

RUMANIA AS A DEVELOPMENT MODEL *

By

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1. *Introduction*

One of the many disastrous consequences of the Cold War is the perspective in which Eastern Europe has been interpreted. Most of what has happened has been interpreted politically in the framework of the East-West conflict, as a part of a strategic game played from Moscow, with the countries of Eastern Europe as pawns. An analytical framework has been constructed within which every move from, between, or within these countries has been understood and evaluated in terms of its balance-of-power relevance. This is not to say that there has been no reference to the "masses" - but only insofar as their action and reaction would weaken or strengthen the power of the leaders, in other words insofar as it has been strategically relevant. In addition to this, both camps have developed a considerable expertise in perceiving very clearly - and writing it up even more clearly - what is *weak* and *wrong* on the other side. If anything is good it is not seen, if it is seen it is not written up, and if it is in fact written up, great care has been taken to attribute it to anything but the system.

Among the intellectual, ideological and political casualties of this frame of reference we note three important perspectives on Eastern Europe:

First, the north-south element in the east-west conflict in Europe. The extent to which western European imperialism had penetrated into Eastern Europe is almost forgotten today, particularly by the younger generation. The Russian Revolution of October 1917 made the border of the Soviet Union a barrier, but the Eastern European countries remained open to penetration: fragmented.

among themselves, and exploited by the big powers further west - particularly Germany, France, and England. An imperialist structure of that kind can be destroyed, as it was by and after the war. Yet it tends to have a life after death: such a structure may continue as cultural imperialism, as communication imperialism, and as traces left on the minds of people - people who were part and parcel of it and who came to regard it as natural, however much they might have been ideologically opposed to it. Hence, this phenomenon is important not only for historical reasons, but also in order to understand the present.

Second, today is also largely forgotten that Eastern European countries, particularly those to the south, offered their populations conditions quite similar to those found in large segments of the so-called Third World today. Leaving African countries aside (because of the very special conditions that obtain on that continent), it is vital to understand that conditions in Eastern Europe were not very different from what is found in Latin America and South and Southeast Asian countries today. Only 35 years ago, what is today referred to as the Third World lay right outside the doorstep of capitalist Western Europe - it was not something unfortunate but abstract, located at a convenient distance.

Third, and most important: it is equally conveniently forgotten that the processes that took place in Eastern Europe after World War II are related to the two lost perspectives just referred to. There are many ways in which to regard these problems; but the fact that they resulted in considerable improvement for the masses in most of these countries means they must have relevance for us today.

In short, we have in Europe, in a concentrated form, had the entire world drama commonly referred to as the "North-South problem". We have fallen prey to false consciousness which has made us disregard its significance. We have seen the elements of imperialism with underdevelopment as its consequence, and revolution with subsequent developments, but we have failed to let it enter our body of learning. The highly relevant experiences made by Eastern European countries in this connection, for good and for bad, from the days of exposure to Western imperialism to

the problems of contemporary socialism in Eastern Europe have not been neglected; but in the West they have not been studied systematically for their relevance to countries underdeveloped by imperialism today, countries trying to enter a self-sustained process of real development. This is doubly tragic: we cannot afford to lose any important experience when it comes to improving the conditions of the masses in the majority of the countries of the world today, nor can we afford forever to see European neighbors in the narrow and old-fashioned perspective of the Cold War. For the sake of both world development and all-European cooperation, other perspectives are needed.

To do some thinking about this we need three types of data, and other theory.

First, we require information about the countries in Eastern Europe *before* these processes started, when they were still under the sway of imperialism, and largely maldeveloped. Such data would have to be from before the war, since the war itself was so destructive in that part of the world that any data from the immediate post-war period would give a false perspective.

Second, we must show that these countries really were in the same situation, objectively speaking, as very many of the developing countries today. For this we need recent data from these countries, and we have to show that the socialist countries in Eastern Europe before the war could be located within that cluster. A graphical presentation would do, with *developing countries today* as a cluster having *pre-war Eastern European countries* not too far from its center. The variables should include not only information about where the countries are located in terms of socio-economic development, such as increased consumption of material and non-material goods, but also variables that reflect the position of these countries in the world structure. In short, telling not only about underdevelopment as commonly conceived of, but also about imperialism.

Third, we need data on how much Eastern European countries achieved, in terms of the variables commonly used today to discuss development problems. In, say, a 30-years period, including processes that also may be described as "revolutionary", just how far is it possible to come?

Obtaining these three types of data certainly seems within the range of the possible. Here we shall do it for one particular country in Eastern Europe, Rumania. Why Rumania? Partly because it meets the criterion of recently having been where developing countries are now; partly because this was the country that could most easily be studied, for purely practical reasons. Of course, it is to be hoped that others will do similar studies for other Eastern European countries.

Then, the problem of a theory. To what extent can one infer that what was possible for Rumania should also be possible for developing countries today? Why was it possible for Rumania, and would more or less the same development have been possible under other circumstances as well? We are thus confronted with three major theoretical problems: why did what happened in Rumania take place, to what extent are these factors or mechanisms replicable, and to what extent would a development of that type take place anyhow, so that 30 years hence LDCs will be where Rumania is now, or beyond anyhow? And behind all this lurks a fourth problem: which were the *less* applauded consequences of the development that took place, and to what extent can they be avoided if the process is to be applied elsewhere?

The purpose of this article should now be clear: not only do we want to try to learn something about development by studying one case that seems to be of relevance far outside its own European borders; we also want to gain new perspectives on the other half of Europe and thereby on all of Europe.

Concretely, what we shall do in this paper is a triangular assessment: *a comparative study* of Rumania in 1938 with some representative developing countries of South and Southeast Asia, and Latin America in 1968, and *a diachronic socio-economic development study* of Rumania in 1938 with Rumania in 1968, i.e. across one generation gap. Hence, it will be a study in time and space with comparisons being both vertical and horizontal. More particularly, we shall focus on (a) whether the economic structure and level of Rumania in the year 1938 prior to World War II the (peak year, in terms of capitalist economic progress for Rumania, as for almost all the countries of the world) really were *almost equivalent* to the prevailing economic structure and level of most of the

above Third World countries of the above two continents in 1968, or (b) what characterizes thirty years of Rumanian development, (c) how was it brought about, and (d) whether the socio-economic measures applied by Rumania during the post-liberation period until recently also apply to the countries under study in 1968 and onwards, within the limits of the specific historical and socio-economic conditions and perspectives. These four topics will be the subjects of sections 2, 3, 4 and 5, respectively.

2. *Economic structure and development level: Rumania 1938 - LDCs 1968*

2.1. *General comparison*

For our comparative study we have taken 29 developing countries - 12 in South and South-east Asia, and 17 in Latin America - on which general statistical data are available. The social structure in these countries in 1968 resembles that prevailing in Rumania of 1938, with either bourgeois-feudal elite alliance or military elite at the head of the state power which is manipulating statepower. We have had to exclude African countries of 1968 from our study because their development levels do not correspond to that of Rumania-1938.

At the beginning of this century, Rumania had an agricultural overpopulation according to European standard,¹⁾ which can also be said for most of the developing countries today. Overpopulation (a relative term) is characterized by population growth surpassing the resource growth and productive resource utilization at least to balance it or improve the consumption level. Even in the late 1930s, overpopulation predominated in Rumania and the related south-central countries of Europe; according to Doreen Warriner, "whatever the historical reason for the development of depressed areas in this region may have been, their present dilemma is an increase in population which, for lack of industrial development, is being driven into *rural and urban occupations of a low productivity*".²⁾ The occupational shift from rural to urban areas, from agricultural to higher productive industrial and service sectors, is a "progressive" phenomenon - but to the occupations of low productivity it is a regressive one. This type of mobility is still typical of developing societies today. The structural violence which still predominates in the

developing societies, like the capitalist ones, was also prevalent in Rumania of the 1930s. Despite the "great increase in the cultivated area", this increase "did not give the peasants a share in the land proportionate to their increasing numbers",³⁾ which was the situation which created the land question in Rumania. The feudal relation was, then, very strong in Rumania. This Warriner explains as the survival of a feudal attitude on the part of the ruling class which was an obstacle to progress much more powerful than in Galicia or Croatia.⁴⁾ Corruption on one hand and dictatorship on the other which exist in some, if not all, of the developing countries of today also prevailed in Rumania of the thirties. The then monarch Carol II, with his courtiers, added to the corruption in the country in the years preceding World War II. His "Front of National Renaissance" was his private vehicle for imposing "dictatorship and the means of appropriating the power of extremist nationalism. The effect was to concentrate the corruption as well as the power in his own hands".⁵⁾ The impact on the people is easily imaginable.

The source of success in a nation's allround uplift depends on:

- a) the *mobilization* of the whole nation *behind the national development goals* reached with *mass consensus* (and not through imposition from the top, by a few), and
- b) *mobilization of the mass participation* in the implementation of the overall national development plan. A society which manages to break down the orbit of old social relations of the vested interests of the social minority and adopts a program of economic, cultural, and social renaissance may surely expect the active support and participation of the social majority which pushes forward the development wheel. Rumania's social structure does not differ much from that existing in the Asian and Latin American developing world. The immixture of the strong feudal and semi-feudal relations with weak capitalist relations typical of Rumania in 1938 also prevailed in the above developing countries in 1968. The similarity of socio-economic life between Rumania of 1938 and the Asian and Latin American developing countries after a generation gap may be traced, briefly, as follows (Table 1).

Table 1. *Some socio-economic similarities between Rumania-1938 and Asian and Latin American LDCs-1968*

<i>Domains</i>	<i>Rumania 1938</i>	<i>Asian and Latin American LDCs-1968</i>
<i>Political</i>	Multi-party system with monarchical dictatorship (6)	Multi-party system in some, military dictatorship in others
<i>Economic</i>	Agrarian economy - by nature Industrial sector poor - the only predominant industry being petroleum extraction and refining More commercial relations and turnovers with the economically stronger neighbors, and the then emerging political and military power Germany and cultural metropole France (7)	Agrarian sector, with the exception of a few oil, copper, bauxite and tin rich countries, predominant in the national economy Industrial sector still poor; processing and semi-processing, generally at the developing stage More commercial relations and export and import turnovers with the economic metropolises and Western economic integration
<i>Social</i>	Landlord bourgeoisie, known as "boier", comprising less than 1% of the whole population, was the dominant class Structural violence predominant and acute with the approximate structural composition being: elite 2%, sufficiency level about 15% and the rest of about 83% belonging to the below subsistence category	Landlord bourgeoisie - latifundistas in Latin America and zamindars in Indo-Pak-Bangladesh sub-continent with new emerging landlord bourgeoisie, comprising between 0.5% and 1%, controls most social, economic and political power With a few exceptions like Iran, Venezuela, Argentina (oil and agriculturally rich) most of the countries have social elites varying from 0.5 to 3%, social sufficiency level group within the range of 10-15%, and the rest being thrown below the subsistence level
<i>Cultural</i>	⁸⁾ Dominance of French (German in the north) culture among the urban elites, in almost every walk of life: National culture suffered much ⁹⁾	Dominance of Spanish, British and French, and later American culture among the social elite and intelligentsia - in the respective former colonies, which still remain as dependencies though there are also trends of rebirth of national culture.

2.2. *Population structure*

A comparative study of the vital statistics of Rumania for 1938 and for 1968 shows an upward variation of the growth rate - from 1.04% to 1,3%, although the birth rate was higher in 1938 than in 1968. Such population growth in Rumania (while in the developing countries, in contrast, official efforts are being concentrated to reduce it) is due to two reasons: a) the higher death rate in 1938 in comparison with 1968; and b) the introduction of strict anti-abortion laws in 1967, for a forced population growth, to create a numerically strong *Rumanian nation*. The average annual rate of population growth in the Latin American countries in 1960-68 was generally much higher than that in the Asian countries - the highest being Venezuela in Latin America with 3.7% and Thailand in Asia with 3.3%; the lowest being the case of Argentina with 1.4%. Simultaneously, the birth rate was the highest in the case of Pakistan including Bangladesh - 4.9%, more than double Rumania's in 1968. Rumania had the highest infant mortality (i.e. mortality below the age of one year) in 1938, which, however, had been reduced greatly by 1968. Life expectancy in Rumania of 1938 was almost at the same level as in the majority of the Asian developing countries in 1968, but within a period of 30 years it has increased from 42 years to 66-71 years. Excepting Bolivia and Honduras, life expectancy is more than 50 years in the Latin American nations, even reaching the level of 65-72 in Uruguay in 1968. But, unfortunately, in the Asian nations it is below 50 years, with the exception of a few countries, and barely reaches 31 years in the case of Burma (see Fig. 2). This lower life expectancy is attributable to malnutrition and lack of proper medical facilities. Fig. 1 shows

Fig. 5. Per capita production and consumption situation (in terms of GDP).

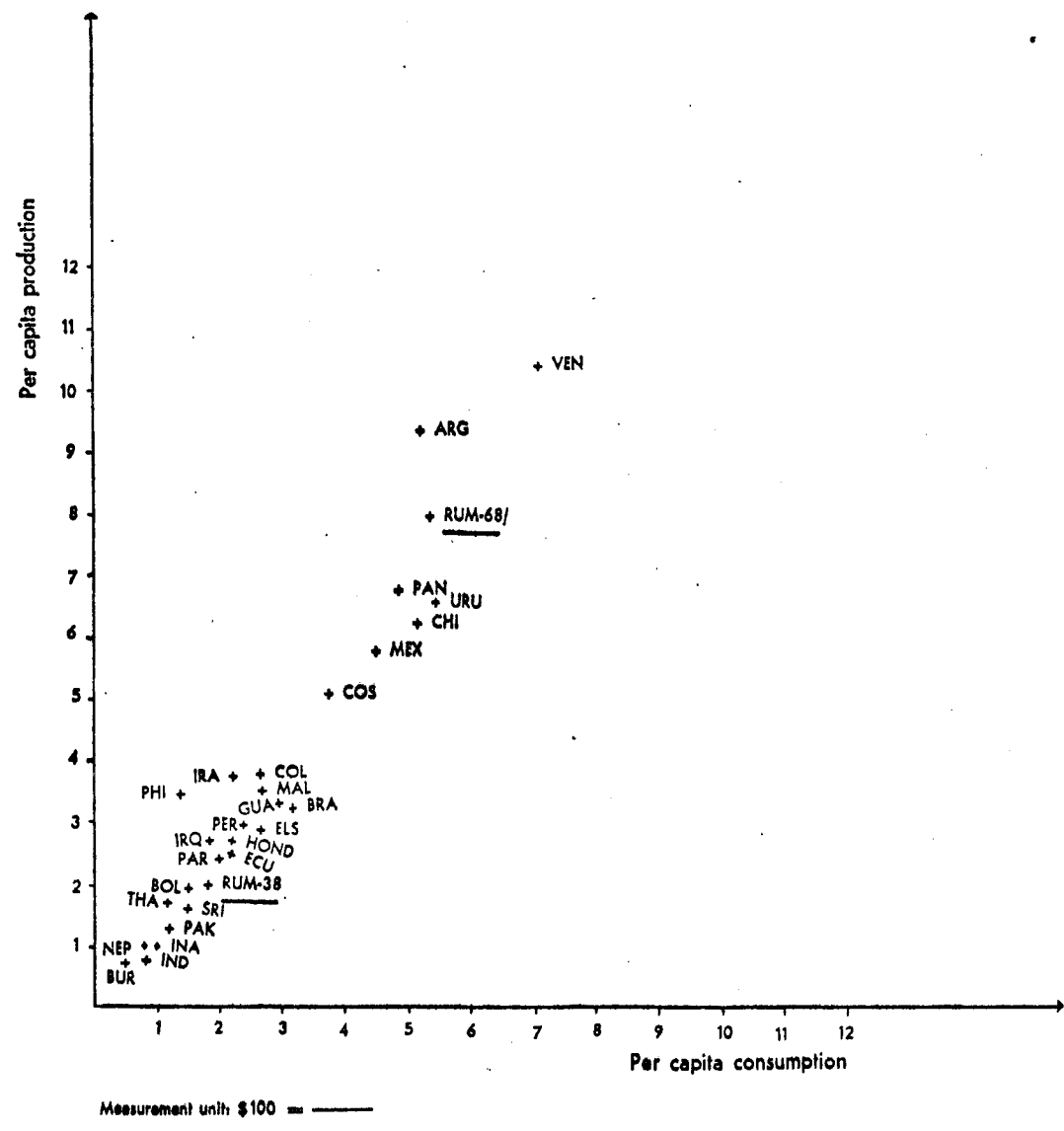


Fig. 6. Correlation of agriculture & industry (including building and construction).

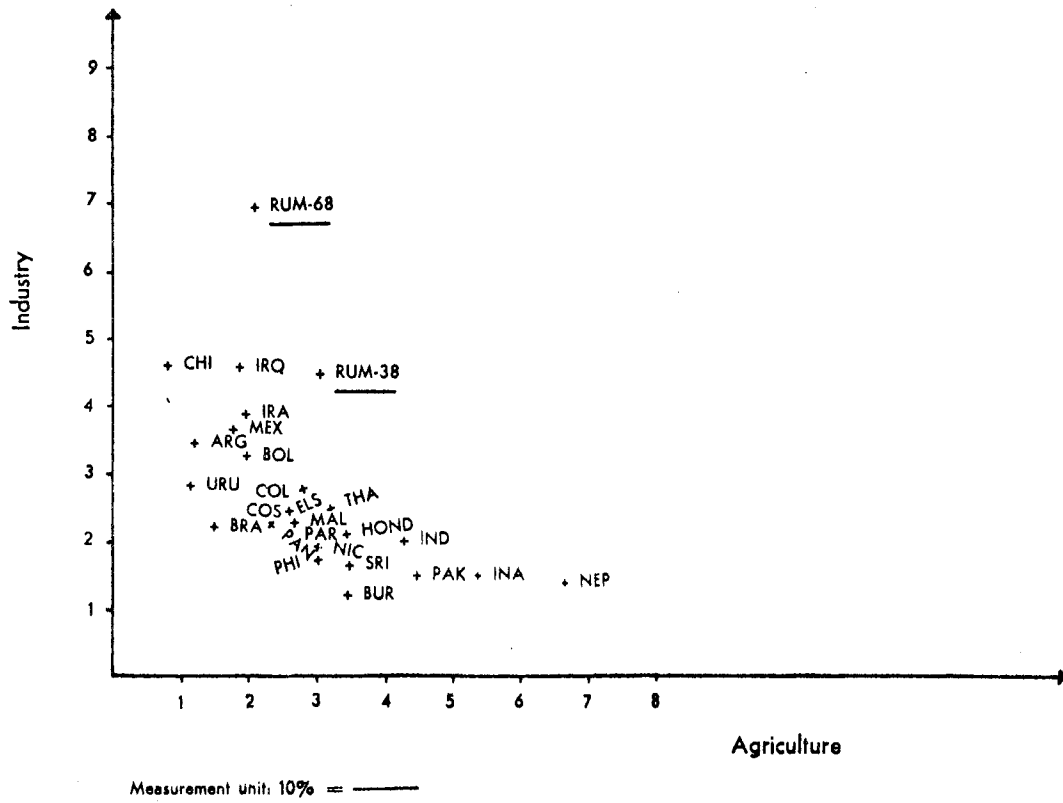
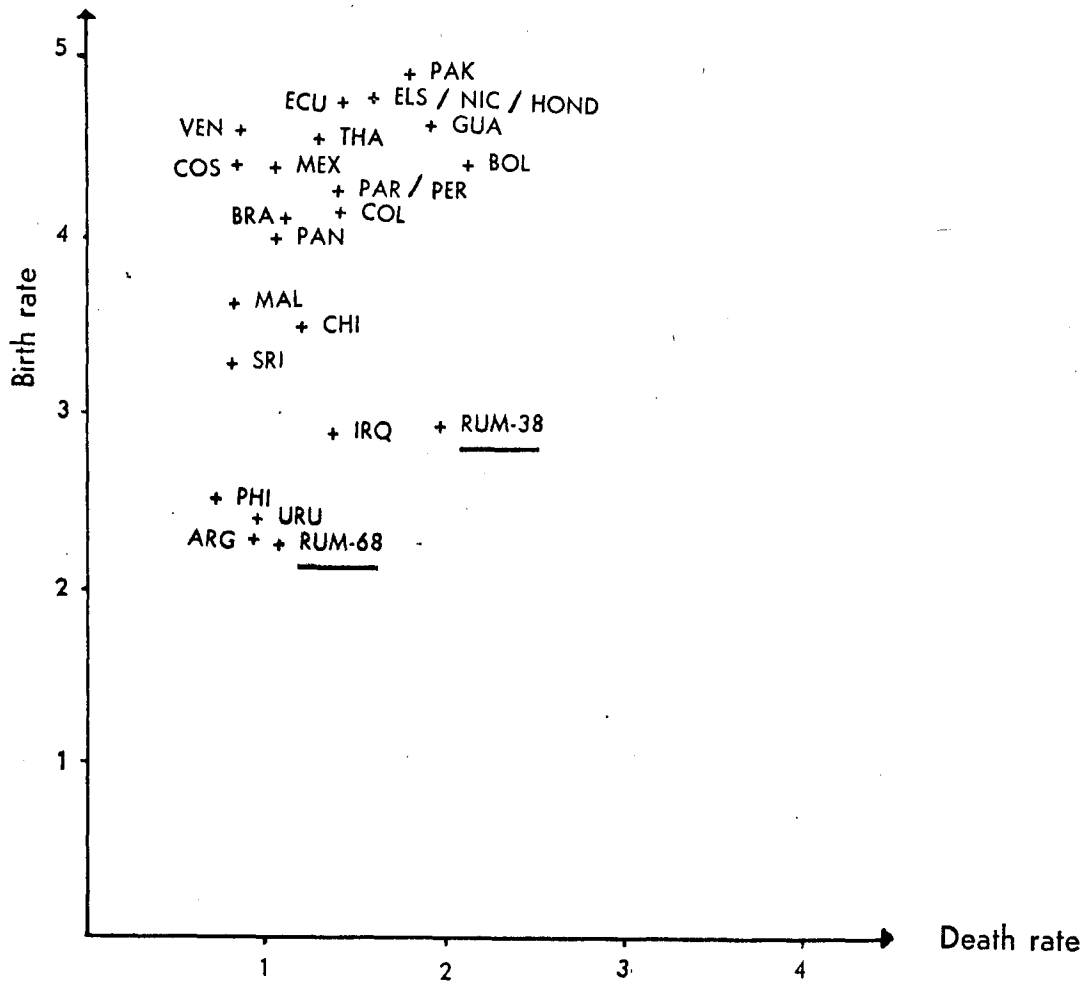


Fig. 1. Average annual birth and death rate situation.



Measurement unit: 1 year = _____

Fig. 2. Infant mortality & Life expectancy situation (in years)

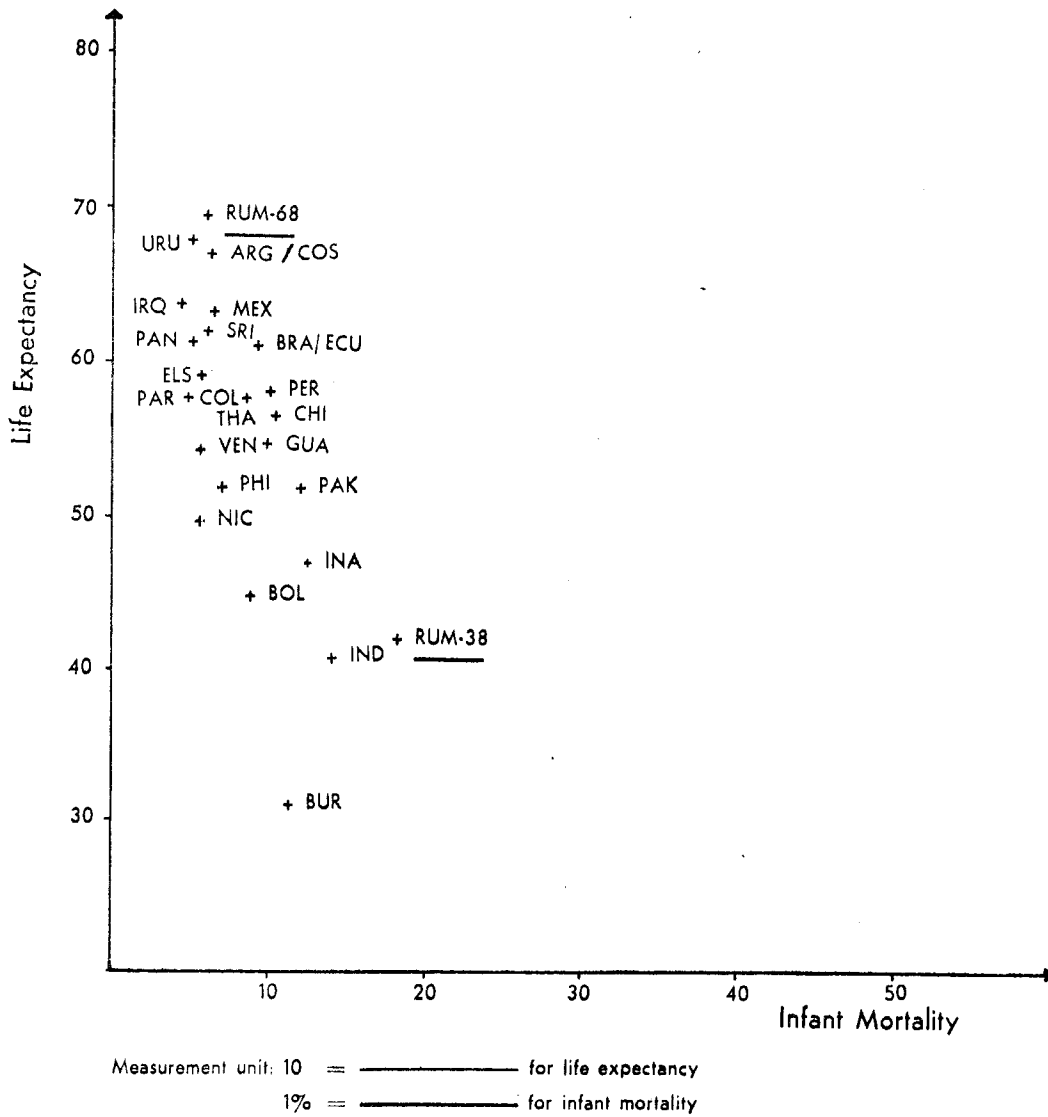
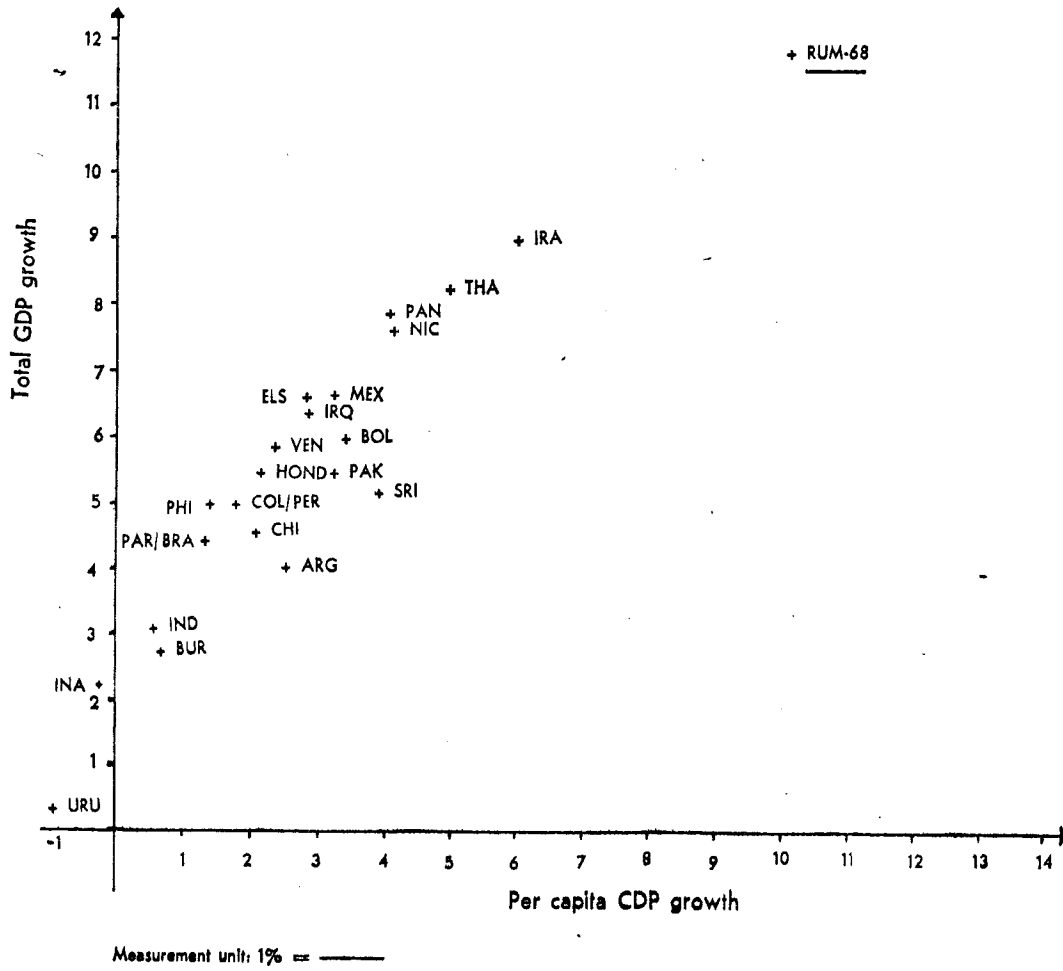


Fig. 3. Total and per capita annual rate of GDP growth.



the distinctive birth and death rate trends in Rumania in 1938, compared to LDCs in 1968 and again to Rumania in 1968 - in a three-dimensional presentation Rumania of 1968 shows a remarkable decrease in both the rates against 1938, but the developing countries' situation, with the exception of a few, remains still worse in 1968.

2.3.1. *Economic growth*

During the years 1960-68, in the second decade of economic development, Rumania sustained an average annual growth rate of 11.8%. It thus surpassed by 2.8% the growth rate of Iran, which tops the list of the developing countries; and by 11.5% that of Uruguay, which stands at the bottom with only 0.3%. Again, this rate is about 5½ times that of the lowest-placed Asian developing country, Burma. In this growth-rate for Rumania, industry contributed greatly with 21.1%, while agriculture's share was a modest 2.6%. This was even lower than most of the developing nations under study and just double the natural population growth (see Fig. 4). During these years per capita economic growth in Rumania, in terms of GDP, was 10%, while it was even negative in case of Indonesia and Uruguay, and was 5.9% in the case of Iran - the highest of the developing countries concerned (see Fig. 3). Rumania's neglected agricultural sector experienced a lower growth rate though her agrarian masses sacrificed much, and contributed materially more to building a socialist industrial base. But the overall, higher economic growth rate enabled her to emerge from the below-subsistence level of the first half of this century and assure the basic needs of food, accommodation, sanitation, and education to almost 96% of her population.

2.3.2. *Gross Domestic Product/Gross Social Product*

In per capita GDP statistics, Argentina and Venezuela (1968) surpass Rumania by \$151 and \$246, respectively. In the first case this is due to higher wheat production and livestock growth; in the second case, due to higher oil revenues. But in comparison with 1938, Rumania's total GNP increased five times and per capita GNP four times in 1968. While most of the Asian countries' per capita GDP was below \$250 (lowest being Burma with \$70) and the

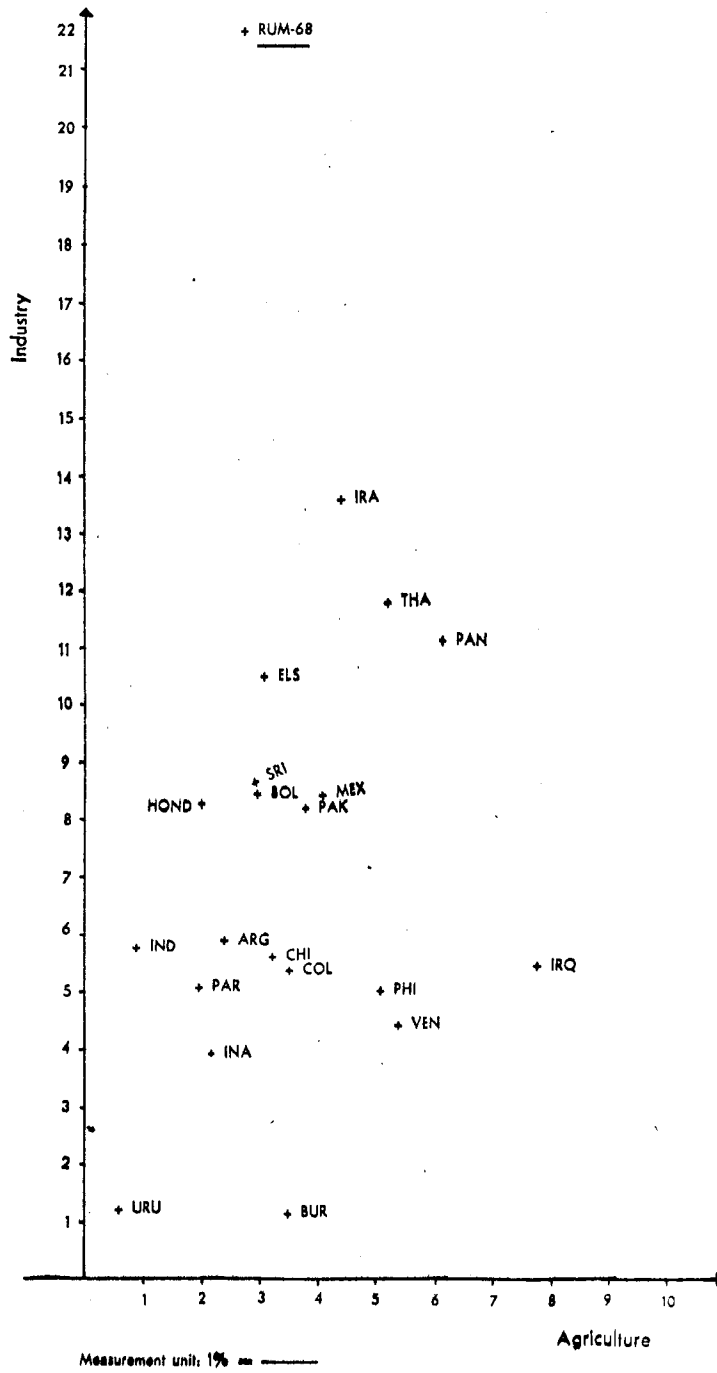
relatively well-placed Latin American countries below \$700, Rumania's per capita GNP (GDP data being non-available) was much better as against the Asian nations and slightly better than the Latin American nations (see Fig. 5). But one should not be mesmerised by the foul play of the "per capita GDP" dimension. Though in the case of a few developing countries this figure seems to be rosy, in fact it is not so. The great bulk of the GDP in these countries is concentrated in the hands of the local elites and the US-dominated multinational corporations; the distributable gross product to the public is far less than shown in the statistics. About 80% of the population in the above developing countries were living on the borderline of subsistence (as that of Rumania of 1938), the gap between the privileged and the dominated being much wider.

In 1967, per capita consumption in Rumania was \$527. This was lower than that of Venezuela (\$700) and Uruguay (\$539), while more than twice that of Colombia and Malaysia, and seven times that of India. However, the comparatively better picture of Latin American nations is due to the investments and reinvestments of the transnational corporations which, however, gradually but systematically repatriate their profits *out* of them.

2.4. *Economy by sectors*

Rumania, although primarily an agricultural country in 1938, was still superior in industrial activity to the relatively developed Latin American and the poorly developed Asian developing countries of 1969 (the 1968 data not being available in this case), with the exception of Iraq. In Rumania 1938, industry contributed 39% to the Gross Domestic Product (to which petroleum drilling and production contributed substantially) whose share in 1968 increased by 22%. The share of agriculture in Rumanian economy was down to 1/5th in 1968, as against almost 1/3rd in 1938. The share of industry ranged between 1/10th and 1/5th in the economy of the Asian developing countries, with the exceptions of Iraq and Iran (where oil, as extractive industry, contributed much) and between 1/6th and 1/3rd in the economy in Latin American countries, with the exception of Chile (accounting for 62% because of copper mining as extractive industry) in 1969. Agri-

Fig. 4. Growth rates in agriculture & industry.



culture contributed 66% in the economy of Nepal and only 7% and 8% respectively in case of Chile and Venezuela (for details, see Fig. 6).

Since industry and agriculture are the main economic branches, we shall discuss only these two branches.

In 1938 Rumania had 63.2% potential agricultural land out of the total area of the country, but only 42.5% arable land under cultivation. Then only a meagre portion of 15,400 acres were under irrigation; 27.3% of the land was forested, which helped her to develop a prosperous lumber industry in later years.

The agrarian relation in Rumania of 1938 was mostly feudal and semi-feudal. Agriculture was also primitive, characterised by primitive tools and low productivity per hectar despite extensive fertile land. Then Romania had only 4049 tractors (mechanical seeders, rotary hoox, chemical fertiliser spreaders, mechanical sprayers and dusters, maize combines, motor combines, combines for silage plants, etc. were completely absent) thus giving an arable area of 2493 physical unit-ha per tractor. Total agricultural production was very low in 1938. By 1968 it had increased considerably: about 5 times in the case of wheat, 2 times for potatoes, 10 times for sugar beets, and 14 times for sunflower seeds; the only exceptions were barley and beans, whose production have been reduced by land transformation for other crops (see Table 2).

Higher volume and per capita export and import of a country does not necessarily constitute the parameter of economic development, since a self-reliant economy avoids forcing efforts for export and import promotion. Oil producing countries like Saudi Arabia, Iran, or Iraq may have a higher volume and per capita export (due to oil exports) and imports (due to "luxury" items for the elite) - but this does not show their real economic situation and growth. On the other hand, a country with a well-provisioned and well-distributed internal market may in reality have the stronger economy. Higher and balanced production and consumption level, matched by a higher rate of accumulation distributable to all sectors of economy proportionately, may well constitute the parameter of a truly healthy economy.

Table 2. *Production and yields of some selected crops, Rumania 1938 (average of 1934-1938) and 1968 (average of 1966-1970)*

Crops	Total production (in thousands tons)		Yield per hectare (in quintals)	
	1938	1968	1938	1968
Wheat	2629.9	12725.6	10.3	16.9
Maize	4055.5	7237.6	10.4	22.3
Barley	601.8	532.1	7.2	19.1
Beans	204.4	83.7	5.3	6.4
Potatoes	1317.8	2873.5	77.2	93.1
Sunflower seeds	48.4	727.5	8.7	14.0
Sugar beets	392.5	3818.5	153.5	209.1

Source: *Statistical Pocketbook of the Socialist Republic of Rumania*, Directorate of Central Statistics, Bucharest, 1971, pp. 204-207.

All the industries in Rumania of 1938 had the structure of free enterprises. However, we lack sufficient data to show exactly the prevailing production relation. Producers' and consumers' goods in 1938 were only about 6% and 12%, and labor productivity in industry about 1/5th of the 1968-69 level.

Excepting petroleum drilling and production and iron and steel industry on a medium scale, there were no basic or key industries in Rumania. This is a situation similar to that still prevailing in some of the developing countries. Due to lack of state sector in the economy, no priority was given to developing basic industries in the investment policy of the country. Private entrepreneurs always concentrated on immediately profitable light industries which yielded higher returns. Foreign capital was centered around oil drilling and production in the Prahova valley region only. Among the foreign monopolists Dutch-Shell and Caltex had the biggest share; and Ploiești and Reșița were the two main industrial centers of the country.

Rumania in 1938 had no industry for chemical fertilizers, pesticides, tyres, tractors, steam or electrical locomotives, motor vehicles, bicycles, radio sets, TV sets, electric washing machines,

refrigerators, sewing machines, etc., nor for machine-building industries for iron and steel, petroleum processing, chemicals and building materials. Her crude petroleum production in 1938 was half, and methane gas production less than 2% of present level.

2.5. *Accumulation and investment*

A higher rate of accumulation and investment assures a higher rate of economic growth. Again, egalitarian distribution of the result of the growth in every corner of the country and to all the social strata helps create a society of equality and equity.

The Govt. final consumption expenditure in the countries under study here is below 17%; in the cases of Indonesia and Mexico it stands at only 6%, due to the very weak position of the state sector. The share of final private consumption expenditure is the highest in Indonesia (90%) and lowest in Malaysia and Venezuela (59%). Again, gross fixed capital formation was the lowest in Indonesia (only 9%) and highest in Thailand (23%), while in a majority of the countries it ranged between 12% and 20% (see Table 3). But for a higher rate of economic growth the accumulation of capital should start from 25% of the GDP. In 1970, it was 30% of the social product in Rumania and approximately 38% in the case of Japan.

Due to lack of adequate geological surveys, little is known about the developing countries' natural resource potentials. Their investment policies must be directed towards discovering new resources; and a planned and proportionate development will be necessary to make the development effect felt equally by the common people in all parts of these countries.

2.6. *Individual consumption*

In Rumania of 1938, as in the present-day developing nations, wealth was concentrated in the hands of a few elites. The majority of the population was living at below the subsistence level; indeed from the point of view of calorie and protein intake, at the sub-nutrition level. The per capita consumption level of

Table 3. *Utilization of Gross Domestic Product in Rumania and some Asian and Latin American countries in 1968 (in percentage). (Pattern of expenditure and accumulation)*

Country	Public consumption	Private consumption	Gross fixed capital formation (average of 1966-1968)
<i>Asia</i>			
(0)	(1)	(2)	(3)
<u>Rumania-1938</u>	15
Afganistan	4	93	20.4
Burma	19	73	7.6
India	9	78	16.5
Indonesia	7	93	8.8
Iran	13	63	18.9
Iraq	24	44	15.5
Malaysia	18	51	16.2
Nepal	3	83
Pakistan	7	82	14.3
Philippines	9	72	18.3
Srilanka	13	74	13.8
Thailand	9	65	29.2
<i>Latin America</i>			
Argentina	12	68	18.8
Bolivia	10	77	17.0
Brazil	11	73	17.1
Chile	12	71	15.6
Colombia	7	75	16.3
Costa Rica	13	70	19.7
Ecuador	14	74	10.9
El Salvador	9	80	13.7
Guatemala	8	81	11.7
Honduras	9	75	17.4
Mexico	6	76	15.6
Nicaragua	11	75	18.7
Panama	13	67	20.3
Paraguay	8	80	15.6
Peru	11	70	20.9
Uruguay	13	72	11.7
Venezuela	13	58	18.0
<u>Rumania-1970</u>	70		30.0

Source: *World Economic Survey, 1969-1970*, U.N.O., New York, 1971, pp. 189-190, 208-210.

some essential food products was as follows: meat -21,1 kg, milk and milk products - 118,5 litres, sugar - 5,3 kg, and eggs - 67 pieces, and these increased to 31,5 kg, 130,6 litres, 17,8 kg and 130 pieces, respectively, in 1968.¹⁰⁾

2.7. *Social and cultural standard*

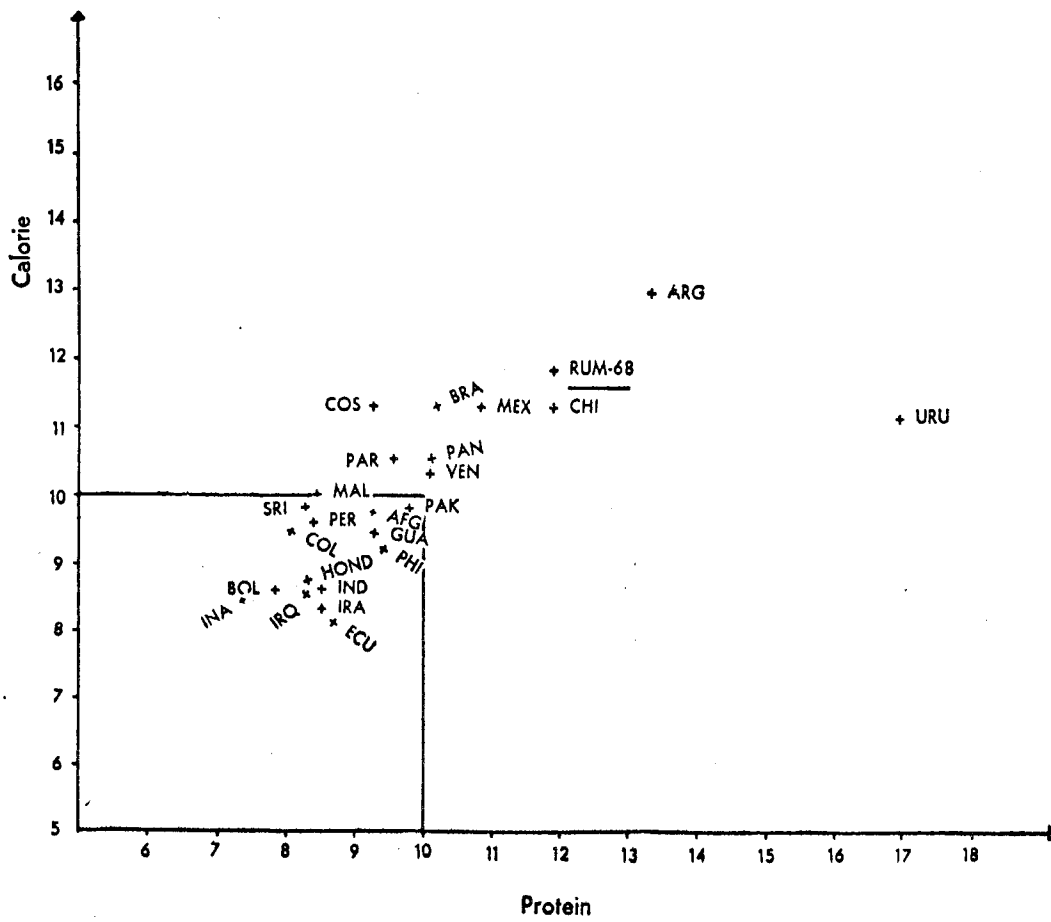
The distributional aspect of economy is helpful in evaluating the degree of social welfare or well-being. Western affluent society has, to a certain degree, solved the problem of consumers' goods production; however, it has failed to effect its proper distribution, and therefore passes through continuous ideological crises in which "amendment efforts" try to counter this ideological bankruptcy temporarily. A socialist society - e.g. Rumania - has more or less solved the problems of basic consumption needs. However, ideologically it is trapped in a "dogmatic circle" from which it cannot escape because of its leadership's acceptance of "death of revolution" with the victory of revolution; and any attempts at internally reforming the social structures, through dialectical methods, in hopes of solving still-existing contradictions, are looked upon as "counter-revolution". The developing society, on the other hand, is fighting on two fronts: firstly, for survival at the subsistence level, with the social goals of solving the basic human needs - food, housing, clothing, and finally health and education; and secondly to discover within its own socio-economic context a new ideology of development and distribution which can ensure a social balance with equity, equality, and freedom.

In order to show the standard of social and cultural life of Rumania of 1938 and 1968 as comparable to that of the developing Asian and Latin American nations, we shall examine the (a) food consumption level; (b) price behavior; (c) the level of medical and sanitary facilities rendered to the people; and finally (d) the level of education.

Food consumption. Rumania of 1938 was an underfed country: malnutrition afflicted about 80% of the population. This was not because of overpopulation or comparative underproduction of food grains, but because of the agrarian system. A few of the

"boier" nobility appropriated most of the agricultural grain produce, part of which they would sell on the internal market, the rest being destined for export. The purchasing power of the rural population was so weak (as in the present-day developing nations) that they could not afford to buy wheat on the open market. The common food of the rural population was "mamaliga" (boiled maizeflour) with salted fish or garlic and milk or sour milk. Smoked porkfat, fresh fruits like grapes, pears, apples, and cheap home-made wine would contribute much to the daily calorie intake. Although Rumania was one of the granaries of Southeastern Europe, most of the population was living at below-normal consumption levels. Rumania of 1967 has assured an adequate general food and clothing consumption level to her entire population, apart from largely solving housing and clothing problems as well as the basic social needs. From the standpoint of daily per capita and protein requirements, daily supply of both the items exceeds the minimum necessary for maintaining normal health by 18% - shown in Fig. 7 - of the Asian developing countries under study, only Malaysia could assure its population the necessary 2200 calories per day in 1967; and even then, per capita protein consumption fell short by 15%. Indonesia's home production and imports could cover only 85% of the calorie-intake and 74% of the protein needs; for Iraq the figures were 82% and 86%, and for India 86% and 85%, respectively. The general food situation of Latin America is comparatively better than in the Asian developing world. Argentina and Uruguay lead, with average per capita caloric and protein consumption of 130% and 133%, and 131% and 169%, respectively. Out of the 15 countries of Latin America studied here, 9 are above the calorie-requirement level and 7 are above the protein-need level. In Latin America, the worst situations are those of Ecuador (with respective figures of 84% and 76%), Bolivia (86% and 79%), and Honduras (87% and 82%). More than half of these countries under study have attained self-sufficiency in respect of staple food and fat consumption; yet, because of the existing social and distribution structure, the benefit of such self-reliance in respect of food grains, does *not* in fact reach the majority of the population. Argentina and Uruguay export a considerable quantities, while keeping their own populations below subsistence level (see Fig. 7).

Fig. 7. Correlation of per capita availability of cal-orie and protein (as related to physical need — FAO/WHO reference standard).



Measurement unit: Percentage of the need — 10% —

Fig. 8. Number of inhabitants per physician & per hospital bed.

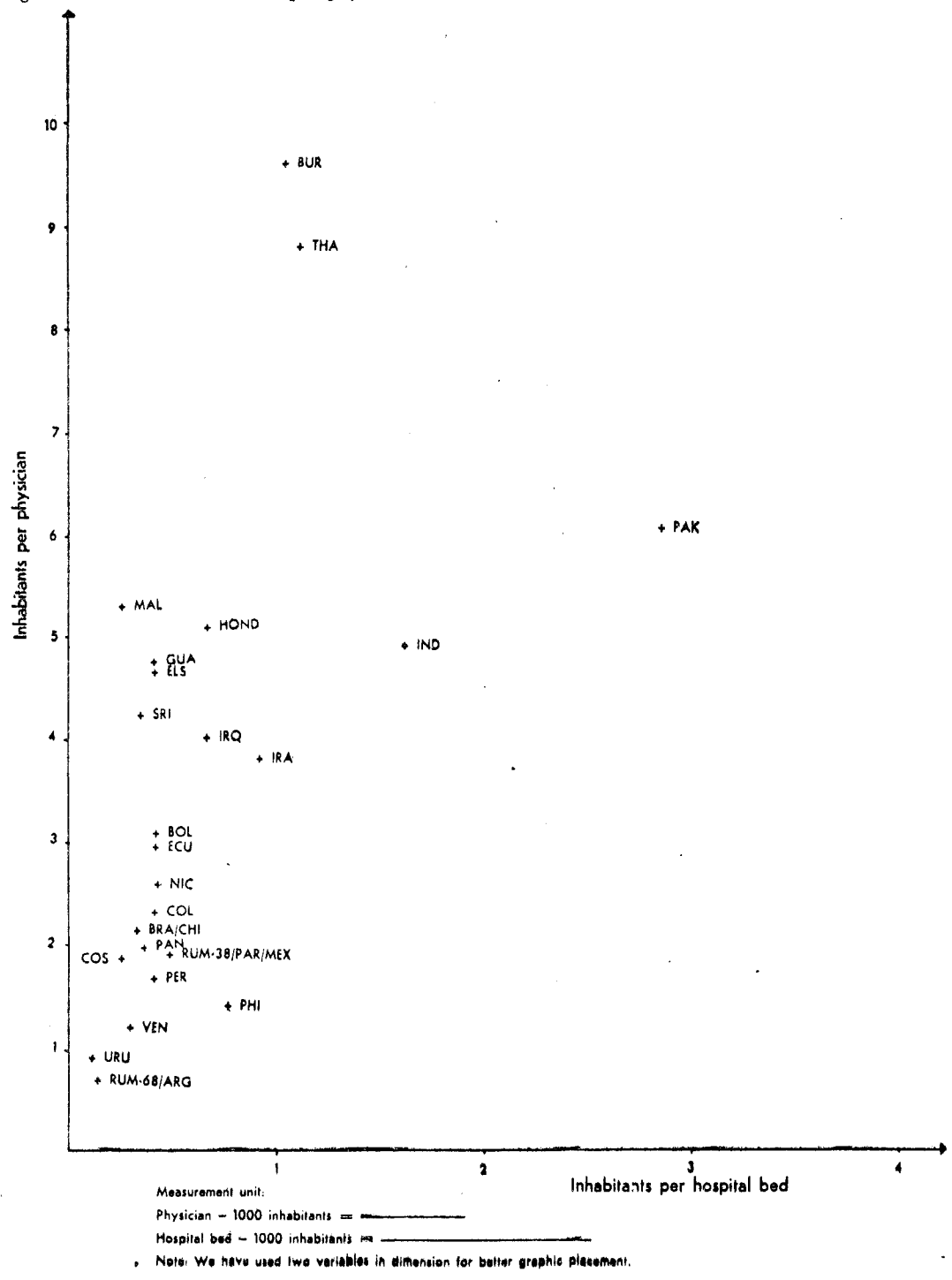
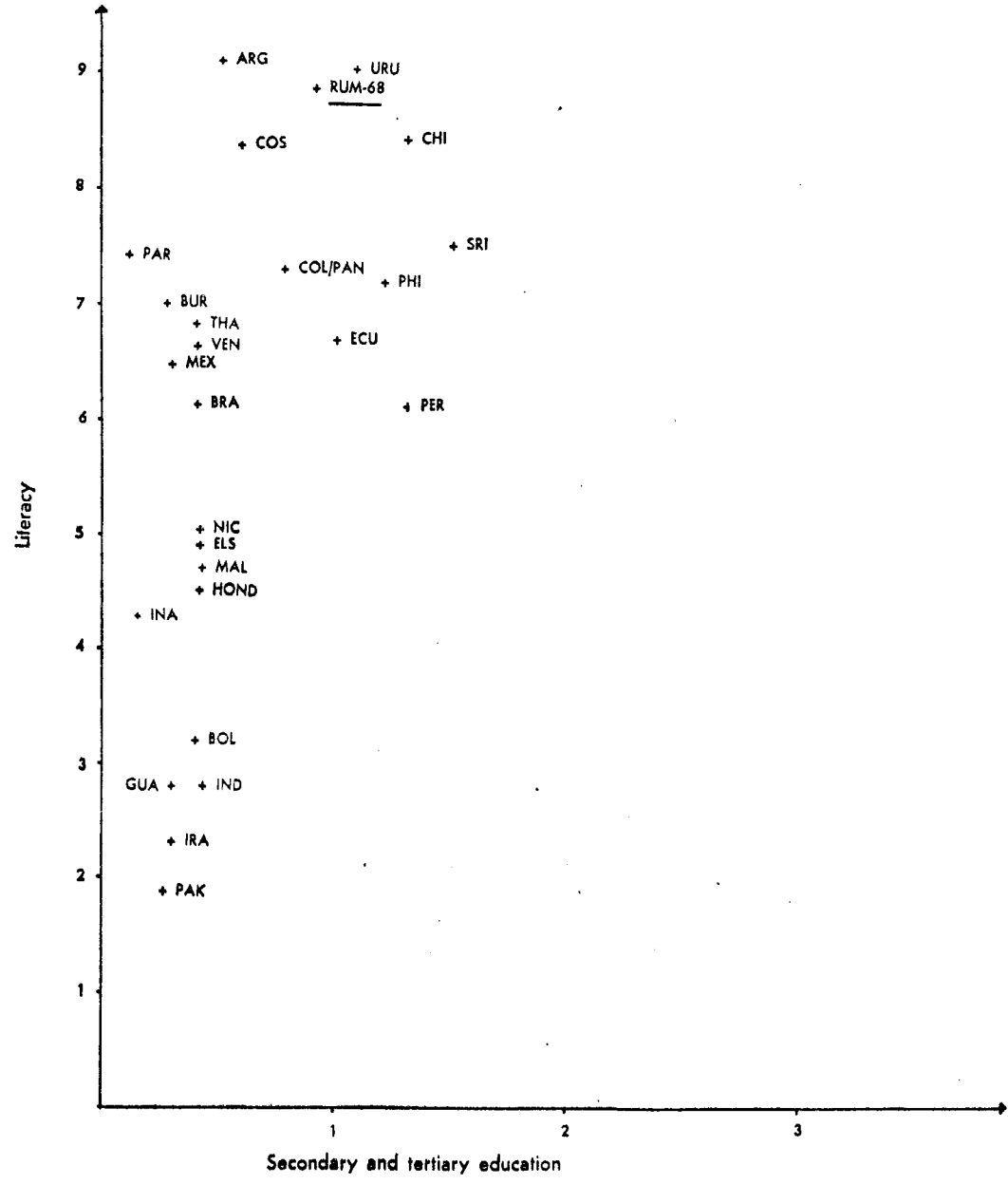


Fig. 9. Educational status: literacy vs secondary and tertiary education.



Measurement unit:
Literacy: 10% = _____
Second and tertiary education: 10% = _____
Note: We have used two variables in dimension for better graphic placement.

Health. Insufficient availability of proper medical and sanitary benefits, accompanied by poor pharmaceutical products and lack of necessary medicines, is a major concern in the developing countries. In the case of availability of physicians, nurses, and hospital beds, Latin American developing countries in 1966 were much better off than their contemporary Asian counterparts, and worse than Rumania of 1938. As an extreme contrast we can cite examples of Nepal, Indonesia, and Afghanistan, where there was one physician per 41,200, 29,500 and 21,400 inhabitants, respectively; one nurse per 85,800, 9,600 and 33,100 inhabitants, and one hospital bed per 6,950, 1,450 and 5,810 persons in 1966 - as compared with Argentina, with one physician per 130 inhabitants; one nurse for 120, and one hospital bed for 160 persons in the same year. This also corresponds to the situation of Rumania of 1966 (see Fig. 8.)

Public health and sanitation was miserably poor in Rumania in 1938. There were only 33,763 hospital beds and T.B. sanatoria places for a total population of 15.6 millions; there were very few maternity homes. 1938 Rumania had only 2.2 beds per 1,000 inhabitants, and one physician per 1,900 inhabitants - the total number of doctors, excluding pensioners, being only 8,234 in the pre-war peak year.¹²⁾ Most of the pharmaceutical products were imported from the Western countries.

However, public health and sanitation received active attention in socialist Rumania's economic planning. In Rumania of 1966 there were 7.7 hospital beds per 1,000 inhabitants (the total number of beds was 168,115) and one doctor per 676 inhabitants (the total being 29,959 - three and a half times the 1938 level).¹³⁾

Education. Illiteracy still predominates in the Third World. Only Argentina, Uruguay, and Costa Rica have literacy rates of above 80%, i.e. comparable to that of the developed countries. Burma, Philippines, Srilanka, Thailand, Brazil, Colombia, Ecuador, Mexico, Nicaragua, Panama, Paraguay, Peru and Venezuela have more than 50% literate persons. Asian developing countries lag behind the Latin American countries: Afghanistan and Nepal have only 8% and 9%, respectively, of literate inhabitants. In

eradication of illiteracy Sri Lanka has achieved tremendous progress: 47% of the adult population has completed formal primary education and 15% has completed secondary level education. The bottom case is Nepal, where only 1% of the adult population has completed primary education, and secondary school graduates comprise a microscopic minority. The Philippines, Costa Rica, and Peru have between 3-4% of the adult population with tertiary level education. Fig.9 shows the correlation of literacy and secondary and tertiary education combined in the 1960s in which Rumania is bettered by Argentina and Uruguay.

The structure of education in most of the countries under study is still effective, being insufficiently oriented towards technical, medical, agronomical, and natural science subjects.

In over half of the 29 countries discussed here, more than 50% of the graduates or students are enrolled in fine arts, humanities, law, social sciences or pedagogy . The percentage of graduates and students enrolled in engineering, medical science, natural science and agriculture, respectively, lies below 20%, with the exception of Chile, Colombia, Ecuador, and Peru; below 20% with the exception of five only, and below 10% with the exception of Honduras, Thailand, and Uruguay, all respectively.

P r i c e s . The development gap between the capitalist, socialist and the developing nations is continuously increasing instead of being reduced or wiped out. Price fluctuations due to uncontrolled inflation in the Western world, directly and indirectly affecting the developing nations, has worsened the purchasing power of the average citizen of the developing nations, where real incomes have remained either almost equal or have grown very little during the period 1961-1969. Among the developing Asian and Latin American nations, the inflationary effect of prices during the above period, was the highest in the case of Brazil (47%), followed by Chile with 26% and Indonesia (15.4%), India (6.4%), while the lowest was Guatemala with 0.7%. ¹¹⁾ Rumania, however, follows a policy characterized by uniform price fixation and stabilization, with the maintenance of prices of the basic consumption objects at the lowest level, throughout the country; permanent control and guidance of the price structure (in which social value dominates over the marketing profit-motivated actors); and occasional price adjustments through slight upward and downward variations according

to salary structure and consumption trends. For this reason, it is not possible for inflation to infiltrate into and afflict Rumania's economy. Since the developing countries have no definite policy of price fixation and control mechanism, because of the liberal nature of their economies, they are easily susceptible to the price fluctuations of the developed market economies, and are as yet incapable of assuring an economically secure life to their people.

3. *Economic structure and development level: Rumania 1938-1968*

3.1. *Development policies and mechanisms*

While creating and consolidating state capitalism, Rumania adopted some positive and some negative steps - positive in the sense of goal orientation for improvement of the quality of life of the majority commoners, negative in the sense of subjective, procedural and hasty implementation of quickly-adopted decisions and measures. Of the important measures implemented since 1948 and onwards, let us briefly enumerate the following, by periods.

Period I (1948-1959) - initial phase of state capitalism

- Nationalisation of such key economic sectors as mining, manufacturing, banking, insurance and transport services;
- introduction of central planning for planned and proportionate sectoral and regional development;
- adoption of anti-inflatory measures to repair the economic damages caused by World War II and its aftermath, as well as by droughts in the post-liberation years; also hurried introduction of voluntary Peasants Association, and later on compulsory collectivisation in agrarian sector without creating sufficient consciousness among the land-hungry, relatively conservative peasants.

Period II (1959-1965) - second phase of state capitalism

(or, in Rumanian terminology, of construction and development of technical and material basis of socialism)

Adoption of own ways and means (based on the specific economic, social, political, cultural, and geographical conditions of the country) of building *socialist structure and superstructure on*

Rumanian soil (the approach being *harmony through diversities*, i.e. within the framework of CMEA and Warsaw Pact agreements, but on the principle of establishing independent external and economic relations with all countries irrespective of social, economic, and political systems, on the basis of equal footings);

- strengthening of party control over the mass organizations and means of production; and
- furtherance of industry, with the creation of newer capacity and extension of production, as well as completion of collectivisation relation (now termed as "cooperativisation") in agriculture.

Period III - third phase of state capitalism (1966 and onwards) (or the stage of "multilaterally developed socialist society"¹⁴) according to party chief Nicolae Ceaușescu)

- concretisation of the structural or party relations over the superstructural or institutes and organizations (through bureaucratisation and technocratisation);
- elimination of contradictions between the forces of production and the relations of production, between urban and rural areas, between intellectual and physical labor, etc.;
- achievement of this all-round or multilaterally-developed society by 2000 A.D., to serve as a transition ground towards entering the ultimate phase of communism.

These, then, are the basic steps of the development strategies Rumania has pursued during the last quarter century.

3.2. *Production cost and social cost*

Liberal economists occasionally complain that cost of production is higher in the socialist economy than in the capitalist one. Sometimes this is true because the socialist economy has to maintain a full employment policy, despite the economic efficiency of lower and less employment combined with a higher intensity of labor in the capitalist economy. Apart from the contribution of raw material and capital, the cost of production in a socialist economy includes the contribution of labor socially necessitated. The contribution of this necessary social labor is almost equivalent to *average labor cost*, rather than marginal labor cost which forms the basis of market price fixation or

evaluation of the social labor embodied into the commodity. In a socialist economy, payment to the labor includes, besides the quantity and quality of labor - input into production, also the *element of needs* of a worker and his family to maintain and improve his socio-economic standard as well as the social cost or social benefits for improving the public or social utility services. In a capitalist economy it is the state which obtains this social cost through taxation, but in a socialist economy it is automatically included in the production. Although set up on the capitalist model, the state sector industries of the developing countries of Asia and Latin America try to reflect part of this social cost in the cost structure of production - which the proponents of market economy attack as "economic inefficiency". However, occasional state subsidies granted by developing countries to some public utility but semi-public enterprises for creation of social values or utilities are also criticised by these exponents of "efficient economy", who minimize the social value to market value.

Because of full employment policy in the socialist economy and higher employment or job-creation demand in the developing economy, their industries are necessarily more labor-intensive, **less** capital-intensive. The technological gap is also relevant here. Hence there are some similarities in developmental problems, perceptions, and solutions between socialist Rumania and the developing Asian and Latin American countries - although they vary in degree. Lacking statistics on the role and share of different production factors in the commodity output cost of the developing countries under consideration, we cannot make a comparative analysis with that of Rumania. However, comparing Rumania's data for 1951 with the corresponding data for 1968, we find very little difference - with the exception of raw material consumption in production, which increased by 6.4% (from 62.5% in 1951 to 68.9% in 1968), while the contribution of wages and salaries decreased by 2.4% (from 15.5% to 13.1%) in the same period.¹⁵⁾ For obtaining optimal results from the raw materials in Rumania as well as in the developing countries, more attention must be paid to rational use of raw materials, minimization of wastage, and improvement of product quality.

The classical theory of division of labor based on the Ricardian comparative cost or advantage theory, the interest-serving theory

of the dominant society, is harmful for the developing or peripheral societies. They can never specialise in industries based even on their own raw materials - being compelled to specialise only in agricultural and industrial raw materials and semi-processing of a few minerals and metals. Now a necessity is emerging for a new international and specific division of labor to be based on independent interdependence of the developed and developing economies and on the complementarity between the both - aimed at producing development equilibrium.

Inter-dependence between two countries should be based on *mutual* economic and social advantages - not on *comparative* advantages; also, on *equal rights* and *reciprocity* - not on *inequality* or *one-sidedness*. Interdependence at the initial stage which in the long run may result in independence of each of the contracting countries, is the *positive interdependence* badly needed by the developing countries of today. But the initial interdependence which in the long run creates or furthers *dependence* by one of the contracting countries on the other is *negative interdependence*. It may, for example, make one country specialise only in raw materials, with the arguments for her relatively cheap labor, her backwardness in technology, and distance from the market, while the other specialises in technology and distribution. This negative interdependence creates a relationship of center-periphery or dominant-dominated.

Liberal economists still favor the modified Ricardian comparative cost theory in the case of establishment of new industrial enterprises and exchange of commodities on a global scale. Their argument is that only under these conditions and aspects can the perfect division of labor be achieved, eliminating economic inefficiency through "rational" use of all aspects and factors of production. But this type of specialisation leads to the concentration of wealth and benefits in the hands of the "haves" at the expense of the "have-nots". In fact, this theory is the theory of *non-industrialisation for the developing countries*, who are expected to remain within the orbit of the industrialised countries as satellites. The history of development and underdevelopment has shown how some countries remained underdeveloped when subjected to the division of labor based on comparative

advantages and when some were to specialise in the means of production and the others only raw materials.

3.3. *Policy pattern or model*

The basic problems initially confronting a developing nation are those of food, clothing, housing, health, education, and employment. Only when these basic problems are solved can it proceed towards the cultural uplift of the people. Rumania has been able to solve, to a greater extent, the above basic problems and *established an adequate general standard of living* (in terms of the above), reducing many of the disparities between the elite and the greater masses of population. The countries which are today living on the margin of subsistence can try to reflect the means applied by Rumania for creating such a general standard of living.

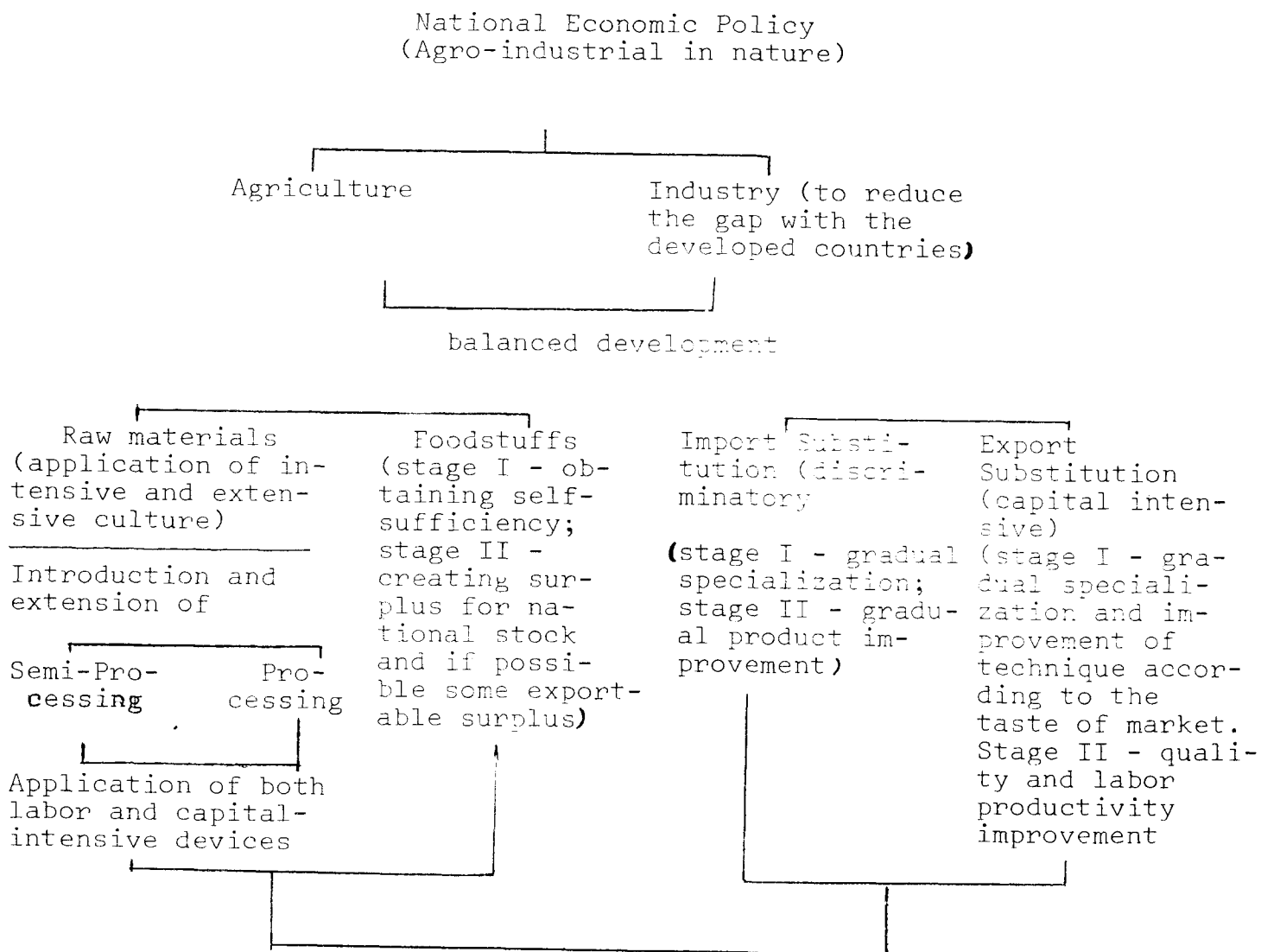
For a self-reliant economy of the Asian and Latin American developing countries, based on the experiences with positive and negative results of Rumania, other socialist countries, and the third world, we propose an adaptable policy pattern or model which may be sketched as follows (see Table 4).

4. *Rumania's development measures 1938-1968 in the development context of Asian and Latin American LDCs*

A healthy democracy creates a healthy social order. In such a democracy, the development policy orientation, elaboration, and its implementation may take place according to people's wishes. People can guide and check its march through such different media as free deliberations in the press, radio, TV, mass meetings, mass and group debates, study and analytical circles, democratic parliament; finally they can express and effect their opinion in democratic election.

Of course, by "healthy democracy" we understand neither a bourgeois democracy in the guise of social democracy led by bourgeois elites, nor personal dictatorship or governing by the "cult" in

Table 4. *A model of self-reliant economy for the Asian and Latin American developing countries*



Problems of training labor, specialization of apprentices and product-designing and orientation - to be solved at the technical schools or institutes to be established at the production or factory sites.

the name of collective leadership on behalf of the proletariat or working class and peasantry alliance. Some of the developing countries which had either a long tradition of democracy (like Chile, Peru, Ecuador, Uruguay in Latin America) or have relatively newer democracies (like Iraq, Burma, Indonesia, Cambodia, Pakistan- until 1972 , Thailand- until 1973 in Asia) have fallen victim to U.S. directed, operated and guided, or national military-elite controlled military dictatorship. In Asia there

are only a very few exceptions of national bourgeois democracies like India, Ceylon, Malaysia, still surviving. Out of the countries under study, only Pakistan, Argentina, and Thailand have come out of the grip of the military elite - to fall victim to the national bourgeois and aristocratic elite.

Since Rumania was liberated in 1944, her establishment and maintenance of the dictatorship of the proletariat in the interest of the working- and peasant class over the other social classes could be justified only up to 1960, at which time she consolidated her state capitalism. But continuation of the same in the sixties and seventies cannot be justified, as its historical necessity and importance is already exhausted. Guided socialist democracy, as East Europe says and still practices, cannot produce any change in imperfect superstructures. A revolution in thought and practice is needed in order to bring about a society with more equity and quality. By "revolution at the superstructural level" we mean the *revolutionising of the means to reach to the end - to achieve a new social order*, free from artificial barriers to natural development and growth of mankind, and where proper human values may be created. But the monolithic Rumanian Party and state leadership, **ruling the nation from above**, . . . in the name of collective leadership, has perhaps *misconceived* the revolutionising of the *means* for revolutionising the *system*. The historical experience of dialectical materialism has shown that when a social class comes to power, it then tries to conserve its own institutions and system by becoming "thesis", as opposed to any new outcome - the anti-thesis, whether positive or negative. The inherent mistake of a centralized society is that it misses the transitional ideas which a continuous democracy can yield. Social outlooks and practices differ from generation to generation. A democratic society may conceive and shape new ideas, where a bureaucratized or conservative society, dogmatized because of centralism, cannot perceive and adopt the newer outlook necessary to a progressing society.

As mentioned earlier, Rumania has been able, with tremendous efforts during the last two and half decades, to solve the problems of basic needs for her people. But what next? When a man's basic needs are met he *wants to have something new from*

the society, and to contribute with something new to the society. This is what the new generation wants. If one considers anything new to be regressive or reactionary, one cannot proceed, one rather recedes and becomes victim of decadence. Structure changes more slowly than the superstructure. *But if a social structure is not, in time, interacted with the superstructural changes, if it tries only to interact the superstructure with its own structural power and conservatism - then it will either perish ingloriously, or meet a violent death by a sudden blow from the superstructure with which it cannot keep pace.* This is the reality of social revolution and change.

5. *Applicability of Rumania's measures (1938-68) in the LDCs (1968)*

At the base of the planning policies of the developing countries lies the indicator of average consumption of the socio-economic conditions (on the model of the developed market economies). By contrast, Rumania, like other socialist planned economies, starts from the indicator of socio-economic conditions of the bottom-level masses. In comparison with the average indicator, which fails to reveal the real social situation, the bottom-level indicator **reflects much better** the implementation of the planning policies. But in order to meet the mass demands of social needs, a socialist economy accentuates the *quantitative* aspects of development, ignoring or lessening the importance of the *qualitative* aspect. Rumania has not been excepted from this experience - which the developing nations are not necessarily expected to follow in toto. At any rate, the principle of bottom-level assumption, instead of the average assumption, is more healthy for a society where the majority live below the subsistence level.

Again, contemporary experience shows that the best socio-economic progress may be obtained within a *production-consumption cycle* process of four or five years. If this cycle is prolonged for one generation or generations instead of, say, five years, it results in the deprivation and sacrifice of one entire generation or generations for the future ones. This is a policy which Rumania also adopted. It is, naturally, *not balanced*, as the

demand is sacrificed to supply for an indefinite period. But what Rumania did in fact achieve during this one generation period cannot be minimised - her success lies in the fact that she has been able to establish a sufficiency standard of production and consumption, starting from the level of below subsistence.

The development problems of Rumania of 1938 and the LDCs of 1968 being similar, the experiences of Rumanian development means and ways of 1938-68 may serve as development model (minus negative aspects) for them and in doing so, on the basis of the experiences, they may reduce the development period to half or even less than that Rumania needed as shown in the sketch.



But the experienced **A** period may make the realisation of A achievements possible in $\frac{1}{2}$ B period or even less than that time.

Certain similarities between Rumania and the developing countries may be observed in the process of industrialisation. When an agrarian economy starts industrialising, it must spend more on building and construction aspects (i.e. to construct the factory buildings) while the developed nations will, generally, concentrate only on rationalisation and modernisation, i.e. exchanging obsolete or outmoded equipment and tools for the latest ones. So, Rumania has had to spend more on the building and construction aspects of industrialisation - as the Third World countries are also doing.

In a few of the developing countries under study, the state sector will be highly developed and consolidated (i.e. India, Iraq, Srilanka, Chile, and Peru), while the private sector is preponderant in the others. Nationalisation of key economic sectors - mining and manufacturing industries, banking, insurance and transport enterprises - and of the distribution aspect of economy (internal and external trade) as well as

efficient management and expansion will help the development of state capitalism, though within the capitalist framework. A properly oriented and propelled state capitalism with pressure-guidance from the masses can aid progress towards a self-reliant economy.

Food production is still an alarming problem in the Third World. Rice is the main staple food of the majority of Asian and Latin American countries, while wheat only supplements it. In the case of wheat, the so-called green revolution has been fairly successful, but with rice it has been an utter failure. The latter is more capital-intensive (demands more investment in fertilisers, techniques and pesticides) and dependent on favourable climate with regular and natural rainfall or other means of assuring a water supply to this water-consuming crop. Factors contributing to the failure of the green revolution in rice include unsatisfactory irrigation systems, misfortunes of natural calamities (i.e. drought in one part while inundation elsewhere), and ineffective land reforms. Subdivision and fragmentation of land, because of application of hereditary succession and "land to the tillers program" in order to meet the land-hunger of the landless laborers and poor peasants, have barred the use of modern agricultural appliances, as these needs more capital investment and more surface for application. Apart from this, economic planners in most of these countries have given top priority to *industrial* development (which, however, has not always developed in the desired direction), neglecting agriculture and the principle of balanced growth of all the economic sectors. The result, as we can see, has been chronic food shortages.

A radical land reform, with the promotion of democratic co-operation in agriculture, accompanied by proper mechanisation, should speed up these nations self-sufficiency in foodstuffs and agricultural raw materials.

It is true that the blue-print or proto-type of development model of one nation cannot automatically be imposed on other nations because of difference in geographical, historical and socio-economic conditions between them - but the positive

phenomenon of a successful experiment in a highly similar country should not pass unnoticed. Here we mean the creation of development attitude or change in social behavior, i.e. departing from dogmatic traditional thinking and adopting new approaches adaptable within the socio-economic context.

10. F i n a l r e m a r k s

We have now shown how Rumania satisfies two important criteria of a model country: the point of departure was roughly similar to developing countries today; the point of arrival so far, although it has important shortcomings, represents a major improvement over and above prior conditions, particularly for the masses of the people. In fact, there is so much of a change that it might be referred to as a discontinuity in Rumanian history, not only because there is a discontinuity in the regime. And discontinuities are often, but not always, caused by other discontinuities, for instance World War II. The war brought a discontinuity in the semi-feudal and monarchical exploitation of Rumania. She gradually effected a change in the political, social, economical and developmental structure (though this structural change was imposed from outside - from the Soviet Union) - thus proving that revolution and the principles of social change can be exported. But the merit of the post-war regime is that it could successfully effect the social mobilization and participation from the bottom for implementation of the top or centrally fixed goals.

The war did not produce any change in the political structure of the Latin American countries (with the exception of a few small British and French colonies which obtained political independence in the post-war years), though economically the whole continent was transformed as into a periphery to the United States, and in some countries social movements were counter-acted by the emerging military dictatorship. Most of the developing Asian nations got independence in the post-war period - but were subjected to internal structural violence and external economic subjugation. Rumania's post-war period orientation and implementation model of socio-economic developments (excluding the minor negative aspects and accepting the positive ones) can be tried in the developing countries in our study, of course, within the limits of their specific historical, social and economic conditions which, we hope, can produce dynamic social changes in the desired direction of self-reliance, even within a much shorter period than Rumania needed for herself.

But the big and basic question remains unanswered: the role of the World War. Could the Rumanian basic social change have taken place without it - was there sufficient revolutionary consciousness and mobilization, could the regime have been toppled if it had not been illegitimized by the war, and even so could it have been toppled without the help of the Red Army? The answer is probably no to all these questions. If then the other countries discussed are relatively similar to what Rumania was the question becomes: can they undergo basic social change without some basic external/internal discontinuity - and what other discontinuities will future history have in storage for us, short of one more world war? Mankind will not welcome another war because its devastating effects not only on the present generation but on the future one too - but at the same time basic social change is an immediate and historic necessity for the developing nations. As an answer to the above question we may assert that social change may be obtained, under the present circumstances, through internal discontinuities only - through internal revolution and evolution. Or, a major economic crisis weakening local and metropolitan power structure alike might be another example; like a world war it would also be accompanied by the misery of the masses out of which a powerful motivation to do away with the old system may arise. But some such situation is probably needed, judging by the logic of the Rumanian case: it is very much to be doubted that sufficient revolutionary momentum existed in that society or would have been built up to cause the changes that undoubtedly took place. The Chilean case may actually serve as a supporting example here: somehow these power structures were definitely not sufficiently weakened. But then the Cuban case comes as a counter-example: Batista was weakened, perhaps mainly morally - the US was not. Was she taken by surprise? Or did she simply fail to understand what the whole thing was about? No easy answer exists to such questions. Hence, the key conclusion will have to be as follows: the point of departure was sufficiently similar to say that Rumanian strategies may serve as a model - but only provided a functional equivalent of World War II, when it comes to breaking down the power structure upholding our century's version of the ancien regime, is found.

NOTES AND REFERENCES

* This can be identified as PRIO-publication no. 26-11, and as publication no. 12, from the Chair in Conflict and Peace Research, University of Oslo. I would like to express my gratitude to Johan Galtung for suggesting the basic design of the study and for advice and criticism, as well as to Pavel Apostol of the Rumanian Academy of Social and Political Sciences for valuable critical remarks. [The statistical sources of graphs are: *Anuarul Statistic al R. S. Romania, 1968*; *Statistical Pocket-book of the Socialist Republic of Romania 1971*, Bucharest; *World Economic Survey 1969-1970*, New York; *Yearbook of National Accounts Statistics 1970*, U.N.O., New York; and *Statistical Yearbook 1971*, U.N.O., New York. The country abbreviations used in the graphs are as such: first three letters in case of all countries excepting Indonesia (INA), and Iraq (IRQ).

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- 2) Doreen Warriner - Some Controversial Issues in the History of Agrarian Europe, *The Slavonic and East European Review*, Vol. 32, No. 78, December 1953, p. 184.
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- 4) Warriner, p. 184.
- 5) Julian Hale, *Ceauşescu's Romania*, London, 1971, p. 19.
- 6) For details on Carol II's dictatorial period 1938-40, see *Rumania* by Henry L. Roberts, New York, 1969, pp. 206-222.
- 7) In 1938, Germany combined with Austria provided with 36.8% - more than one third of Rumania's total imports and absorbed 26.5% - more than one-fourth of her total exports expressed in values. *Ibid.*, pp. 214-15.

8) Here to illustrate:

A Paris education for a young landowner or 'boier' nobility of Rumania, in those days, was the most desired and accepted thing; and French was the adopted language of the nobility. According to the old generation sociologists, at least 10% of the World War II elite (majority being the landlord nobility) either lived permanently or at least resided six months a year in Paris and other French cities. Even today about 70% of the urban population in Rumania speaks and understands French.

9) Here we would like to quote what the French diplomat Mr. Guérault remarked: "Whether she accepts or repudiates it, France has there, on the banks of the Danube, an inevitable clientele, which attaches itself to her as the head of the latin nations, and as its political metropolis, and which tries every day to assimilate her language, her legislation, her literature and even her most futile fashions." For details, see Hale, p. 46.

10) The population variation, during the period, has been taken into account in calculations.

11) *World Economic Survey*, U.N.O., 1972, pp. 93-94.

12) *Statistical Pocketbook*...., pp. 34, 440-42.

13) *Ibid.*, pp. 440-42.

14) Here he elaborates that the essence of a multilaterally developed socialist society "lies in: Building an advanced economy armed with a modern industry and an intensive agriculture of high rentability; large-scale implementation of scientific activities, of public education and of efforts for raising the cultural level of the masses; continuous increase of material and spiritual welfare of the working people from towns to the villages; effecting distribution of goods produced by the society in the spirit of justice and socialist equity; improving the relations of production; preparation of the organizing cadres to enable the broad participation of the popular masses, of every citizen in the public life, in solving social problems; expanding public freedom, development of socialist democracy".

For details see Nicolae Ceaușescu: *România pe drumul Construirii Societății Socialiste Multilateral Dezvoltate*, Vol. 5, Bucharest, 1971, p. 879; and also Nicolae Ceaușescu: Report at the National Conference of the Romanian Communist Party (July 19-21, 1972), Bucharest, p. 103.

15) *Op.cit.*, *Statistical Pocketbook*...., p. 154.