
STUDY ON THE APPARITION OF AGRICULTURAL COOPERATION

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Abstract

The concrete situation in Romania's agriculture in the period up to World War I, as in the interwar period, forced the emergence of organizational forms in rural areas. Thus, communities that are in fact co-operative for renting or buying land are emerging and developing. Small farmers could not work their land individually, because of the lack of machinery and financial resources, and that is why they associate with the communities. Through these communities, the way of processing the land improved, with the results getting better. Primary grain bursts have also emerged as a result of the association of small producers in the communities. This associative system in agriculture has expanded throughout the country, with an increase in the number of members and land rentals. Throughout the time, the communities have facilitated the possibility of selling and buying agricultural land and have been the prospect of the emergence of big farmers. As early as 1922, these communities became agricultural cooperatives with a large number of members, subscribed and paid-up capital, which contributed to the increase of agricultural and animal production. In Romania, as in other countries with a pronounced agrarian character, agricultural cooperatives have played an important role. Even in the phased period, the holding of agricultural land remained an associative, with the benefits stemming from it, although it was unacceptable because it held ownership of the land. In the period of the market economy, through the re-ownership of agricultural landowners, the effective form of work will remain the association and lease of land.

Keywords: *lease, associative form, agricultural land, cooperative, ownership*

JEL Classification: J54, P32

Introduction

In this article, the authors are conducting a study on how the form of association in the agricultural field has developed and developed. It presents the economic situation of Romania, which required the appearance of the communes, which formed the basis for the establishment of agricultural cooperatives. It is presented how the first associative forms appeared, as well as a territorial structural analysis. The provinces were at the beginning of land purchase and lease, and then developed into agricultural cooperatives. The study shows that the particular situation of the Romanian economy, with a pronounced agricultural character, has forced the emergence and development of this associative system. The article presents data on the situation of the Leaders of Lease and Purchase at different times. The agrarian reforms that have taken place over time have led to the dismantling of large agricultural properties, imposing the form of association, the only one able to ensure the organization of crops in efficient conditions. Through the popular banks the credit was secured and the first step in organizing labor in the agricultural field was made through the community. They represented a breakthrough in the development of agricultural production. Synthetic tables summarizing data considered relevant are provided in the article.

Literature review

Anghel, Anghelache and Marinescu (2019) analyzed a number of issues related to the emergence and development of the Romanian cooperative system. Anghelache (2018) conducted an extensive study on the evolution of Romanian co-operation and its contribution to the national economy. Anghel, Anghelache (2018) dealt with and synthesized the main aspects of the evolution of Romanian craftsmanship cooperatives, especially in the time between the moment of the Great Union and the present day. Bontems and Fulton (2009) analyzed how to organize in cooperatives. Galera (2004) presented aspects regarding the evolution of the cooperative form at international level, while Novkovic (2006) had concerns about the role of cooperative principles and values. Spear (2002) studied the advantage of cooperatives. Torres Pérez (2016) analyzed the core elements of the collaborative economy.

Research methodology, data, results and discussions

The purchase and leaseholds have played an important role in the emergence and development of agricultural cooperatives.

On the basis of the spirit of solidarity, awakened in the rural folk mass, new forms of cooperative societies appeared. Thus, towards the end of 1903, the communes appeared, which in fact were cooperatives for lease or purchase of land.

If the popular banks constituted a reaction against money-swathed speculation, the communities were a reaction to the speculation of labor made by the lessees.

The landowners begin to associate with the communities so that together they can work in better conditions on the earth. The lots were split by lot and no one could receive more than 10 hectares. The “citizen” was urged by the agronomist to work as well and as much as possible. The people gained superior results through rational work, rotation, quality seed, and with the loans granted by the People’s Banking Center, cattle, seeds and agricultural instruments were bought. The first cereals sale was organized with the help of the public. The chances have yielded results, becoming practical agricultural schools.

By Law of March 31, 1908, the Central House of the Popular Banks is moving to help and supervise the Lease and Purchase Communities. Since then, the communities have enjoyed all the advantages of establishing, granting loans, stamp exemptions and patents.

Situația obștilor, în perioada 1903-1910

Table 1

Year	Number of communities	Number of members	The area leased in hectares	Annual rent (lei)	Capital (lei)
1903	8	-	4.940	94.785	-
1904	16	-	10.557	256.025	-
1905	37	-	30.358	626.144	-
1906	68	-	54.681	1.611.428	-
1907	103	11.118	37.344	2.183.822	409.258
1908	172	23.236	133.227	3.628.063	852.163
1909	273	36.371	190.521	5.574.531	1.286.524
1910	347	45.583	248.340	7.762.871	1.954.118

Source: National Institute of Statistics, Statistical Bulletin of Romania, No. 2/1928.

The activity of the Central House in the leadership of the communities has increased the trust in them, from the villagers and the owners, who have begun preferring the communes instead of the lessees. Thus, on December 31, 1913, the situation of the people was as shown in Table 2.

The situation of the communists in 1913

Table 2

Indicator	lei
Number of people	495
Number of members	75.678
The surface leased in Ha	374.891,50
Lease	13.497.081,86

Source: National Institute of Statistics, Statistical Bulletin of Romania, No. 2/1928.

From Table 3 we find that the extent of the lands owned by private individuals represents almost half of the total extent of the estates taken by the public.

The situation of land leased

Table 3

State the leased area	39.883,75 ha
Counties common	31.786,06
Cultural institutions	148.394,21
Rural House	22.149,04
private	132.678,50
Total leased area	374.891,56 ha

Source: National Institute of Statistics, Statistical Bulletin of Romania, No. 2/1928.

After the expropriation, however, the villagers, for fear that they would not acquire the piece of land through the communities, left this system, which contributed to the regress of agriculture.

At the same time, agricultural cooperatives continued to appear, meant to fill the void left by the communities.

The situation of the ownership (allotment) communities on 1st October 1922

Table 4

No.	County	Ownership communities	
		Number of communities	Area (ha)
1	Argeş	78	27.601
2	Bacău	57	24.521
3	Buzău	66	84.114
4	Brăila	65	135.659
5	Botoşani	66	98.617
6	Constanţa	59	49.351
7	Covurlui	44	60.745
8	Durostor	-	-
9	Dorohoi	51	98.777
10	Dâmboviţa	84	36.074
11	Dolj	125	134.019
12	Fălciu	46	58.355
13	Gorj	59	85.981
14	Ialomiţa	117	207.181
15	Ilfov	125	113.546
16	Iaşi	57	75.727
17	Mehedinţi	93	61.999
18	Muscel	28	2.191
19	Neamţ	50	32.576
20	Olt	68	50.216
21	Putna	60	30.985
22	Prahova	93	33.315
23	Râmnicu Sărat	61	71.569
24	Roman	65	38.461

No.	County	Ownership communities	
		Number of communities	Area (ha)
25	Romanati	110	61.552
26	Suceava	56	28.626
27	Tulcea	12	1.468
28	Tecuci	51	44.971
29	Teleorman	142	151.384
30	Tutova	76	57.078
31	Vaslui	74	56.652
32	Vâlcea	49	7.287
33	Vlaşca	113	114.838
Total		2.300	2.135.414

Source: National Institute of Statistics, Statistical Bulletin of Romania, No. 2/1928.

The situation of the ownership communities is shown in Table 4, which reflects the structure of the counties. According to the number of inhabitants, the counties of Ilfov, Teleorman, Dolj, Vlasca, Romanati, Prahova and Mehedinti are the first places. All these counties rank first and in terms of surfaces. The exception is Braila County, which occupies an area of 135,659 hectares, being the third one in the counties of Teleorman and Ialomita.

The situation of the lease communities in 1922

Table 5

No.	County	Lease communities			
		Number of communities	Number of members	Area	Lease
1	Argeş	4	128	320	32.680
2	Bacău	1	40	235	25.000
3	Buzău	19	1216	7.601	312.083
4	Brăila	5	691	2.276	105.086
5	Botoşani	4	540	1.770	78.621
6	Constanţa	1	38	231	15.700
7	Covurlui	2	81	531	25.645
8	Durostor	1	44	-	19.700
9	Dorohoi	3	154	-	-
10	Dâmboviţa	5	787	1.162	108.711
11	Dolj	6	656	1.591	77.675
12	Fălciu	2	307	1.286	64.192
13	Gorj	-	-	-	-
14	Ialomiţa	5	811	14.978	217.965
15	Ilfov	10	2301	4.479	602.580
16	Iaşi.	2	190	190	30.088
17	Mehedinţi	1	153	259	15.966
18	Muscel	1	397	377	30.260
19	Neamţ	4	1334	742	40.100
20	Olt	1	52	350	10.128
21	Putna	-	-	-	-
22	Prahova	8	-	1.353	130.023
23	Rîmnicu Sărat	7	650	14.173	132.237
24	Roman	3	226	565	93.040
25	Romanati	5	1134	1.312	100.930

No.	County	Lease communities			
		Number of communities	Number of members	Area	Lease
26	Suceava	9	587	6.283	91.136
27	Tulcea	-	-	-	-
28	Tecuci	2	154	555	31.540
29	Teleorman	10	-	7.408	359.871
30	Tutova	2	376	399	30.673
31	Vaslui	2	-	670	22.615
32	Vâlcea	5	839	1.007	46.492
33	Vlaşca	6	1791	6.650	373.320
Total		136	15977	78.753	3.224.007

Source: National Institute of Statistics, Statistical Bulletin of Romania, No. 2/1928.

Table 6 presents centrally the situation on counties, after several indicators, analyzing the number of communities, the number of members, the area in hectares and the considered rent. In the counties of Buzău, Ilfov and Teleorman there were at least 10 communities. An important number of members existed in Ilfov (2301), Buzău (1216), Neamţ (1334), Vlaşca (1791) and Romanati (1134). The largest leased areas were in the counties of Rîmnicu Sărat, Ialomiţa, Teleorman, Buzău, Ilfov and Vlasca.

The analysis of the situation of the purchasing communities in 1922 shows that, according to the number of the communes, Argeş (11), Buzău (10), Suceava (7), Buzău (6), Dâmboviţa (6) and Muscel . The number of members was lower, with 719 members in Bacău, 471 in Buzău, 450 in Tecuci and 405 in Suceava.

The largest sold and bought areas existed in the counties of Dorohoi, Buzău, Bacau, Gorj, Tecuci and Teleorman. In 1922, 32,031 hectares were purchased, the total amount of transactions being 49,987,594 lei.

The situation of the purchase communities in 1922

Table 7

No.	County	Purchase communities			
		Number of communities	Number of members	Surface	Purchase price
1	Argeş	11	389	745	4.672.500
2	Bacău	6	719	3.037	4.067.000
3	Buzău	10	471	3.467	5.261.200
4	Brăila	1	20	203	284.000
5	Botoşani	5	-	-	-
6	Constanţa	-	-	-	-
7	Covurlui	1	139	183	183.000
8	Durostor	-	-	-	-
9	Dorohoi	4	153	5.732	7.424.949
10	Dâmboviţa	6	-	-	-
11	Dolj	-	-	-	-
12	Fălciu	1	-	940	947.800
13	Gorj	2	300	2.170	4.180.750

No.	County	Purchase communities			
		Number of communities	Number of members	Surface	Purchase price
14	Ialomița	-	-	-	-
15	Ilfov	2	-	150	1.412.500
16	Iași	1	-	-	-
17	Mehedinți	3	116	532	508.051
18	Muscel	6	330	1.874	4.792.690
19	Neamț	1	-	892	1.541.932
20	Olt	3	317	349	1.973.000
21	Putna	1	206	772	1.200.000
22	Prahova	2	120	180	315.000
23	Râmnicu Sărat	3	353	2.378	3.045.880
24	Roman	2	396	1.382	2.250.000
25	Romanați	2	-	200	-
26	Suceava	7	405	1.823	1.084.270
27	Tulcea	-	-	-	-
28	Tecuci	5	450	2.478	3.043.700
29	Teleorman	1	-	2.200	961.392
30	Tutova	3	37	253	437.980
31	Vaslui	-	-	-	-
32	Vâlcea	3	-	-	-
33	Vlașca	1	25	100	400.000
Total		92	5016	32031	49.987.594

Source: National Institute of Statistics, Statistical Bulletin of Romania, No. 2/1928.

Situation of agricultural cooperatives in 1922

Table 8

County	Agricultural Cooperatives			
	Number of communities	Number of members	Subscribed capital	Shed capital
Argeș	1	51	2.970	-
Bacău	5	191	180.900	18.550
Buzău	3	219	68.311	41.400
Brăila	28	2362	1.855.310	403.480
Botoșani	9	-	44.080	21.900
Constanța	-	-	-	-
Covurlui	2	-	-	-
Durostor	-	-	-	-
Dorohoi	6	142	45.500	13.945
Dâmbovița	3	59	38.700	9.810
Dolj	6	123	199.950	57.065
Fălciu	13	556	319.300	60.834
Gorj	1	73	27.500	8.040
Ialomița	7	328	290.045	126.870
Ilfov	2	60	123.650	25.550
Iași	-	-	-	-
Mehedinți	7	103	152.150	72.900
Muscel	-	-	-	-
Neamț	5	182	48.600	6.997
Olt	3	101	208.200	38.400
Putna	1	-	-	-
Prahova	16	1302	17.570.000	499.497
Râmnicu Sărat	3	31	165.900	30.300
Roman	4	81	79.250	36.400

County	Agricultural Cooperatives			
	Number of communities	Number of members	Subscribed capital	Shed capital
Romanați	5	165	162.900	31.720
Suceava	-	-	-	-
Tulcea	-	-	-	-
Tecuci	3	114	103.000	24.110
Teleorman	2	42	21.500	2.150
Tutova	-	-	-	-
Vaslui	4	72	39.850	5.505
Vâlcea	3	586	1.943.482	359.460
Vlașca	22	2070	1.153.500	264.090
Total	164	8092	24.844.548	21.161.753

Source: National Institute of Statistics, Statistical Bulletin of Romania, No. 2/1928.

In 1922, in statistical situations, the term „agricultural cooperatives” was underlined by the fact that the communes had a number of members that constituted the subscribed and paid-up capital. The most developed situation was in Braila (28 municipalities - agricultural cooperatives), Vlașca (22), Prahova (16) and Fălciu (13). The total number of members was 8,092, with a subscribed capital of 24,844,548, out of which 21,161,753. The situation is presented in Table 8.

In the agricultural countries, as was Romania, co-operation played an important role.

The agrarian reform, destroying the great property, could only be exploited by small crops, which had 80% of the country’s agricultural area. In order for the small property to yield the same property as the large property, it needed to be associated, and then, with the help of the cooperative, to be able to obtain the inventory necessary for the intensive crops and to organize its sales of the joint products.

If the popular banks were able to obtain the necessary credit for the villagers and if the commune had the first start of organizing labor in agricultural production, there was still another problem that the cooperative had to attack, namely consumption.

Conclusion

From the study on the genesis and evolution of the land buyers and landowners, a series of conclusions are drawn.

Thus, it becomes clear that the specificity of the Romanian economy, especially at the beginning, could only evolve under conditions of association.

The role of the community is important both in the rural organization and in ensuring the growth of animal and vegetable production. Land purchase and land purchase have been improved and underpinned the emergence of agricultural cooperatives, regardless of the period we are considering.

Nowadays, by re-spraying agricultural landowners under the land fund law no. 18/1991, there has been a disruption of the efficient land use. Therefore, the adopted legislation opened the possibility of developing associative forms and lease.

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