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# Adoption/adaptation of universal principles and mutual influences of organizational models among ethno-nationally biased cooperative networks inside inter-war Romania



## ABSTRACT

This paper identifies those elements that were common in all cooperative networks around the world by presenting the process of adoption of universal cooperative principles inside the provinces that were reunited in interwar Romania, while observing the mutual adaptation of organizational models among different ethno-cultural entities defined as minorities and the actual ethnic national majority. We operate methodologically according to a methodic circle that helped us to distinguish the historical sources of nationalist/nation-building rhetoric and the pragmatically achieved goals (balances). In case of cooperatives, we observed that constructive/interactive community-building goals and routine overwhelmed negative, reactive or even destructive nationalist goals. The latter did not reach the cooperative sector effectively or only remained dead letter on political manifestos and propaganda (boycott or sabotage) both in the prewar constituent period and the interwar era. Nevertheless, there was a continuous mutual (incongruent) influence among the neighboring networks, both in strategies, technics, architecture and organizational forms. This study tries to contribute to the research of the economic institutionalization and mobilization phase of nation-building as theorized by Anthony D. Smith and Miroslav Hroch by identifying those modern institutions, including savings banks and cooperative networks that assembled ethno-national entities into modern economic and market economy framework, while verifying the legitimacy or anachronism of using national 'bias' in case of these modern financial-economic institutions and cooperative networks.

## KEYWORDS

nation-building, economic nationalism, modernization, clusters, cooperative movement, federations, unions, embeddedness, Saxons, Suabians, Romanians, Hungarians, inter-ethnic relations, public goods, public investments, unification of legislation, economic-financial crisis, Great Depression, East-Central Europe, Transylvania, Austria/Hungary, Romania.

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Five historical provinces were reunited inside the interwar so-called ‘Greater Romania’ between 1918 and 1940: the ‘Old Kingdom’ was completed by Bessarabia, Bukowina and greater contemporary (20<sup>th</sup> century) Transylvania (comprising historic Transylvania, the southern half of Maramureş, Crişana and the Banat).<sup>1</sup> Each region brought a typical pre-existing juridical, institutional system, including several cooperative movements and financial networks, as well.<sup>2</sup> The country became a middle power along with neighboring Poland and as such their geopolitical and military role inside the anti-Russian “cordon sanitaire” overwhelmed their economic weight. Each of the newly reunited historical provinces’ area were great enough to be compared to a Western-European state such as the Netherlands, Belgium, Switzerland, to quote only those countries that sociologically were multinational even if they did not practice multilingualism as Switzerland. Romania, too, even if she signed the Treaty for the protection of national minorities on December 9<sup>th</sup>, 1919, did not practice language multiculturalism, the autonomy rights promised in the Treaty were not enforced by inner laws. On the contrary, a severe economic and political nationalism was used by all the political wings in order to homogenize the country.<sup>3</sup>

The aim of this paper is to present and analyze those cooperative networks that were inherited by interwar Romania together with her new provinces which at their turn comprised many other sub-networks all of them characterized by an own development-history. The official

<sup>1</sup> TBCM 1929.

<sup>2</sup> DOCAN 1943.; IONAŞCU 1942.

<sup>3</sup> LIVEZEANU 1995, 1998.

cooperative statistics inside Romania regarding the twenties and the thirties registered all these networks separately as ‘Romanian networks’ comprising regional branches, and ‘minority networks’ under these main subtitles.<sup>4</sup> As narrated in our former publications, these minority or regionally clustered ‘Romanian’ networks all belonged to and were inspired by the universal cooperative movement adopting its values and principles, but in the same time adapting them or more specific paradigms (the German Raiffeisen or the French models) to the local circumstances and they were whether initiated by the modern state administration (ministries or state-offices) or by other pre-existing institutes. Methodologically, we call them ‘promoter’ or ‘parent’ institutes. It is astonishing that we can observe a synchronic mutual influence of organizational models among the separately organized networks in a large Austro-Hungarian<sup>5</sup> and even in a wider East-Central European area.<sup>6</sup>

In retrospective we can say that all these networks appeared and developed in parallel and simultaneously in these 5 main historical provinces (Old Kingdom, Transylvania, Bukowina and Bessarabia during pre-war period (until 1913/8) and most of them maintained their organizational autonomy even during the interwar period (1918-1940).<sup>7</sup> The change of regimes and switch of roles altered some components of these organizational paradigms, but typical features remained the same: cooperative movements appeared and developed inside a wider institutional system inherently reproducing and disseminating its value-system. The spectrum of relationships the cooperatives sustained with their ‘promoter institutes’ comprised ‘self-help’, ‘help to self-help’, ‘state-help’ or ‘state-control’. These characteristics subsisted even under the interwar Romanian constitutional system that was permissive in offering a 15 years of transition period for all cooperative networks biased as belonging to a specific national minority.

The promotion of the cooperative movement by the pre-existing (elder) nationally devoted organizational system explicitly or endowed these cooperative movements spontaneously with a more or less ethno-nationally crystalized national character. Typically, five categories of institutions were consequently participating in the promotion of the cooperative movement: 1) commercial or savings banks, 2) agricultural societies, 3) ecclesiastical or cultural associations, 4) political parties or movements and finally 5) state or administrative authorities. As they usually existed before or in some cases appeared in the same time period, they eventually were not only donors but beneficiaries of the cooperative as well in the sense that cooperatives and agricultural circles by definition were to be an ideal school of grassroots democracy and as such were genuinely belonging to the people. That time, the slogans of ‘by the people – for the people’ kind were showing towards self-administration and self-government of little traditional communities that had for centuries their own group rules inside the territorial or village community, mainly in Transylvania, where – especially in Szekler village communes, the *communitas* in general, or more specifically the ‘commons’, the collective property rights were enshrined in early-modern archival documents assessing the pasture, co-ownerships, wood and forest administration, local habits, cleaning of valley or street channels inside the village and many other aspects of

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<sup>4</sup> ACR 1935; ACR 1939.

<sup>5</sup> SZÁSZ 1994.

<sup>6</sup> LORENZ 2006.

<sup>7</sup> HUNYADI 2016.

the local community norms. The economist historian Imreh<sup>8</sup> gathered and published all these Szekler village rules, norms of co-proprietorship comparing them to other traditional and historical group norms still used in 20<sup>th</sup> century Romanian provinces (as collected by interwar Romanian sociologists, Gusti, Herseni, Stahl around the *Sociologie Românească* review and the rural sociology school of Gusti).<sup>9</sup>

This paper focuses on identifying those universal principles and organizational models that were adopted and adapted by the cooperatives and their networks functioning inside interwar Romania. We also essay to distinguish ‘labels’ or ‘bias’ of cooperative ‘nation-building’ or ‘economic nationalism’ as well as the differences and nuances of these two terms as observed in prewar Austria-Hungary<sup>10</sup> and in interwar Romania. The distance between nation-building and nationalism comprises thus the ‘ethno-national help to self-help’ character of cooperative movements integrated in cultural national programs, on a side, and the administrative-state efforts to develop under its tutelage a cooperative productive and manufacturing branch along with the administration that would help any (i.e. the proper) national economy to diversify its mono-cultural (grain and corn) external agri-commerce and be more resilient in case of global commercial and financial shortages. Cooperatives of land lease and land/use were also destined to managing and equipping the newly distributed peasant plots after the Land reform executed since 1921 in all Romania.<sup>11</sup> Before reaching a national economy importance as a whole, on local level the units of the cooperative system proved to be adequate tools or channels for adult training. The movement as a whole at its turn seemed or proved to be a very adaptive network for any other functions the state (or the communities) actually needed.<sup>12</sup> These ‘national’ majority and ‘minority’ cooperative networks from interwar Romania’s provinces reproduced similar features in their internal structure. While state influence and competition for administrative resources reproduced inter-ethnic political conflicts, at the level of both the cooperative member- and leadership, there was a continuous intra- and inter-ethnic communication and mutual influence of organizational paradigms.

Besides these ethno-cultural and ideological similarities and confluences, part of them rooted in the same universal cooperative ideology, the cooperative networks were an important part of the state-system due to their commercial-manufacturing-processing and adult-training functions. Exactly for these polyvalent functions fulfilled were they more tolerated than other politically more exposed alternatives that did not have their own economic pillars and were not as deeply rooted in society as grass-root cooperatives had been.

Interwar Romanian sociology tried to identify those channels where the cooperative networks could contribute to the positive balance of commerce and export of the Romanian agricultural products, or at least to the adequate food supply of growing urban agglomerations. Regarding the economic and social impact, the social and geographical distribution of cooperatives together with the people’s banks (“banques populaires”- type credit unions, ‘bănci populare’ in Romanian), and the other type of cooperatives (agricultural processing and marketing)

<sup>8</sup> IMREH 1973, 1983.

<sup>9</sup> BSSC-ISR; SR.

<sup>10</sup> GOOD 1977.

<sup>11</sup> MITRANY 1930.; CARTWRIGHT 2001.,

<sup>12</sup> BRUCMÜLLER 1977.

economic or industrial cooperatives on the everyday life or their contribution to the Romanian national economy, economic historians rely on four type of sources: 1) registers of companies; 2) official statistics, annuals; 3) contemporary rural sociology; 4) memories of the organizer personalities, leaders or members.<sup>13</sup>

One can rarely find precise data regarding the market involvement of cooperatives in interwar Romania, the few exceptions remaining some papers of A. G. Galan, A. Golopenția and Gr. Mladenatz.<sup>14</sup> All the other authors usually betray ideological perspectives or offer only macro-analyses above the whole system. That is why we must enter some specific local rural or urban communities in order to see how one, two or three cooperative units lived together in the same place while serving different ethno-linguistic or denominational-ideological communities cohabitating the same town or village.

If we take into account the official labels as used by the *Annual*<sup>15</sup> of the *Romanian Cooperation*, both editions, Romanian cooperatives were ordered in different types of cooperatives (I. credit coops or people's banks; II. consumer, collective purchase or selling and agricultural coops; III. production coops, IV. forest exploitation and finally V. land-purchase (obști de cumpărare) and VI. land-lending (obști de arendare) cooperative communities), subsequently sub-clustered in regional divisions according to their historical province or geographical region of which their official names came from: Ardealul (Transylvania), Banatul (the Banat), Basarabia (Bessarabia), Dunărea de Jos (Lower-Danube), Moldova, Moldova de Nord (Northern-Moldavia i.e. Bukowina), Muntenia, Oltenia. What is surprising is the lack of Maramureș and Crișana in denomination.

The second part of the annual listed the so-called Minority Cooperatives as following: 1) Hungarian cooperative societies affiliated to the "Alliance" Union of economic and credit cooperatives from Cluj; 2) Hungarian cooperative societies affiliated to the "Ant" (Hangya) Consumer and Marketing Cooperatives' Union from Aiud; 3) German cooperative societies affiliated to the Federation of German Agricultural Cooperatives from Bukowina in Cernăuți/Cernowitz; 4-5) Saxon credit and consumer cooperative societies affiliated to the Federation of "Raiffeisen"-type cooperatives in Sibiu German Agricultural and last 6) Agricultural Cooperatives affiliated to the German Cooperatives' Union from Timișoara/Temeswar.

The next edition of the *Annual* kept the same clustering of the so-called 'minority cooperatives', subsuming all the Hungarian (I.) and the German Cooperative societies (II.) in a common chapter dedicated to all minority cooperatives while maintaining the sub-clusters according to the Unions or federations. The I. A. and I. B listed the Hungarian cooperative societies, while the II. A., B. and C. subchapters listed all the Saxon and Suabian cooperatives, respectively according to their type: a) credit; b) common purchase and marketing; c) production subdivided in c1) forestry and c2) dairy coops; d) other diverse. The Suabian cooperative societies were listed in the same subdivisions. Subchapter C. listed the credit cooperatives affiliated to the German Cooperative center from Cernăuți.<sup>16</sup> Romanian cooperatives of first grade (local coops) were listed in the first Part of the Annual according to the new 1938 administrative divisions (ținuturi,

<sup>13</sup> GOLOPENȚIA 1939.; MANUIȚĂ 1940.; ROBERTS 1951.

<sup>14</sup> MLADENATZ 1928.; GALAN 1935.

<sup>15</sup> ACR 1935, 1939.

<sup>16</sup> ACR 1939. 507–616.

administrative regions) of Romania, that transcended the traditional boundaries of the historical provinces (for example the Szekler county of Trei-Scaune and the multinational Braşov county was drawn into the Bucegi Region (Ținutul Bucegi) along with 8 other counties including the surrounding of the capital-city, the ILFOV county, too). Thus, since all the Romanian traditional provinces were dismantled in the administrative centralization of 1938, the cooperative unions were also suspended in the case of Romanian cooperatives and all of them started to belong to the INCOOP, the National Institute of Cooperation. Minority cooperative federations paradoxically were exempted from this administrative centralization in this case, too, as a prolongation of the 15 years of tolerance they were granted earlier in 1923 by the Law on the Unification of Cooperation and the subsequent legislative acts, too.

We can state that ethno-national cooperative organizations were more resilient to the very frequent administrative reforms practiced by the even more frequently changing Romanian governments or they were not in the frontline of the political fighting regarding the governmental/administrative influence ('tutelage') or dominance above mass-organizations as fiefs of different political parties. As the foreign experts (Charles Gide<sup>17</sup>, Marius Gormsen<sup>18</sup>) and critical economists and sociologists (Galan, Golopenția, D. Gusti, V. Madgearu, I. Mihalache, Gr. Mladenatz, Șt. Zeletin) observed: the immense political infiltration and direct influence over cooperative organizations in prewar and interwar Romania was characteristic for both periods and was inherent since the state participated—at least and mainly in the Old Kingdom—in the creation, financing and training, coordination-control of its cooperative quasi-administrative sub-system since its beginning and as a consequence the Romanian governments and the public sphere remained always concerned about the exaggerated political exposure of the cooperative sub-system. Since new provinces brought their own legal, institutional system inside the so-called Greater Romania, it proved very hard to unify all these different legal and institutional systems.<sup>19</sup>

Interwar Romania gained a lot of natural and human resources by reuniting Bessarabia, Bukowina and greater Transylvania: the country's surface/area more than doubled. The number of cooperatives on the territory of Romania (Old Kingdom in 1912, Romanian all in all in 1921) also almost doubled, rising from 3813 in 1912 to 5032 in 1921, out of which 2942 (75.1%), respectively 3211 (63.8%) belonged to ethnic Romanian credit cooperatives having 563.270, respectively 705.150 members. These numbers peaked in 1928 to 8165 (out of which only 58.1% were belonging to ethnic Romanian credit cooperatives summing up 1.013.970 members). Due to the economic and financial crisis and the subsequent policies (moratorium, conversion of debts) the number of credit cooperatives in Romania decreased to 6566 (4525 Romanian coops) in 1938 and 5831 (3731 Romanian credit coops) in 1939 (respectively 975.130 and 801.822 million 'Romanian' members).<sup>20</sup>

The overall Romanian total for all types of cooperatives belonging to Romanians and minorities as well fluctuated between 8053 in 1936 with a total membership of 1.437.216 distributed on historical provinces as such:

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<sup>17</sup> GIDE 1927.

<sup>18</sup> GORMSEN 1945.

<sup>19</sup> SACHELARIE – GEORGESCU 1968.

<sup>20</sup> ER IV. 1943. 638.

Name of region	Absolute number of coop. members	Proportion to 1000 inhabitants	Whole population (thousands)
Old Kingdom	898.649	94	9.833
Bessarabia	114.437	37	3.148
Transylvania	387.611	67	5.852
Bukowina	36519	40	917
Entire Romania	1.437.216	74	19.750

Even if manipulated statistics tried to show that the highest level of cooperation was in the Old Kingdom, an error (a vitiated number, the total for Romania figuring 3766 instead of the real 8053) helped the editor to make a distribution of the total population of Romania by this error number, 6.766, thus resulting 2.919 inhabitants for a cooperative, instead of the real 2.452 inhabitants (that would have shown better) on average computed for the total population of Romania. The Romanian Encyclopedia published also a map with the Proportion of cooperators to the total inhabitants of the counties in Romania in 1938; one of the densest cooperator rate was in Odorhei/Udvarhely county, a vast majority Szekler inhabited county, the same proportion interval (13.6-18%) shown by Vâlcea and Argeş counties, too.<sup>21</sup> Suabians populated Timiș/Temes county were also densely cooperatively corporatized (11.1-13.5% of the population).

Name of region	Whole population (thousands)	Nr. of members	Number of Cooperatives	Proportion of members for 1000 inhabitants	nr. of inhabitants for a coop	By error/vitiated number in the ER IV, p. 638.
Old Kingdom	9.833	898.649	4673	94	2.104	
Bessarabia	3.148	114.437	764	37	4.120	
Transylvania	5.852	387.611	2274	67	2.573	
Bukowina	917	36.519	342	40	2.681	
Entire Romania	19.750	1.437.216	8053	74	2.452	2.919

Compared to other states, Romania occupied almost the lowest ranking together with Hungary and Bulgaria regarding social penetration and geographical distribution of rural cooperatives as against the number of rural exploitations/farms/.

<sup>21</sup> ER 1943. 637.

Country	Rural cooperatives			Credit coops	Peasant exploitations	
	Nr. of coops	Nr of inhabitants/ coop	Prod and marketing coop percentage	Capital on coop member	active capital/ per hectare	Brut income per hectare
					<b>In Golden francs</b>	
Switzerland	8363	482	93,3	5883	7748	1258
Denmark	6725	523	100		3247	1115
Germany	36359	1749	45,8	1264	2750	676
Czechoslovakia	11029	1318	46,9	1152	2699	
Poland	16349	1860	59,9	232	2253	340
Yugoslavia	6294	2111	36,9	428	n.d.	n.d.
ROMANIA	3879	2618	29,9	220	756	266
Hungary	2905	2952	65,1	496	n.d.	n.d.
Bulgaria	1944	3936	20	328	n.d.	n.d.

Source: ER IV 1943. 638.

In this European comparison the analyzer was able to see the worse situation of Eastern-European peasant societies (see the books of Daniel Chirot) in their market integration tools and capital directly proportional with their scale of cooperative distribution and social penetration in rural areas.

The main motivation for the leaders of cooperative movement in Romania in the prewar era, especially for Spiru Haret, minister for Cults and Education at the turn of the centuries, was to offer a tool and create a forum for the peasants to raise their awareness, their training, cultural and agricultural knowledge on local grassroots level, while on the second upper level, cooperative units could cooperate in order to organize themselves collectively for joint procurement of equipment (machinery), inputs (seeds, fertilizers) and most of all, credits for which the members were to be responsible collectively, too. During the application of the 1921 Land Reform cooperatives gained a new 'idealized' but empirically very rarely well-functioning role: that of collectively administering rented land-parcels, or at least collectively purchasing (if not using, since it approached Communistic or softer National Peasant Party ideals) inputs, and equipment. In this perspective, contemporary analysts, economists approved that collective work did not fit the peasant mentality and work habits. Even in the USA and later in Western Europe, it was only after the Great Depression, during the Agricultural Adjustment Act New Deal and after WWII due to the European Recovery Program (Marshall Plan) that agricultural machinery using cooperatives (CUMA, Coopératives d'Utilisation Matériel Agricole) appeared (in France, the Netherlands), mainly due to governmental and Marshall plan funds awarded, but this happened in a chronic food-penury post-war period when it was salient to solve the problem of urban



alimentionation by targeted investments in food production agriculture.<sup>22</sup> Back in the prewar and interwar period the most collective investment used to be the cooperative buying and collectively running a steam threshing machine. Other (rare) best practice was buying out a sold/bankrupt business and taken off in a cooperative format. This happened for instance in Székelykeresztúr/Cristuru Secuiesc) where the Friedler company was bought by the neighboring Szekler population and continued to function as a cooperative flax and hemp processor plant. Romanian population owned the biggest Forestry cooperative from Romania, the Regna in the Carpathian Mountains (in Bistrița county). Bigger investments like pools in Canada remained a state task that was hardly accomplished due to the continuous financial shortages and mainly because of the Great Depression's effects on East-Central agrarian states. Yet, there were governmental plans to build silos and warehouses not only in the main maritime port, but in the most important railway crossing points, cargo stations.<sup>23</sup> An example of this kind remained Nagyenyed/Aiud where in the proximity of the railway station several logistic centers were built already before WWI (ice factory sleeper soaker), a cooperative modern (Jugendstil) functional warehouse, all of them connected with operational wing railway to the main station for a well-oiled fast operation. Nowadays, more than 110 years since their building, only the cooperative warehouse exists again in the property of a local consumer cooperative, after 40 years of communist usage after 1948 nationalization and after 33 years of sinuous privatization process since 1990.

Along with crisis adjustment acts, moratorium and conversion of debts, the states tried to invest in large and efficient public goods such as ports, logistic hubs, transportation channels, especially in agrarian states to raise the national economies' resilience. New warehouses built in the neighborhood of train/stations should have exercised a catalyzing power in the direction of little farmers pooling in bigger associations, like 'pool' cooperatives in order to raise their purchasing power and revenues.<sup>24</sup> These warehouses were especially conceived and architecturally planned in a pragmatic technical style in order to be able to receive or to send different goods, wares on train, chariots and later trucks. Cooperatives thus were reached directly from the trains-stations and their nearby warehouses and served local coops at lowest prices by delivering goods to more remote destinations, too, on the wheels of chariots or soon by the proper car fleet of the network. Distribution of consumer goods, including exotic trades (coffee, cane sugar), combusting materials, kitchen tools and clothing, just like the expedition of heavier tools and equipment (harnessing, threshers, ploughs) was made via the regional warehouses distributed proportionally in the country located mainly in bigger infrastructural centers, crossroads, cities, thus available for the geographic surrounding, too.

Most of cooperatives functioned in villages, fewer in towns, since towns were traditionally and previously supplied by the surrounding farmers, then by commerce. The urbanistic modernization plans, including the building of modern market-halls in the capital city or the public investments in municipalities (public slaughterhouses in almost all county centers) encouraged farmers to organize themselves in joint marketing cooperatives (ex. Magyar Gazdák Vásárcsarnokellátó Szövetkezete, the Market-Hall Supply Cooperative since 1898, but that was owned mainly by big and middle landowners).

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<sup>22</sup> TRACY 1989.

<sup>23</sup> ER IV. 1943. 642–650.

<sup>24</sup> MACPHERSON 1979.

Regarding the legal forms and the liability issues of cooperatives, it varied definitely almost in every region and was mainly framed by national legislations. What went well according to the Raiffeisen principles in the Western areas (unlimited liability), did not went well every corner of Eastern and Central Europe: here the legislation maximized the liability to five times the capital subscribed in the credit union or in the popular bank.<sup>25</sup> That was meant to safeguard cooperatives from free-riders and the whole juridical system from trials and problems as the communities were not strong enough to exclude free-riders. State was interested in social peace and put emphasis on the revenue-multiplying potential of cooperatives and as a second effect the raise of tax base or employment, before reaching the national economic level of raising the external commercial balance of the state, yet this third public good goal was too far from Eastern European agrarian state realities and remained only ideals of government programs.

Liability issues were only important from the perspective of credit potential and warrant offered by members collectively. Only Transylvanian Saxon communities and some Suabian agricultural credit cooperatives were able to practice unlimited liability inside their Raiffeisen'schen Spar und Vorschuss-vereine (Savings and Advance Credit Unions). Their membership belonging to a relatively homogeneous ethnic and denominational community permitted them to approve only those credits that were asked for by their kin-persons belonging to the same confessional group, parish or neighborhood ('Nachbarschaft'). Embedded in a financial-economic cluster, these cooperatives had the potential to raise more money (savings) locally or apply for more credit inside the cluster, from the parent financial institute (HAS, Albina) which in general promoted the creation of a credit cooperative network. Most of these parent institutes appeared, created and promoted cooperatives as their grassroots almost in the same years or decades in the case of Saxons, Romanians and Hungarians (around 1885/1886 and in the aftermaths). Agricultural societies, too, expanded their cooperative propaganda also quite in parallel. Thus, after each national minority entity in Transylvania had – apart from pre-modern ecclesiastical and schooling system – a proper modern scientific, cultural, touristic, agricultural society, the time arrived to build a proper financial and a connected cooperative network, as well. This financial and cooperative network promoted by the preexisting stakeholders was destined at its turn to donate for similar (national or cultural targets) and contribute financially or by other means (employment, subsidies, social mobility) to the well-being of the national community.<sup>26</sup> There was a trend towards reaching a holistic institutional system disregarding of being in a national majority or minority situation. This nation-building ideal met the cooperative universal idealism of having reached the highest possible level of cooperative social penetration and geographical density. Contemporaries assumed that their organization would attain the optimum when reaching the most of their ethnic fellows and building up each sector (agriculture, finances, cooperatives, commerce) of economy interrelated inside "our own institutional organism". This holistic proper organism could develop such national programs that in case of Saxons replaced state-institutions in the field of land-buying and parceling, colonization, beware of war-orphans and widows (during WWI), or more general duties, like representation and defense of interests, adult education, raising welfare (sanatoriums, baths) or diversification of urban and rural economy, food-supply for tourist centers (Borszék, Tusnádfürdő) or cities with dairy products ('Transylvania' branded butter). The most long-standing achievements were the

<sup>25</sup> IEDA 2001.

<sup>26</sup> DOGAN 1993.

urbanistic projects: so-called Vereinhaus-buildings, polyvalent People's Houses ('Népház') were erected as joint investments of different local cooperatives, the parish, the forest or pasture coownership and the agricultural circle, sometimes together with the political-administrative commune, each of the parties signing and holding approximately 20 to 25% of the total investment. These versatile buildings (e.g. Talmesch, Nagytalmács) housed thus not only the consumer cooperative together with its warehouse and the cooperative shopkeeper's service apartment, but the credit cooperative's office, too. The a Vereinhaus in an another Saxon village was built to house a theater or dancing house, too. A usually offered rooms for the credit pulpit, a consumer cooperative together with warehouse and or another People's House in Homoródszentpál was compartmented in more than ten pieces, each of the commune's NGOs (besides the already mentioned ones, the youth organization and the library, too) receiving at least one functional room, while the trapezoid corner building's middle was reserved for the theatre circle and the village choir. Shortly, cooperatives participated in the process of urbanization of villages, too.

## MUTUAL INFLUENCES AMONG COHABITATING NATIONAL ELITES AND COMMUNITIES IN TRANSYLVANIA

The Romanian community living in the neighborhood of the Saxons adopted several organizational models both from the universal cooperative principles and from the neighboring communities. Szekler and Hungarian speaking communities too seemingly paradoxically from political point of view, but from a social bottom-up perspective in an understandable way always watched the organizational models of Saxons, adopting and adapting many tricks, methods, technics. On eof the agrarian clerks who served as a consultant officer in Udvarhely county during the Szekler/Transylvanian rural development program coordinated and financed by the Agricultural Ministry of Hungary in the prewar period (1902–1918) wrote and published a book about the agriculture of the Transylvanian Saxons.<sup>27</sup> Study trips were organized from Szeklerland and other counties to visit best-practice small/holdings, farms and agricultural schools and plants run by Saxons (farmers, cooperatives or the Saxon community in general). Rural farming buildings' architecture and technics (manure pit) were also emulated and 'stolen' 'imported' to Hungarian, Szekler and Romanian holdings.

Why were the Saxons so paradigmatic for the neighboring people? Saxons benefited of collective autonomy since the early 13<sup>th</sup> century (Andreanum) and this autonomy was enshrined in royal decrees since the 15<sup>th</sup> century by King Matthias in form of Universitas Saxonum that survived 4 centuries in form of 'Nationsuniversität'. During the Reformation, the whole Saxon community coagulated a single protestant church called: 'Ecclesia Christi Nationis Saxonum' based on reformer Honterus' work: *Kirchenordnung aller Deutschen in Siebenbürgen*.<sup>28</sup> More than half of the pastors who learned at German Universities had a second diploma next to the theological university, in more practical fields like medicine, law, science, agricultural or veterinary studies. All these characteristics along with the commercial and tariff monopolies awarded to the big Saxon cities favored the very early integration into the market economy of that time.

<sup>27</sup> DORNER 1910.

<sup>28</sup> MYSS 1993. 236–237., 469–478

The Sierbenbürger-Sächsische Landwirtschaftsverein established in 1845 had also a very decentralized structure (Bezirksvereine and Orstvereine) and was very active in intensive adult training, organization of fairs and exhibitions. After the Saxons lost their collective autonomy in 1876, the political frustration was transformed into a proactive political strategy oriented towards the self-government by self-organization of the own entity: so-called ‘Sachsentagen’ and ‘Vereinstage’ were held, where all the Saxon organizations met once a year, including the ‘Spar- und Vorschußvereine’, too. More specifically, some personalities interconnected most of the important institutions, thus it was easy to mobilize. Karl Wolff for example was the lawyer and politician (Member of the Parliament) who in the same time was the Curator of the Evangelische Landeskirche, the general director of the biggest Saxon Bank, the HAS (Hermannstädter Allgemeine Sparkassa, General Savings Bank from Sibiu), and the initiator-founding father and president (Anwalt) of the Union of the Raiffeisen-type Cooperatives (Verein Raiffeisen’schen Spar- und Vorschußvereine’).<sup>29</sup> Saxons also administered three famous agricultural schools in Transylvania and many of them were very well trained. All these features destined them to be a model for the other cohabitating neighboring nations almost in all fields of life.

All this emulation was thus a regional adoption of universal or more specifically Raiffeisen-type cooperative principles and both a process of adaptation to the local context and target public.

Transylvania, the principality and historical province which adopted a law on confessional tolerance and self-government, was thus anthropological laboratory for the intercultural confluences, for observing processes of cultural adoption and adaptation, mainly on economic and civic organizational terrain. The cooperative movement itself consisted of a human community centered ideology moving a whole toolbox of human and material resources managed in a specific way to be utile not only for a narrow circle of shareholders but for a larger community of stakeholders. Not only declaring, but practicing cooperation among cooperative units and other civic organizations, this movement proved to be a social organizational paradigm that fostered win-win situations and strategies rather than win-lose or on the long term lose-lose conflictual behavior. Was it true for the interethnic relations, too? – should the researcher ask himself by looking at those cooperative institutionalized networks that developed throughout Transylvania and Romania before and after WWI in a multinational-multiethnic context. We suppose that while political fight manipulatively accentuated interethnic conflicts, everyday commercial life and the ‘Alltagsgeschichte’ of bottom-up, grassroots movements as the cooperative networks fostered instead of conflicts mainly the parallel peaceful civic connections and relations both inside local communities and the more distant commercial and financial exchanges between communities belonging to different cultural or ethnic origins. In this perspective, we would like to distinguish between interactive or constructive nation- or community building and reactive-reactionary, destructive nationalism. In order to be as objective as possible, we proposed a methodic circle to be used during the historical narratives over the subject and during the process of identification, analyzes and interpretation of historical sources. If we adopt this economic sociological method we certainly would not run into anachronism when using notions like “economic nationalism”, interactive or constructive nation building, reactive or destructive nationalism. These kind of terms were not only used by contemporaries but details were given and strategies were designed and sometimes even implemented in order to give life to all these socio-economic policies.

<sup>29</sup> SCHULLER 1910.

The influence of the Raiffeisen model on whole Europe, including Central and Eastern Europe, too, including Austrian peasant communities, Polish, Romanian, Hungarian rural communities, as well. Economic and social historiography shows that each region had a person who personally visited or corresponded with Fr. W. Raiffeisen until his demise in 1888, like Micha von Merheim in Lower Austria.<sup>30</sup> Raiffeisen's economic writings, his main book was translated already during his lifetime both in Hungarian and soon in Romanian, the latter being done by a Transylvanian Romanian agrarian economist, Aurel Brote.<sup>31</sup> At the Agricultural Congresses of the mid-eighties, including the Budapest 1885 agricultural congress, greetings were transmitted to Raiffeisen and his letters were read for the plenary of the congress. Above all, Raiffeisen principles were adopted by some entities without changes, others adapted them since the legislation was more sceptic with the unlimited liability of members, thus most of the cooperatives were only permitted to function with liability five times the shares

As a swallow does not bring alone the spring, thus a cooperative or some don't bring well-being, but embedded in a former or pre-existing institutional network (e.g. the local neighborhood called *Nachbarschaft*) the whole network could become more resilient in face of crises. I call them promoter or parent institutes, just like the contemporaries did, when they designated a savings bank (e.g. the HAS) as "Mutteranstalt" since "she" promoted the creation of local savings and advance cells in form of cooperatives.

Similarly, based on cooperative principles and the logic of economy, for instance, from the perspective of risk, the larger the basin of the cooperative network, the better assured were the savings sources or the lower the risk of natural phenomena hitting synchronically the whole area/basin of that insurance network. Thus, there were years when the amount of savings deposits was higher than the credit asked and taken by the membership. The same happens in case of insurance risks comprising insurance of produces, buildings (houses, stables) against fire, lightning, hailstone. The first local "fire- and hailstone insurance union" was established early in 1840 in Tordaszentlaszlo/Sāvādisla in a Hungarian community but it was not embedded in a larger network so it remained weak until it was integrated in a larger network. On higher, regional level, general insurance companies were established on the basis of this logic. The earliest of these insurance companies, the Transsylvania Versicherung Aktiengesellschaft was initiated and established by the Saxon elites and institutions in Sibiu in 1868. Romanian employees working as agents of this company succeeded in adopting and adapting these ideas and organizational model, establishing one of the first "Romanian" bank-institute 4 years later, in 1872, called the Albina (the "Bee"). We can nominate Viasarion Roman who started his career as a rural teacher but after a 4 years apprenticeship at the Transylvania Versicherung he became the director general of the Albina Credit and Savings institute founded in 1872. Later this financial institute became the strongest "Romanian" bank and a kind of Mutteranstalt for many other local institutes in form of stock companies ("Aktiengesellschaft") or having cooperative statutes.

But now, methodologically, may we use ethnic or national bias in case of banking or savings institutes, cooperative movements? As stock companies in theory stock owners are anonymous but this was not the case in that time, since the public opinion knew well who were the main shareholders in these banks. In a cooperative unit finally all the members were nominated

<sup>30</sup> STÖBRITZER 1986.; BALTZAREK 1986.

<sup>31</sup> BROTE 1895.

shareholders and all members of that local or confessional community. Annuals also published the whole name-list of directory board and supervisory board and the director general's name, too. Thus, methodologically<sup>32</sup> we can aggregate a whole cluster of persons who personified the interlocking of different institutions (civil, ecclesiastical, political, administrative or other type) on a side. On the other side, these network of banks and cooperatives themselves created their own published official organ declaring themselves as belonging to the same ethno-national group explicitly by entitling their own annual as *Romanian Compass* early in 1893 and later on the *Annual of Romanian Banks* 1900-1918/20. This ethnonym designated thus the Romanian affiliation of all those banks, cooperatives and other commercial companies that were described in those annuals. The language used primarily or exclusively in these units, both banks, cooperatives and reviews was also ethno-characteristic. Since this network decided collectively to sponsor ethno-national, cultural-educational goals, we can already determine the target public and the target-goals of them and once the target public is determined as 'Us' ('We') Transylvanian Romanians or the Romanians from Hungary and Transylvania, and the target goals at their turn are formulated in the way that: the bank directors decided (since 1899) to offer 1% of their annual profit for publishing a common Romanian financial review, materialized in the *Revista Economică*, two years later another 1% for sponsoring the ASTRA, I think it is obvious that these bank leaders were proud to be Romanians not only declaratively, but practically, too. Later on, these banks and the cooperatives assisted by them registered in 1907 at the court of justice a proper self-auditing center, the "Solidaritatea" cooperative that had three official denominations but it used the Romanian as an inner communication language. Saxon institutions, too, registered their own audit union as a cooperative under the name: Revisionsverband der Provinzkreditanstalten earlier, in 1903. Even if there are not ethnonyms at this level, that would be redundant and unusual to deliberately and explicitly add a German or Romanian ethnonym to a professional-financial union. "The most important things are invisible for the eyes" would say the Little Prince. What seemed important in 1893 or 1900 became self-understood a decade later or we could say that the function became more important than the ethno-cultural aura. On the other hand, the field was already saturated by national institutions, mainly on literary and cultural level, a sector that was efficiently not only declaratively sponsored by all those banks that were interconnected first, since the 1890s in an informal Conference of Bank directors (Austrian inspired "Direktorskonferenz") and by common commitments (1+1% Kulturprozent since 1899/1901) and other common projects, finally by this common audit center registered officially. One can observe thus a clustering of institutions, persons and elites interconnecting them. Personal unions and interlocking directorates, share-owners can be thus designated as stakeholders belonging mainly to the following subsuming community of interest or values: Transylvania, Germans or Romanian from Transylvania or Hungary. Cleavages were surely there inside a Romanian community of almost 3.5 millions: Greek-Orthodox and Greek-Catholic church, passive and active politicians were the major distinguishing lines that seemed to separate symbolically the Romanian ethnic community, but there were more general principles and interest, values that bridged these cleavages. The Saxon community not only bridged such intra-ethnic cleavages, but also started to build strong affiliations towards the Suabians from Banat.

<sup>32</sup> HUNYADI 2009.



What is important that inside this civil and economic/financial network the main concern was on intra-ethnic constructive programs that can be identified as interactive economic nation building strategy. Destructive, chauvinistic economic nationalism was very rare and remained only in written form, so it can be designated as rhetoric economic anti-Semitism or anti/foreigner discourse.

Here we must mention that each national entity betrayed a specific eponymy, a name-giving specific culture. Most or all of the Saxon savings and credit unions had had a local name and very rarely an abstract name. Hungarians were also very severe and pragmatic in name-giving. Adversely, Romanian banks and cooperatives loved the symbolism of names: besides the classical locality name, the "Ant" and other interesting names of economic institutions express different concepts: mainly that of thriftiness (Economul, Sârguința), productivity, others adopting historical concepts: Dacia, Ulpia, etc. The majority of names were neutral, classic or eponymous in the local patriotic sense, referring to the place where the cooperative or the banks functioned, there were names referring to thriftiness, success (Victoria/victory) or cooperation, some to ethnography (Vatra, the cradle) or some to a wider or narrower local patriotism, especially transilvanism (Transsylvania, Ardeleana). Some names referred to historical or typical national heroes (Decebal, Traian, Horea). The abbreviation of their literature and cultural association, too, had an astral name: ASTRA.

Romanians proved to have an ideological vision above their economic sphere too, seeing it as part of their national emancipation program. That is how cooperative ideology of peasant emancipation went hand in hand with national emancipatory programs. While on the side of the actual majority nation building was mainly based on state-power, actual minority status entities could rely only on themselves. Thus, cooperative principles, like self-organization, help to self-help, cooperation among cooperatives inspired both the peasants and their leaders. Thriftiness and the percentage offered annually for community according to cooperative principles world-wide in principle, materialized in Transylvania in 1% + 1 % awarded for a common financial-economic review and for the Cultural and Literature association, respectively, sponsored from the annual revenue of all the Romanian Banks gathered into an informal Bank Directors' Conference. This Director conference reunited every two years together, since 1901 synchronically with the Annual General Meetings of the ASTRA whom they offered the second one percent of the Romanian banks benefit.

Saxon banks, too, offered in average more than 40% of their profit for community and cultural goals. This model, adopted by Romanian banks, too, besides the already mentioned 2 percentages, sponsored youth or student organizations, as well. Institutionally some high schools and student organizations were sponsored on longer term by some high ranked banks.

National pride without being directed against others was expressed by those national community fairs and exhibitions with substituted their participation at word fairs (organized since 1851) or countrywide exhibitions. Greater families with lot of children were presented and were given prizes. These ethno-national fairs were organized together with other kind of organizations: ecclesiastical, cultural, political. German organizations as well organized their so-called "Sachsentag" in different towns, district/centers cyclically, reuniting all kind of associations at the same time and same place.

Both the Romanians and the Saxons published jubilee-publications for these venues: besides the traditional literature or history, several publications were proud of the economic and financial success of that national community or in a narrower sense, of that financial/commercial/cooperative network. 25 years of existence were celebrated mainly around 1909-1910 by all

three Transylvanian bigger national entities. Saxons published two volumes honoring 25 years of leadership (1885–1910) of Karl Wolf, director of Hermannstädter Allgemeine Sparkassa (HAS). The director of the largest Saxon bank out of 42 existing became almost simultaneously the leader of the Saxon cooperative movement, too. On that occasion, a celebration volume was published in the same year.

The Săliște Savings and Loan Caisse in 1909, the Romanian ‘Ardeleana’ bank also celebrated 25 years of existence in Orăștie by editing a brochure and a richly illustrated and thick volume dedicated to these events. Hungarian owned banks were not enthusiastic enough to edit such economically interactive nation building volumes. They only published a 25 years jubilee volume celebrating the quarter-century of the EMKE’s existence. Next year, the Romanian ASTRA celebrated its half of century (50<sup>th</sup>) anniversary by organizing a national fair at Blaj, in the same year inaugurating a cooperative propaganda financed by a scholarship from abroad (offered by Vasile Stroescu). This meant a series of articles published by Vasile Osvada in the official publication of the ASTRA, *Transilvania*, and the employment of an itinerant teacher for adult education and training, especially on cooperative and agricultural field. That year, the Romanians succeeded in establishing a General Insurance bank of their own, sieged in Sibiu, too.

Concerning the agricultural and farmer organizations the ethno-cultural entities had, the Hungarian agricultural education, teaching and training was organized mainly by the Hungarian government (among other high school level institutions, the Agricultural High School funded in 1869 in Kolozsmonostor, later on since 1904/1906 upgraded to Academy level from Kolozsmonostor), other 3 lower mixed (public – private) educational schools (private foundation run schools in Algyógy, Csíkszereda, Szilágysomlyó, Torda) in Hungarian language. The Saxon University Foundation-like private fund also built and administered three agricultural schools in Barczaföldvár/Marienburg/Feldioara, Beszterce/Bistritz/Bistrița, Medgyes/Mediasch/Mediaș and a practicing field with German language education. Romanian did not have any proper agricultural school, at all, even if the Romanian speaking population constituted more than a half of the peasants in this macro-region. Of course, everybody had the right to follow the courses of the above mentioned schools, without any discrimination regarding the ethnic origin or confession, yet the study languages were only Hungarian and German. IN this situation, financial, agricultural, cooperative and associative reviews (*Bunul econom, Tovărășia, Revista Economică, Transilvania*) became more important as the single channel available to reach peasant and people in general.

Study trips were organized mainly by Hungarians to visit Saxon villages and agricultural schools in Transylvania. This acculturation functioned even if Hungarian language institutions and offices were run by the state or in a public –private tandem. The higher level of economic and agricultural culture and equipment of the Saxon was obvious, since the Saxon elite learned in German high-schools and universities, while more than half of the Lutheran pastors had not only a Theology diploma but a more practical one, too (mainly an agricultural high-school, sometimes a law, medicine or other faculty besides their main field). Besides intellectual relationships, commercial relations with German industrial centers also favored the better equipment of Saxon farmers. Architecturally, too, Saxon holdings were paradigmatic for Szekler visitors (mainly adults) until all the lesser utilities used in the farm-holding. All this modern equipment, farming style and thriftiness was presented as a good practice in one of the books, brochures published by the Agricultural Ministry’s Provincial Office in Transylvania, as written by one of the department clerks, Bela Dorner.



Romanians, too, after translating and publishing Raiffeisen's main title, remained fascinated by the Saxon agriculture, several articles presenting their best practice models of finance, insurance, cooperation and agricultural behavioral models (see *Din pilda altora*)

In this regard, we must mention that Hungarians had just like the Germans their own agricultural provincial organization since 1844/45, Transylvanian Economic Association founded by Hungarian elites (EGE) and SSLV, while Romanians were only later able, in 1888 to constitute one similar organization, yet only for Sibiu County (Romanian Agricultural Reunion from Sibiu County, RRA) followed by other local (Economic Reunion from Orăștie, REO) and other county organizations. This handicap seemed encouraging them to ask for more help from their own promoters, pre-existing institutes, together with the newer institutes, for instance financial institutes, savings and credit banks. Thus, the reputation of the cooperatives along with the banks will raise, since they could offer added value to products and plus money for students and parents. They become efficient in commercialization of cattle, opening of rural shops and offering credit for procurement of equipment needed for a more intensive farming. In this regard, itinerant consultants, teachers were paid by them, to train the farmers. The 'Wanderlehrer' model was also inspired by the Austrian Raiffeisen model.<sup>33</sup>

## ADAPTATION AND RESILIENCE IN THE INTERWAR PERIOD

The range of activities the cooperatives ran varied thus from region to region. It was obvious that during the immediately prewar period, around 1900-1913, there was a boom in urbanism and rural development, too, at least in Transylvania, due to economic and financial conjuncture. Adversely WWI dismantled the prewar wellbeing, military incursions and destruction lowered both the number and the commercial/financial assets of the whole movement. New successor state borders together with rising customs, tariffs and infrastructure obstacles hardened the situation of cooperatives mainly in the newly attached provinces inside Romania.<sup>34</sup>

In a new state context, a different administrative and political economic style, 'minority cooperatives' were constrained to try to maintain/conservate their positions, membership, belongings and based on these assets find new procurement, credit and supply markets. Romanian cooperatives were soon integrated, even absorbed by the Romanian cooperative system, mainly because of the land reform performed in 1921 which intended to give cooperatives a role in intensifying agriculture, not only in the lending of new parcels distributed to 'dwarf' and 'smallholder' peasants and political communes. According to contemporary critics, the effects of this land reform were ambivalent and cooperatives did not perform well in the direction of making small parcels more productive ever. Agrarian reform followed mainly or only political and ethno-national goals.

The fact that in countries with similar economic/social structure the proportion of credit cooperatives was also too high (80% in Bulgaria; 63% in Yugoslavia)<sup>35</sup> showed the fact that the cooperative movement remained in its incipient phase, when credit was only needed first of all for land-buying and for equipment in favor of peasantry, without having incentives to invest

<sup>33</sup> BRUCMÜLLER 1977. 75.

<sup>34</sup> HUNYADI 2012.

<sup>35</sup> ER IV. 1943. 638.

in common productive credited projects like common processing or marketing of agricultural products. In this case, the central cooperative organs under the massive influence of the state administration tried their best to create common-goods in form of public-private, public-cooperative investments like silos and warehouses in the most important crossroads of railways, roads or ports.<sup>36</sup> The English, German cooperative paradigm thus appeared lately in this part of Eastern Europe and would have exercised an absorption effect to coagulate common vending pools of cereal-producers. Central Cooperative Marketing Centers aimed also to find external markets for various agricultural, mainly livestock and dairy products or industrial plants thus virtually encouraging cooperatives to diversify their supply.

After the Great Depression (economic/financial and the subsequent agricultural crisis) worldwide transformed the trends of state policies in the direction of readjustment (in the sense of Agricultural Adjustment Act performed in the USA) and turning towards self-sufficiency of the developed national economies, leaving agrarian states alone in Eastern Europe. Promises were made and international congresses were held, even a Green International was formed to regroup these agrarian states, but in vain. Cooperative networks remained useful mainly internally to supply enough food for industrial and service centered urban centers, administration and population. In this sense the trend was to lower the proportion of credit cooperatives and to have more productive and marketing cooperatives.

In Germany and Czechoslovakia, the percentage of credit coops was around 50%, but in the countries with predominantly small propriety and *intensive agriculture*: Switzerland, Denmark, Scandinavian and Baltic states the proportion of credit coops became insignificant compared to pool, marketing, processing and productive cooperatives. In case of Romania's provinces, we can observe in miniature the same distribution of cooperative type: the more intensified and stable the agricultural level and the stronger and longer stability of land-propriety was, the higher the proportion of marketing, processing and productive cooperatives was.

In Hungary, the proportion of productive cooperatives attained 65%, almost the same proportion as in case of Transylvanian Hungarians. Adversely, the low proportion of productive cooperatives in the middle of Transylvanian Saxons and the Germans from Bukowina, was a sign that agricultural processing and marketing was organized in the form of commercial stock-companies which in general also belonged to the same cluster of companies belonging to the same interest groups, in other words same ethno-national or provincial/regional elites. This German-style of clustering of companies meant that the breweries, the sugar factories and the dairy or agricultural industry was established, owned and run by the same financial elites of that province. In contrast, the Suabian from Banat (Banater Schwaben) had a high proportion of agricultural processing and productive cooperatives belonging to the same cooperative center.<sup>37</sup> Transylvanian Hungarians showed a mixed profile: somehow between the Saxons and the Suabians, food-industry was established and owned jointly by the Hungarian aristocracy alone or together with their (spontaneously Magyarized) Izraelite or Hungarian-Armenian elite fellows, just like in case of commercial or savings banks and other industries as well. The proportion of mixed administrative and supervisory boards from the point of view of confessional origin of leading members seemed (was) thus much higher in case of culturally Hungarian elites

<sup>36</sup> LONAG COL 159.

<sup>37</sup> ER IV. 1943. 649–670.

(including aristocracy, Hungarian Jews and Armenians) than in case of Saxons, Suabians and Romanians. The same seems to be true on the profile of the administrative elites in Transylvania, yet empirical data still lack on this subject.<sup>38</sup>

The lower grade of cooperative social penetration (geographical density) among the Romanian peasantry in general and more specifically of Transylvanian Romanians betrays the fact that only some micro-regions were connected better to the market centers and able to produce for selling their products. Most of the Romanian inhabited micro-regions were and remained traditionally self-sufficient or practiced the barter-exchange since centuries on the traditional markets. The same was true for whole Romania as proved by the scientific articles of A. Golopenția.

### Number and type of minority cooperatives

	In absolute numbers			In percentage		
	Credit coops	Economic coops	Total	Credit coops	Economic coops	Total
Hungarian	281	469	750	37,5	62,5	100
Saxon.	185	51	236	78,4	21,6	100
Suabian from Banat	69	102	171	40,4	59,6	100
German from Bukowina	60	-	60	100,-	-	100
Total	595	622	1.217	48,9	51,1	100

Source: *ACR 1939*. XI. Table 6.

The editor of the statistical table noted that the 622 minority economic *cooperatives* were distributed as following: 371 consumer cooperatives (in majority affiliated to the Hungarian ‘Ant’ center), 192 dairies, 28 input-buying, procurement cooperatives, 3 forestry and 28 diverse type of cooperatives.

Summing up, in a diachronic and synchronic comparison, prewar period proved to be more stable for cooperative and financial establishments. Each of the cooperative networks succeeded to form its own lucrative or non-lucrative audit center. That wasn’t stable in case of majorities that switched role, at least in Transylvania, Hungarians becoming a minority, while Transylvanian Romanians becoming part of a larger Romanian majority nation. Both states tried to penetrate and influence in a way, at least by control, tutelage or indirect administrative influence the countrywide cooperative system. Those unwilling to abide to state-control were given the freedom to remain outside the state-subsidized national cooperative centers. In this war, the cooperatives belonging to Romanian population reserved their financial-audit, educational and training contacts mainly to their parent/ promoter institutes, lately creating a proper cooperative union that was anyway preceded by the donor institutions’ similar functions. Saxons and Suabians once they organized their own two cooperative unions, they remained consequently loyal

<sup>38</sup> HUNYADI – NAGY 2020.

to them and conserved them after WWI, too. In plus, in the new Romanian state context, they had the courage to add a national/ity eponym to some of their financial or audit organizations (“Deustche”, Schwäbische) early in the twenties and in the thirties. As we have seen, Romanian were already in the prewar era proud to wear the Romanian eponym, ethnonym along their financial or economic reviews, publications and used the Romanian language as their premier official language inside the organization. Hungarians who also used their ethnonym in almost all of their cultural organizations, failed to use it until the mid-thirties in case of agricultural, economic or cooperative organizations. Saxons used the Sächsische ethnonym in case of their Agricultural Society just like the Romanians, but Hungarians adopted that only in 1936 when they renamed their Transylvanian ‘Hungarian’ Economic Society, that was established early in 1844, yet without ethnonym but a Transylvanian eponym, which as we have seen was very common province-denominator in the circle of Romanians and Saxons, too (see the ‘Transylvania Versicherung’ A.G. case or the title of the ASTRA official journal, *Transilvania*). The Romanian cooperative union coagulating the Transylvanian cooperatives wore the ‘Ardealul’ name that is practically the synonym for the same historical province. Symbolic and eponymous names, ethnonyms characterized thus each of the national entities. Methodologically, we must just discern among the purely rhetoric nationalism or the more practice oriented nation-building. In order to do so, we created a methodic circle for the interpretation of the historical sources. We think that 1) once the promoter or donor institutes belong to the same ideological or ethno-national interconnected cluster, and the 2) target public and the 3) target groups are declared as belonging to the same group of interest or (national/cultural) value community, we must verify only the rhetorical or effective nature of these nation-building (financial/cooperative/commercial) activities or only political/cultural narratives by 4) looking at their balance using pragmatic results, contemporary press and archival sources.

Concerning the profile of nation-building or nationalism we also sketched a table in order to give concrete examples of for instance interactive proactive positive nation-building versus reactive destructive negative nationalism.

In a cooperative logic, inspired of course by the bigger western cooperative movements, the movement tried to reach or to achieve a holistic circle of infrastructure in order to avoid being manipulated by external, non-cooperative commerce. This logic of a holistic infrastructure also paralleled the nation-building logic in the sense that the nation – according to Friedrich List – should have or should build all the economic sectors (agriculture, crafts and industry, commerce, education and so on) in order to achieve its goals. This fits into the Miroslav Hroch’s model of nation building intuitively.<sup>39</sup> If we add that both the cooperatives and the so called non-dominant ethnic communities tried to do it out of their own resources with self-help, we can understand why, after a change of regimes and borders, the Hungarian entity remaining in Transylvania that belonged since 1918/20 to Romania, reevaluated the neighbors’ nation-building organizational models and looked at them as paradigmatic for their new minority situation and a model for a *modus vivendi* to be able to conserve their resources and cultural/educational institutions with the help of those commercial/financial/cooperative institutional networks that was not so biased or zealous regarding national goals. As a check entity, the Saxons remained a ‘minority’ as well, of course in a different juridical and national majority political context, but with a quite-untouched

<sup>39</sup> HROCH 1985, 1993.

inner-institutional system and wearing a more important economic weight in a new political economic context. What seems more difficult to approach is the local mushrooms level of cohabitation and emulation. In case of ethnically mixed villages we must rely on local documents, memories or other writings, sketches of cooperators, organizers, minutes of local or micro-regional administrative boards. This will need a closer approach on local archival sources.

## CONCLUSIONS

On the basis of the analyzed ethno-national, political economic and state-building modernizing narratives, we tried to identify those factors that contributed to the modern association or clustering of the organizations belonging to the same cultural, ethno-linguistic or for a longer time to the same historical-juridical entity. The case of Saxons proved that the more liaisons they had with different preexisting 'cradle' institutions the better embedded the cooperative networks remained in the same ethno-cultural entity. Modern financial and cooperative institution were thus simultaneously promoted and promoters of national values. Thus they were asked to fulfil not only economic functions, but cultural, social and political functions as well. Embedded or not in an ideological or ethno/national cluster, cooperatives performed four 'channel-functions': 1) a primary economic (commercial-financial), 2) a cultural-ideological dissemination-channel (trainings, adult education, dissemination of universal values), 3) an upward-mobility channel (employment) and 4) a potential political instrument of mass-mobilization, while in general they were destined to 5) contribute to the wealth of nation by creating public goods (early schools of democracy and self-government, cooperation among other cooperatives on local, regional and international level). Their contribution to the leverage of agricultural and food-production level was an early step towards market economy integration of a pre-modern province or mezzo/region of East-Central-Europe along those universal cooperative principles that emphasized thrift, hard work, pragmatic thinking and cooperation on all levels instead of wild capitalist competition. Cooperative members supposedly behave more friendly and more frequently with other cooperators even if they belonged to another ethnos, yet the cooperative ethos was a common denominator that approached them, after all, despite the upper political upheavals of that time-period.

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The case of the Transylvanian and interwar Romanian cooperative movements underpins the thesis of the modern economic historiography, sustaining that state authorities tended to overtake and control mass movements in the process of state-led nationalization favorable for the actual majority or for the abstract public benefit of the state/country.<sup>40</sup> National or ethnic minorities, in turn, consequently opposed or eluded state control in both the prewar and the interwar periods, while the cultural character of promoter and promoted institutions and their 'nation-building target-groups' inherently conferred a cultural national or an ideological character for that more or less autonomous ethnic or regional cluster inside the great (countrywide or universal) cooperative movement.

<sup>40</sup> BRUCMÜLLER 1977.

The internal cohesion among institutions and organizations belonging to the same national group was paradoxically reinforced by the imminence of state-control and encouraged different 'non-dominant' national entities to create and develop mutual relations. While opposing state nationalism, the 'genuine nations' (in the sense of Anthony D. Smith theory) developed a coherent program of nation building without state-help and sometimes against the state relying on 'their proper national wealth' and its programmatic efficient allocation (determination and defense of 'national property', 'national colonization', 'self-assessment', national eugenics, solidarity among ethnic fellows, or among promoters and the promoted organizations).<sup>41</sup> Both historical periods presented in the paper gave arguments and facts illustrating these phenomena inside and among the national entities cohabitating in interwar Romania.

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