propriety regime, as it was required to better correspond to the new needs of the Romanian great owners, interested in extending their proprieties and better responding to the increased European demand for the Romanian agrarian products.

Technically, the enacted agrarian laws settled the fundaments of a modern agricultural development, providing a consistent impulse to an evolution in modern, capitalist parameters. Practically, the ancient rural customs remained in function, the feudal reminiscences obstructing and delaying the reformation process.

The limited character of the agrarian laws strengthened the dependence between the peasants and the great land owners, their relation becoming even more complicated with the interference of the tenants and with the extension of the land rental phenomenon.

Although all those dysfunctionalities, especially the Agrarian Reform from 1864 made possible the emergence of the capitalist peasant economy. With a modest debut (a representation of only 3-4 % of the holdings and 9-10 % of the agricultural surface) and with a level of return considerably behind the European standards, the process continued to develop, being reinforced once with the Agrarian Reform from 1921.

5. References

- Apostol, Stan, (1998), *Boyers and peasants. The Revolution from 1848 in Walachia*, Saeculum Edition, Bucharest.
- Adăniloai N., Berindei, D., (1967), *The Agrarian reform from 1864*, Romania Academy Edition, Bucharest.
- Colescu, Leonida, (1900), *La loi rurale de 1864. La statistique des paysans devenus propriétaires*, Bucharest.
- Constantinescu, N. N. (coord.), (1998), *Economic history of Romania*, Economica Edition, Bucharest.
- Creangă, C.D., (1907), *Rural Propriety in Romania*, Bucharest.
- Hitchins, Keith, (1998), *Romanians 1774-1866*, Humanitas Edition, Bucharest.
- Kogălniceanu, M. V., (1902), *Agrarian legislation and the measures taken in favour of agriculture*, Bucharest.
- Mureșan, Maria, Mureșan, Dumitru, (2003), *History of economy*, Economica Edition, Bucharest.
- Idem (coord.), (2004), *Romanian economy from traditionalism to postmodernism. Studies*, Economica Edition, Bucharest.
- Popescu, Doris-Louise, *The Present-Day Romanian Village. At Crossroads Between Vulnerabilities and Opportunities of Social-Economical Development*, *Revista Economică*, 68, 6 (2016), 1582-6260, p. 133-141.
- Idem, (2014), *Subsistence/Semi-subsistence Agricultural Exploitations: Their Roles and Dynamics within Rural Economy/Rural Sustainable Development in Romania*, *Procedia Economics and Finance*, volume 16, 2014, p. 563-567.
- Idem, (2012), *The Romanian Village in the Context of its Traditionals Issues and of the Present Global Crisis*, *Revista Economica*, 4-5 (63)/2012, p. 80-91.
- Idem, (2010), *The Romanian Village: Origins and Current Manifestations of a Perpetual Crisis*, *Revista Economica*, 3(50)/2010, 1582-6260, 2010, p. 405-410.
- *Farm Structure Survey*, National Statistic Institute, Bucharest.
- *The General Agricultural Census*.
- *The Statistical Yearbook of Romania*.