

# Romania

## Key facts in 1929

**Area:** 295'049km<sup>2</sup><sup>[1]</sup>

**Population:** 17'640'000<sup>[2]</sup>

**Life expectancy:** 42 years<sup>[3]</sup>

**Literacy rate:** 62%<sup>[4]</sup>

**Biggest Minorities:** Hungarians, Germans, Jews, Ruthenians, Russians, Bulgarians, Romani, Turks<sup>[1]</sup>

**Select Main Cities:** Bucharest, Chisinau, Cernauti, Iasi, Cluj, Galati, Timișoara.

**Neighboring countries:** USSR, Yugoslavia, Bulgaria, Hungary, Czechoslovakia, Poland

**Sea Access:** Yes, Black Sea

**GDP:** 2'100'000'000 \$1929<sup>[5]</sup>



## Recent Historical Background

World War I played a crucial part in the development of Romanian national consciousness, as in its aftermath in 1918, the integration of Romania with Bukovina gained official approval in the Treaty of Saint Germain in 1919.<sup>[6]</sup> Additionally, certain Allies acknowledged the union with Bessarabia in 1920, as outlined in the Treaty of Paris, although the latter was never ratified.<sup>[7]</sup> On December 1, the representatives of the Romanians in Transylvania voted to unify Transylvania, Banat, Crișana, and Maramureș with România, a decision declared in the Proclamation of Union at Alba Iulia. This significant event is commemorated today by Romanians as the Great Union Day, a national holiday. At that time, Romania achieved its greatest territorial extent, almost 300'000km<sup>2</sup>.<sup>[6]</sup>

Most of the claimed territories were granted to the Old Kingdom of Romania, which was ratified in 1920 by the Treaty of Trianon that defined the new border between Hungary and Romania.<sup>[6]</sup> The union of Bukovina and Bessarabia with Romania was ratified in 1920 by the Treaty of Versailles. Romania also acquired Southern Dobruja territory called “The Quadrilateral” from Bulgaria as a result of its participation in the Second Balkan War in 1913.<sup>[8]</sup>

## **Political Situation**

Due to the peace treaties, regions predominantly inhabited by Romanians were consolidated into a unified state, encompassing significant minority populations. The 1923 Constitution of Romania acknowledged national minorities, granting them representation in Parliament, and some even formed political parties. However, the extensive autonomy envisioned for minorities, as outlined in the Great National Assembly of Alba Iulia on December 1, 1918, was not fully realized. The 1930 Romanian Census reported a population of 18,057,028, with Romanians constituting 71.9%, and ethnic minorities making up 28.1%. This demographic mix occasionally resulted in violent conflicts, such as the Hungarian–Romanian War and the Tatarbunary Uprising. In response to Hungarian irredentism, Romania, Yugoslavia, and Czechoslovakia established the Little Entente in 1921. Concurrently, Romania and Poland forged a defensive alliance in 1921 to counter the emerging Soviet Union.<sup>[6]</sup>

## **Economic Situation**

The Great Depression hit Romania hard, as ever since the Great War Romania grappled with challenges such as inflation and the non-convertibility of its currency, the Romanian Leu. The country primarily relied on an agrarian economy, with agriculture contributing to 63.2% of the national production. The impact of the Great Depression was significant, evident in the 1933 net national income of 172,614,000,000 Lei, which constituted only 62% of the 1929 figure of 275,180,000,000 Lei. In response to the economic downturn, the National Bank of Romania implemented various measures, and the country sought financial assistance through loans. Additionally, Romania sought aid from France to address the economic crisis.<sup>[9]</sup>

The Great Depression resulted in a 50% decline in industrial production and a rise of 300,000 individuals facing unemployment in Romania. In the early 1930s, the cost of harvesting a quintal of wheat exceeded its market price. Agricultural products, lacking protective customs measures, were subject to international competition, causing their prices to decrease by 60–70% compared to those in 1928 and 1929. Landowners went bankrupt and the peasants had little left to eat or pay taxes to the state. By 1932, some 2.5 million farmers had unpaid debts to banks, worth 52 billion lei. From October 1929 to July 1931, over 17 billion lei were withdrawn from Romanian banks, leading to the collapse of the banking system. This crisis resulted in the bankruptcy of several banks, including notable institutions like the Romanian Peasantry Bank and the Bercovici Bank. The onset of the banking crisis, first evident in 1930, triggered widespread panic among depositors, prompting a mass withdrawal of funds. The culmination of the financial catastrophe occurred in 1931 when one of Romania's major banks, the Marmorosch Blank Bank owned by Aristide Blank, declared bankruptcy.<sup>[9]</sup>

## Military Strength

In 1929, Romania's military numbered 191,000 active personnel and received funding totaling 7,930 million Lei (equivalent to 48 million USD).<sup>[10,11,12]</sup> It also used 76 Renault FT-Tanks which were obtained in 1919 as well as about 350 planes.<sup>[13,14]</sup> The Romanian Navy had six torpedo boats, eight river torpedo boats, five corvettes, seven river monitors, six river floating batteries, seven ASW motorboats as well as one minelayer, totalling 40 ships.<sup>[15]</sup>

<b>Key Facts about Military Strength of Romania</b> <sup>[10,11,12,13,14,15]</sup>	
Active personnel	191'000
Tanks	76
Other vehicles	unknown
Ships	40
Planes	350
Funding in 1929\$	48'000'000

## Allies/Enemies/Existing territorial disputes

Allies: Poland (Trading Partner) [The Lublin R-XIII was used in both Poland and Romania]<sup>[16]</sup>, Yugoslavia, Czechoslovakia, and France (Thanks to the Little Entente)<sup>[17]</sup>

Enemies: Hungary (Transylvania, Hungarian-Romanian War)<sup>[18,19]</sup>, Soviet Union (Territorial disputes around Bessarabia)<sup>[20]</sup>

Territorial Disputes: Transylvania (with Hungary)<sup>[19]</sup>, Bessarabia (with Soviet Union)<sup>[20]</sup>, Dobruja (with Bulgaria)<sup>[21]</sup>

## Some of the Main Goals for the 1930s

1. Consolidation of Transylvania: Secure the territorial gains made in the Treaty of Trianon.
2. Strengthen national unity: Improve the relationship between the various ethnic groups in Romania, especially the Romanians, Germans, and Hungarians.
3. Intensify international alliances: Intensify the Little Entente to protect Romanian territorial integrity as well as national interests against adversaries such as Hungary and the Soviet Union.

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