

# THE AGRARIAN REFORM OF 1921. IMPACT ON THE ROMANIAN AGRICULTURAL DEVELOPMENT.

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Abstract: Although drafting and promulgating the expropriation decree-laws in 1918 represented landmark moments in the history of the Romanian agrarian reform, it did not lead to the definitive solution of the "peasant issue". Furthermore, the reform implementation encountered reluctances, generated by biased approaches to the subject in question. The aim of our paper is to present the difficult process of The Agrarian Reform adoption. We are also interested in outlining the immediate outcomes generated by the introduction of the new law. All those aspects included in the general context of the debates involving not only the issue of ownership, but especially that of the destiny of the reformed Romanian agriculture.

Keywords: Agriculture, Agricultural Exploitation, Agrarian Reform

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#### 1. Introduction

The First World War caused an aggravation of the "peasant issue", at the same time with a change of perspective related to this fundamental economic and social problem. The challenging evolution on the front line, the difficult situation in the territory under foreign occupation, the hardships of the refuge in Moldavia, but also the threatening spectre of the events in Russia presented the picture of a country in deep impasse. The only chance of recovery was that of a general mobilization, for all the Romanian politicians becoming clear that the stated structural reforms had to be implemented, their importance, in the given context, being vital.

## 2. Sections

## 2.1. Developments of the Agrarian Problem.

King Ferdinand himself, during an inspection carried out on the front line, on March 22, 1917, promised the peasant soldiers from the recovery divisions of Răcăciuni and Negri, for the first time, land: "after an introduction, with which he expressed his thanks for the bravery they had shown in the past and the hope he places in the future bravery, through which the country will be freed from its enemies, [the king] promised the soldiers that the land, for which they are fighting, will be theirs" (Averescu Al., n. y.)

The introduction of the agrarian and of the electoral reform implied the mandatory revision of the Constitution, in this respect, the national government, exiled in Yassy, submitting an amendment to the Parliament and the Chamber of Deputies. The project was approved after intense discussions, the revision of the Constitution being promulgated by King Ferdinand I on July 19, 1917. According to the new provisions, the property continued to keep its sacred and inviolable character, but the State had the right to expropriate, for reasons of public utility, legally established and accompanied by a prior compensation (Focṣăneanu, Eleodor, 1998).

Those additions made to the Article 19 of the 1866 Constitution paved the way for expropriations, which had to be applied in accordance with a certain arrangement. The cultivable lands of the Crown's Domains, of foundations and of legal entities were subject to expropriation, then the rural properties of persons residing abroad and of subjects of foreign states. Another targeted category was that of rural properties belonging to individuals, on account of which the expropriation of 2,000,000 cultivable ha

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was foreseen (about half of the arable land owned by the large agricultural exploitations), resorting to a progressive scale, the minimum intangible cultivable land being 100 ha.

Peasants were to buy the land they owned, paying in annuity bonds with an interest rate of 5%. It was also stipulated that the general and the special laws of expropriation should be drawn up without delay and be promulgated no later than 6 months after the territory's liberation. (Ionescu-Sisești, G., Cornătzianu, N., 1937).

Once more, the course of history proved against the agrarian reform, the conclusion of the armistice and Russia's official exit from the war negatively influencing Romania's situation and ultimately determining the signing of the Bucharest Peace by the conservative government led by Alexandru Marghiloman. In this new context, the regulation process of the agrarian reform was suspended. Moreover, on May 27, 1918, the compulsory labour law was applied, a law that stipulated that the peasants were obliged to immediately perform the distributed work, their cattle and tools being requisitioned for the benefit of the State. At the same time, severe sanctions were established against those who evaded these provisions. The implementation of the law met the resistance of the peasants, in many regions acts of disobedience being recorded. Considering the social tensions, Marghiloman's government presented, in September 1918, a new agrarian project, which became the "mandatory land lease law" of October 12, 1918.

Its author, Constantin Garoflid, conceived the realization of the agrarian reform in three stages, the first involving compulsory leasing, followed by the expropriation and leasing of land to peasant associations, and in the last resort, the sale of the land to the peasants (Ionescu-Sisesti, G., Cornătzianu, N., 1937).

The controversial initiative of the conservative government had no chance of success, political and military events, which culminated in the removal of the Marghiloman's government, the establishment of a new government on October 24/November 6, 1918 and the denunciation of the Bucharest Peace Treaty, bringing with it the automatic cancellation of all the measures taken by the conservatives. On this background, the agrarian reform was also brought back to the stage of the 1917 legislation.

The new government, installed on November 29/December 12, 1918 and led by I. I. C. Brătianu, established by decree-law the universal suffrage, also reaffirming the will to carry out the agrarian reform. Thus, the decree-law no. 3681 of December 14, 1918 legislated the general principles of expropriation in Romania, on December 15, 1918, a new decree-law, no. 3697, establishing the properties and the areas that were to be subject to total/partial expropriation. In the first category were included the Crown's Domains, the land of the Rural House, of all public or private persons and institutions, but also the rural properties of foreign subjects and of the absentees. The share of the 2,000,000 ha planned to be expropriated was completed by the partial acquisition of rural properties over 100 ha, according to a progressive scale, on the basis of which each owner was guaranteed an intangible minimum surface between 100-500 ha. The forests were exempted from expropriation and the subsoil became the property of the state. However, none of the decrees in question provided details regarding the appropriation, the regulation of this action being left to a subsequent special law.

Table 1: Progressive scale of partial expropriations in the Old Kingdom

Properties before expropriation (ha)	Proprieties after expropriations (ha)
Between 100-150 ha	Between 100-138,60 ha
Between 150-200 ha	Between 138,60-165,70 ha
Between 200-500 ha	Between 165,70-241,20 ha
Between 500-1.000 ha	Between 241,20-284,90 ha
Between 1.000-5.000 ha	Between 284,90-396,90 ha
Between 5.000-10.000	Between 369,90-500 ha
Above 10.000 ha	500 ha

Source: Ionescu-Sisești, G., Cornătzianu, N., 1937.

Once the expropriation process was completed, according to art. 37 of the decree-law no. 3697/1918, the Central House of Cooperation and Ownership, established by the law of December 31,



1918, was called upon to take measures in order to trigger the action of dividing the expropriated lands and selling them to the peasants. Supplements were also brought by art. 38. Thus, the expropriated land was not sold directly to the peasants, but was leased by the village communes, organized by the same Central House of Cooperation and Ownership.

Although initiated, the agrarian reform in the Old Kingdom experienced a slow evolution, one of the causes of delay being the justifiable need to avoid syncope in the agricultural production process.

It is certain that, until the spring of 1921, 40,879 ha of absentees, 90,115 ha of foreign citizens, 143,895 ha belonging to the state, 407,030 ha of institutions' land and another 1,553,547 ha from private properties were expropriated. All this land was gives for lease, entering the use and not the property of the entitled. Also, despite the clear opposition of the peasants to their establishment in communes, in 1919 2,644 such structures came into being, exploiting 2,135,414 ha, that was 7/8 of the expropriated arable land (Sandru, D., 1975).

The demand for restructuring was asserted not only within the geographical limits of the Old Kingdom. Equally, the agrarian problem came to the attention of the decision-making forums in the other Romanian provinces, the finding of solutions giving rise, in their case, also to intense discussions.

As far as Transylvania was concerned, the strong pressure of the peasants forced in the autumn of 1918 the adoption of a resolution in which, among the listed reforms, the ownership of the peasants was included, but only on the state properties. The agrarian reform was also mentioned in the program of the Hungarian National Council, the Minister of Agriculture, issuing a proclamation on behalf of the government, promising the agrarian reform. At the beginning of November 1918, the appropriation was announced by the Romanian Central National Council, point V of art. 3 of the Alba Iulia Assembly's Resolution providing, in turn, the endowment of the peasants with lots to ensure their existence, and in regions where arable land was lacking, with forests and pastures (Ṣandru, D., 1975).

By decree no. 3622 of December 11, 1918, the Governing Council of Transylvania was tasked with drafting the agrarian reform law. The final project was approved on August 2, the king sanctioning it on September 10, 1919. Accordingly to the law, the properties of foreigners, of moral, public and private persons residing outside Romania's borders, as well as the rural properties that were of particular interest to science, were expropriated in their entirety. However, the formulation of the decree was extremely convoluted. More precisely, the right of expropriation also applied to properties between 200 and 500 acres, without establishing a clear limit, in some cases being suitable for expropriation including the land of properties comprising 30 or even 20 acres.

Regarding Bessarabia, the Council of the Country promulgated, on December 22, 1918, the decree-law of the agrarian reform, by which the lands of the large exploitations were subject to expropriation. The owners could keep a maximum share of 100 ha. If the land had been leased for several years in a row, this share could be reduced to 25 ha.

A similar evolution was also registered in Bukovina, the General Congress incorporating the agrarian reform proposal in the proclamation of November 28, 1918. The peasant movements determined the acceleration of the reform process, the National Council of Bukovina elaborating in this sense the project with the title "General principles for agrarian reform". It supported the total expropriation of the institutions' land, of foreigners, absentees, outlaws, as well as those lands leased for 9 years in a row, before 1919. The radicalism of the law was also reflected in the progressive scale of expropriation, which was much more severe than in the Old Kingdom, as it went from 100 to 600 ha, above which only 250 ha were exempted. If the owner was not a farmer and neither were his parents, only 4 ha remained exempt from expropriation (Sandru, D., 1975).

#### 2.2. The Agrarian Reform. Specifications and Implementation.

The new land reform was associated with high expectations. According to the National Liberal Party, the agrarian reform was intended to contribute to the restoration, in new parameters, of this economic branch of fundamental importance, the agriculture of the post-war period being expected to



be provided with modern mechanical inventory, credits and selected seeds, essential factors of the intensification and the diversification of crops.

However, this transformation could not become possible within the large property, lacking the necessary financial means. Expropriation with compensation was, under these conditions, a possible measure aimed at compensating for this shortcoming and making available the sums necessary for the intensification of agriculture (Brătianu, Const. I.).

similar opinion was promoted by Constantin Garoflid, who appreciated expropriation/appropriation as a mean of generalizing capitalist-type relationships within the large exploitations. Precisely for this reason, the resolution of the agrarian problem was not limited to the simplistic solution of expropriation: "the scientific resolution of the social question cannot consist only in the distribution of current assets among as many as possible" (Garoflid, Const., 1920). On the contrary, the key to the agrarian solution was to be found in the intensification of production, that is, in "increasing the production of these goods, so that the sum of the values to be shared is greater, in order to reconcile both the legitimate gain of the factors of production and to satisfy the general needs of the State" (Garoflid, Const., 1920).

Under this aspect, the production of the expropriated land became a more important matter than the expropriation itself, all the more since the 2,000,000 ha in question belonged neither to the boyars nor to the peasants, but to the country itself, their exploitation being linked to export, therefore the financial situation of the State, as well as to the social condition of the Romanian peasants.

The idea of establishing a "healthy class of free peasants", laid at the base of the Romanian social organization, occupied a central place in the vision of the National Peasant Party. Despite a delayed official entry on the Romanian political scene, this party was "loud" regarding the agrarian reform. As it was natural for a formation with a peasant social structure, representing practically the politically organized peasantry itself, P.N.Ţ. promoted one of the most radical proposals regarding the agrarian issue, foreseeing "the entry of all estates into the hands of the peasants who work them, on prices that make it easier and not harder for them to get rich", as well as "restoring the old rights of the peasants to forests and meadows" (Scurtu, I., 2002).

Conformingly to their credo, the preliminary condition of any prosperous activity in agriculture was the establishment of an agrarian regime in which the land belonged to its labourers. Regarding the issue of production, it was considered that "the only form of property that, on the one hand, does not cause social conflicts, and on the other hand ensures maximum production is the small property", this being placed at the foundation of the agrarian edifice of the new production.

In December 1919, following the first elections based on universal suffrage, the government of the country returned to the Parliamentary Bloc, within which Ion Mihalache held the position of Minister of Agriculture and Domains. In this capacity, the peasant leader went on to draft an extensive agrarian reform project, the character of which exceeded the provisions of the decree-law of 1918.

The new project provided for the "expropriation per owner of all estates that exceed 100 ha of arable land, of owners who do not have a farm (household and own inventory capable of working their estate), of those disposing of farms being left to the extent of its development up to 250 ha in densely populated regions and 500 ha in sparsely populated regions". The expropriation, set at up to 2 million ha, was expected to be extended, in its entirety, to properties leased for 10 consecutive years. A series of pastures were also included, but the expropriation of the forests was not mandatory (Sandru, D., 1975).

The radical essence of the project, the opposition and the intrigues woven around it led to the fall of the government, the May-June 1920 elections being won by the People's League, which attracted the rural electorate thanks to the same promises made in connection with the agrarian reform.

In order to carry it out, the new government, headed by the charismatic General Averescu, adopted a series of decree-laws. Thus, on March 30, 1920, a new decree was established, in addition to the Presidency of the Council of Ministers, the Agrarian Committee, dating from April 30, 1920, establishing the local bodies charged by the Ministry of Agriculture with the transition to ownership. Also, the lease was abolished, at the same time the law of communal settlements was voted.



However, the government of the "peasant hopes" clearly avoided bringing before the Parliament the draft law on agrarian reform, as well as other draft laws that concerned stopping the sale of expropriable properties to individuals. All these procrastinations caused the rise of the peasants' discontent, the unrest in countless villages risking turning into a new 1907. Under the spectre of this threat, General Averescu inaugurated the series of provisional appropriations, and on September 22, 1920 he applied, demonstratively, the first furrow in the commune Gurbăneşti, from Ilfov county.

The social tension generated by these incomplete measures and the hesitant nature of the actions taken finally led the government to submit the agrarian reform law to the parliamentary debate, the content of which was drawn up by Constantin Garoflid, the Minister of Agriculture and the president of the Agrarian Committee.

## 2.3. Romanian Interwar Agriculture. Between Restoration and Crisis.

Beyond the theoretical framework, the interwar Romanian agriculture followed its natural evolution, its course recording sensitive oscillations between a relative stagnation and a reserved progress. Moreover, the problematic situation in this sector called for immediate normalization, the agrarian life being in ruins because of the war. The adverse effects of the world conflict were strongly felt in agriculture, a fact translated into the decrease of the cultivated land by about 40 %, from 13,692,058 ha, representing the average of the years 1911-1915, to 8,304,084 ha in 1919-1920.

The same downward trend characterized the level of production, in the case of the five main cereals (wheat, corn, rye, barley and oats), the production in 1922 covering only 2/3 of the average of the years 1911-1915. And with regard to domestic animals, the losses caused by the war were immense, in 1919 the total number of cattle being of 16,451,586, a percentage that did not exceed 59 % of the prewar average, when the reported number of cattle was of 27,874,295 heads. Although by 1921 the livestock increased to 80.2 %, the insufficiency of working cattle continued to be a serious problem (Bogza, V., 1975).

The difficulties encountered were reflected not only in the level of the domestic consumption, but also in the export possibilities, under the quantitative ratio, the country's export representing in 1919 only 2.5 %, in 1920: 33.4 % and in 1921: 60.8 % from the amount of Romania's pre-war export (Bogza, V., 1975).

To all this was added an acute shortage of labour force (the human losses suffered by Romania amounting to 800,000 people, most of them peasants), but also a weakening of the existing one. The picture of disorganization was completed by the destroyed agricultural inventory (the total loss of inventory was 30 %), the lack of seeds, supplies and the general ruin of households.

In this context, the reorganization of post-war Romanian agriculture appeared as a complicated operation, considering that it involved mitigating the damage caused by the war, but also eliminating some "consecrated" problems, caused by the land issue, or by the low productivity. Overall, the restoration of the agricultural sector was achieved gradually, crossing a series of distinct stages and suffering influences from internal and external stimuli. Especially the legislation of the agrarian reform constituted an essential element of the reform process, this involving the modification of the property regime, respectively a more uniform and fair distribution of the land.

Practically, following the agrarian reform, Romania experienced a radical transformation, turning from a "country of large estates" into a state of small peasant properties.

**Table 2: Distribution of properties (surface criterion)** 

Properties surface	Properties number
Under 5 ha	2.460.000
Between 5-10 ha	560.000
Between 10-20 ha	180.000
Between 20-50 ha	56.000
Between 50-100 ha	12.000



Between 100-200 ha	5.500
Between 200-500 ha	4.000
Above 500 ha	2.700
Total	3.280.200

Source: Ionescu-Sisești, G., Cornătzianu, N., 1937.

Despite the manifestation of some opinions that denied the usefulness of the agrarian reform, considering the immediate decrease of the cultivated areas, as well as the level of production and exports being a direct consequence of its application, it was no less true that there were also numerous favourable opinions, even stating that "the agrarian reform saved the agricultural production and saved us from the irremediable collapse of economy and perhaps from an even greater evil than this" (Ionescu-Siseşti, G.).

It was therefore appreciated that the transformation of the peasant into an owner constituted the essential spring of the Romanian agriculture recovery, succeeding in mobilizing him, as well as his empowering: "only by offering him the land, which he craved, the peasant was able to make an effort beyond normal human powers" (Ionescu-Siseṣti, G).

Gradually, the moment of initial upheaval was overcome, agricultural activity was resumed, and the decline of Romanian agriculture was stopped. One of the immediate outcomes of this normalization was the increase in cultivated area, an evolution proven, among others, by the figures in the table below. Based on these data, we can observe that in the period between 1921-1938, the arable surface experienced a constant increasing trend, even if the variations reported were sensitive. Thus, the figures indicated, for the years 1921-1928, an increase in the total arable area of 22.7 %, the percentage of land cultivated with cereals rising by 19.2 %.

A considerable development was registered by the areas intended for food crops, industrial crops and hay (about 60 % increase). Although the outbreak of the agrarian crisis caused a series of oscillations, the general trends remained broadly within the same parameters in the decade that followed.

Regarding the main cultivated plants, the phenomenon of cerealism continued to predominate, being considered the fundamental of peasant's agriculture. However, production registered changes, in parallel with the cereal monoculture system, the multicrop system developing.

Under these conditions, Romanian agriculture evolved from the "cerealist unilateralism" to a phase of alternating cultures, a phenomenon which, in the view of many Romanian specialists, was implicitly linked to the very assurance of prosperity.

Table 3: Cultivated ares (ha). Main crops. 1921-1938.

Year	Total (ha)	Cereals	Food plants	Industrial plants	Meadows
1921	10.392,9	9.146,6			
1922	10.688,3	9.444,4			
1923	11.038,1	9.618,2			
1924	11.731,5	10.210,6			
1925	12.269,3	10.471,6	434,2	400,8	571,5
1926	12.276,7	10.405,0	418,4	435,2	605,5
1927	12.448,4	10.540,4	435,2	379,1	656,6
1928	12.751,6	10.910,5	415,3	372,6	640,8
1929	13.011,0	11.222,5	424,5	365,8	648,3
1930	12.857,1	11.035,8	416,4	399,5	658,1
1931	13.486,8	11.504,3	481,7	354,7	691,8
1932	12.660,9	10.663,6	465,7	315,3	669,7
1933	13.189,8	11.059,3	473,3	335,7	737,9
1934	13.417,2	11.120,3	495,6	391,9	759,8
1935	13.866,0	11.525,9	486,6	495,4	774,5



Year	Total (ha)	Cereals	Food plants	Industrial plants	Meadows
1936	13.940,4	11.609,0	531,9	493,1	783,0
1937	13.887,8	11.513,8	525,9	508,6	742,4
1938	13.445,1	11.271,6	487,1	486,7	725,8

Source: Ionescu-Sisești, G.

The extension of the areas cultivated with food and industrial plants, as well as the production development, reflected the passage to an intensive agriculture. It was about "an inevitable, necessary and favorable evolutionary phenomenon", imposed by the technical need of maintaining the fertility of the land and the economic requirement for more varied products, but also a reorientation of the peasant, now interested in cultivating "what is required and what offers the highest profitability" (Ionescu-Sisești, G.).

Despite these evolutions, the recorded yields continued to remain inferior, this situation being largely due to a poor technical endowment, reflected by the Statistics of the Ministry of Agriculture and Domains from 1937.

**Table 4: The agricultural inventory (1937)** 

Agricultural inventory	Number
Plows	2.093.000
Harrows	1.246.000
Hoes	319.000
Seeders	42.000
Harvesters	55.000
Mowers	13.162
Thresings	3.257
Tractors	11.885
Carts and wagons	1.660.787
Hoes	8.000.000

Source: Madgearu, V., 1940.

The more intensive use of labor meant not only abandoning cerealism, but also increasing the number of cattle, as well as of the animal production.

**Table 5: Husbandry 1919-1923** 

Year	Horses	Cattles	Sheep	Goats	Pigs
1919	1.379.916	4.633.999	7.790.633	354.775	2.289.458
1920	1.485.200	4.729.766	8.689.996	499.922.	2.513.610
1921	1.686.728	5.520.914	11.194.047	573.900	3.132.004
1922	1.802.051	5.745.534	12.320.569	551.712	3.146.806
1923	1.828.129	5.553.871	12.480.967	584.647	2.924.603

Source: Ionescu-Sisești, G.

Nevertheless, the improvements were limited, this sector experincing the perpetuation of a certain "zootechnical regression", manifested not only at the numerical level, but also in terms of the quality of the existing animals, whose condition was deplorable: "both in terms of strength and production they [the animals] are completely pitiable. The horses made of straw and the oxen wintered outside under the open sky, in the spring you can slap their tails, the cows don't have a drop of milk, the sheep come out of the winter torn and bruised" (Ionescu-Siseşti, G., n. y.).



The poor condition of the animals was directly caused by the lack of adequate and sufficient food, as well as by the unsanitary character of the shelters, depriving the peasants of the precious help of these indispensable work tools, as well as of a direct source of food and clothing products.

Against this deficient background, the economic crisis of 1929-1933 occurred, its effects being all the more disastrous for Romanian agriculture, as it was fully confronted with the difficulties of a complicated reorganization process.

#### 3. Conclusions

Under difficult conditions: war, disorganization, inefficiency, social and political tensions, the complicated process of the agrarian reform finally came to an end, creating the legal framework conducive to the development of Romanian agriculture in new terms. Once the land ownership issue was solved, this sector entered a new phase of its evolution, further burdened by multiple inadvertences and contradictions.

It thus proved that the long-awaited agrarian reform did not automatically involve a miraculous transformation of Romanian agriculture, the land problem, despite its essential character, representing only one of the elements causing the practice of non-performing agriculture.

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