# INDUSTRIALIZATION AND DE-INDUSTRIALIZATION IN *ȚARA BÂRSEI* AND *ȚARA FĂGĂRAȘULUI* – – TECHNICAL, ECONOMIC, HISTORICAL, SOCIAL ASPECTS

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Abstract. In Transylvania, between the mid  $19^{th}$  century and the mid  $20^{th}$  century, a relatively high process of industrialization was developed. The areas named *Tara Făgăraşului* /Făgăraş County/ and *Tara Bârsei* /Braşov County/, before and during the Second World War were at the heart of the industrialization process, especially with the development of mechanical and chemical or military industry. The study is focused on identification and characterization of the industrialization process, with its stages: the appearance, the maintenance, the increase of industrial imbalance, the extent of industrial disparities, in *Tara Bârsei* and *Tara Făgăraşului* – Romania. The process of de-industrialization and its impact on socio-economic life is also analyzed. The de-industrialization for the East European Countries was a process of transition from a centralized economy to a market-oriented one that was supported by industrial re-organization and privatization, with the main purpose – diminishing and eliminating the extant industrial imbalances, with negative impact on the life quality.

#### 1. PREMISES OF INDUSTRIALIZATION

At the cross of the Southern and Oriental Carpathians, two habitant areas have been developed, named after the rivers that crossed them: the Land of Bârsa (*Țara Bârsei*, attested in 1211 as *Terra Boza*) and the Land of Făgăraş (Țara Făgăraşului, attested in 1222 as *Terra Blachorum*).

Placed on the access road toward European commercial routes, these areas had a dynamic development, becoming the motors of dynamic transformations in the live of people from the Carpatho-Ponto-Danubian space.

The Land of Bârsa (*Țara Bârsei*) was developed around the economic, cultural and social center, that is the town of Brașov, historically attested first in the Diplomas conferred by the feudal Hungarian state to the Teutonic Knights (settled here during 1211–1225).

The Land of Făgăraş (*Țara Făgăraşului*) was developed around the Fortress of Făgăraş (*Cetatea Făgăraşului*), a city to which many historical events in Transylvania are connected:

- In 1310 Transylvania's prince, Ladislaw Kán, started to built what was to become one of the most impressive and well-preserved medieval citadels in Romania: Fortress of Făgăraş;
- During the 14<sup>th</sup> and the 15<sup>th</sup> centuries, the Land of Făgăraş was attached to Valachia, but beginning with the second half of the 15<sup>th</sup> century, it

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becomes a royal province of the Austrian Empire, donated either to German University or to great feudalists;

• Since 1954, the fortress has housed the Museum of Făgăraş County.

Until the 19<sup>th</sup> century, the cities of Braşov and Făgăraş maintained their role as commercial and manufacturing centers, with their traditional forms of organization.

Great economic changes appeared through passing from the guild production (in Braşov – firstly mentioned in 1598 – in the shoe-makers guild status, 1621 – in the boot-makers guild status, 1643 – in the tanner's guild status) to manufacturing (first paper mills were built in 1546 in Braşov and in Făgăraş during the 16<sup>th</sup> century).

The second half of the 18<sup>th</sup> century and the beginning of the 19<sup>th</sup> century is characterized by dependence relations of Transylvania to the Austrian Empire: Transylvania became the main supplier for cereals, meat, raw materials and a market for the industrial products from Austria, Bohemia etc.

For Land of Bârsa and Land of Făgăraş, new developments have taken place in 19<sup>th</sup> century:

- After approving the *Land law* in 1853, most of the former peasants (26 villages depended on Braşov and 51 parishes belonged to Făgăraş county) become employees and the urban population begins to increase;

- *The Industrial Law* in 1872, which stated that the guilds were abolished and only the industrial factories were recognized, sustains the industry development;

New means of transportation are developed – the Braşov-Budapest –
Vienna railway is opened in 1873, and after 6 years, in 1879 the Braşov –
Bucharest railway is built;

- For a better communication with the capital of the Austrian Empire, new ways of communications are developed (they have already installed the telegraph in 1854).

In the second half of the 19<sup>th</sup> century, the first factories and industrial companies are built:

- in Braşov, as traditional center of manufacture and commerce,
- in neighboring cities (Codlea, Râșnov, Zărnești, Săcele, Făgăraș),
- in villages that had specific resources (Vulcan, Cristian, Bod, Porumbacu).

The dynamic of industrial development in *Țara Bârsei* and *Țara Făgăraşului* is shown in Table 1.

Table 1

Dynamics of number of factories in Land of Bârsa and Land of Făgăraş in the period 1880 and 1980

Year	1880	1900	1927	1948	1970	1980
The number of factories	17	49	98	87	69	66

In the period 1880–1990 new factories of wood /parquet, matches/, glass, textiles, were founded: *Schiel* car factory (1880), cloth-making Scherg factory (1881–1884), Portland cement *Kügler* factory (1891), etc.

After 1900, there were built: an oil refinery, furniture factories, two factories of chemical fertilizers. The number of employees in chemical industry in 1903 is over 1051.

After the year 1918, when the unification of the Romanian state took place, new other major factories have been developed:

- in Braşov – the steam engine and rail car factory, the cable factory *Aurora* română, the laminate factory *Farola*, and the plane factory IAR Braşov (1925);

– in Făgăraș – the factories of Explosives and Nitramonia (1920–1921).

The announcement of the foundation of *Societatea Română de Explozibile* Făgăraş [The newspaper *Glasul Făgăraşului*, 1921].

Likewise, there was a process of attracting people from Moldavia and Valachia to the industrial area around Braşov.

Among the characteristics of the period 1900–1948 are mentioned:

- In *Țara Bârsei* and *Țara Făgăraşului* the number of people practicing urban jobs increases, having a great impact on social, cultural and economical living in these two areas;

- By the people re-location in a city, a process of total or partial rupture from their ex-traditional habits takes place and they pass from a traditional lifestyle to a specifically urban one;

- During this period a process of people migration takes place towards the capital, Bucharest and other important cities over the Carpathians;

- The hiring people from other geographical areas from Transylvania or Valachia or Moldavia had a dynamic effect in the urbanization process.

After 1948 Țara Făgărașului is completely integrated in the Brașov County.

### 2. INDUSTRIALIZATION IN *ȚARA BÂRSEI* AND *ȚARA FĂGĂRAȘULUI*

After the Second World War, and especially after 1948, the event which changes dramatically the socio-economic life was the nationalization of the main product means.

Many plants/factories change their activity profile. An example: the IAR Factory is re-called into service by changing the production profile into tractors production (1946).

Political changes lead to the implementation of a strategy of high industrialization in the area<sup>4</sup>:

The implementation of industrialization in the area of Braşov – Făgăraş has some particularities:

 High share of industry in all material production – Braşov area ranks first after the capital to this indicator (Table 2, Table 3);

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The Structure of the material production in the Braşov County per habitant in 1980, in comparison of the planned production for 1985

Components	Industrial production	Land production	Other activities
Achieved production [lei]	97.643,0	6.410,0	15.200,0
Planned production [lei]	144.300,0	10,000.0	15.200,0

<sup>4</sup> In 1966, at the IX<sup>th</sup> Congress of the Romanian Communist Party Nicolae Ceauşescu is elected as General Secretary, in the same year, the Great National Assembly (*Marea Adunare Națională*) takes place and a new Constitution is approved: Romania become a Socialist Republic, and in 1974 Nicolae Ceauşescu become first President of Romania Socialist Republic, a new administrative and territorial reorganization takes place and the industrialization policy continues

Table .	3
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Share of industrial products from Braşov within the Romanian industry

Products	Tractors	Bearings	Trucks and buses	Internal combustion engines
Share [%]	100,0 %	83,0 %	73,5 %	18 %

 Highly concentrated and specialized /profiling in industrial production (Table 3), aiming at the increasing of the economic efficiency;

- Industrial production is an intensive and energogen /high energy consumption/ process (Table 4);

 The extension of mechanization and automation, by stating the strategy for energy saving materials, they didn't reach the declared rank of automation due to the lack of investment funding – this funding has been directed to less developed counties;

#### Table 4

Indicators of industrialization in Braşov County during 1948–1980 (Source: Statistical Yearbook of Braşov county, in 1981, p.3)

The year	1948	1965	1980
The number of companies	87	69	66
The average number of employees		1452	2746
The installed power [kW]		6016	24000

Table 5

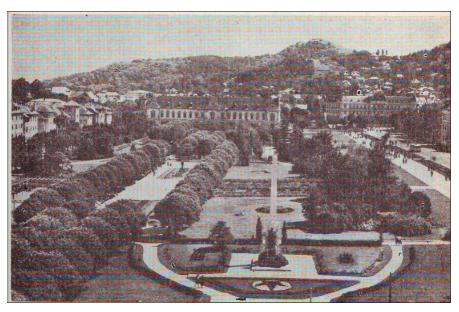
Expenses at 1000 lei for the achieved production

Year	Total expenses	Material expenses
1975	903,3	722,1
1980	796,7	639,7

The development of higher education almost single domain – in Brasov (1948 – the Institute of Forestry, and then the Institute of Mechanics, re-united in the Polytechnic Institute in 1965, with six technical colleges, which becomes the University of Brasov in 1970), and in Făgăras in 1972 (the sub-engineering department of the Polytechnic Institute from in industrial chemistry).

Thus, in that period in Braşov there were functioning the following great companies, such as: the Tractor Factory (*Intreprinderea Tractorul*), the Trucks Factory (*Intreprinderea de Autocamioane*) the Bearings factory (*Uzina Rulmentul*), *Hidromecanica* Factory, the Tools Factory (*Uzina de Unelte si Scule*), Metrom Factory, Electroprecizia Săcele Factory, Aeronautics Factory (*Intreprinderea de construcții aeronautice*), Radiators and Wiring Factory (*Intreprinderea de radiatoare și cabluri*) and others.

In Făgăraș the main factories were the Chemical Machines Factory (it is still in use), and the Nitramonia Chemical Factory [T. Herseni, 1972].



View of Braşov, 1959.



View of Făgăraş, 1960.

A. CASE STUDY – CHEMICAL FACTORY IN FĂGĂRAȘ

The processing of natural gas has been used in Făgăraş before 1948 where, in the factory Nitramonia, they made explosives.

# Producția mereu în creștere

Transformarea instalațiunilor și utilajului întreprinderilor, în special la Explosivi, pentru adaptarea la industria de pace, a fost o operațiune destul de grea, care — deși rezolvată în cea mai mare parte—preocupă încă pe technicienii fabricilor.

Deasemeni, lipsa mereu crescând a unor materii prime a făcut ca mersul producției să se resimtă.

Dar până la urmă, și aceste greutăți au fost învinse.

In general, la ambele fabrici, producția a crescut ireptat, în cursul anului 1947, în ultimul trimestru atingând-o și chiar depășind-o pe cea din 1938.

La Explosivi s'au fabricat: — Explosivi mineri : dinamită, astralită, dacită :

— Pulberi : de mină, de vânat, balestită pentru sonde ;

- Fitile duble Bickford și

fițile impermeabile; — Lacuri și cleiuri de sitre-

celuloză; ,— Rășini plastice: bachelită și amestec pentru chit de bacheliiă.

Am menționat mai sus, numai produsele finite, deosebit de acestea fabricile producând și semifabricate și chiar unele materii prime necesare procesului de fabricație.

Printre inovații, se cuvine să arătăm pe aceea a adaptării unor instalații rămase disponibile în urma sistării comenzilor militare, pi. fabricarea făinii de lemn din rumeguş de lemn.

Tot astfel s'a pus la punct fabricarea prafului de cretă și

a prafului de cărbune, necesare fabricației explosivilor minieri și care mai înainte se fabricau în alte fabrici.

Printr'o metodă originală, brevetată, s'au pus bazele unei noui industrii, aceea a rășinilor plastice, pe cale sintetică, din derivate de petrol, prin obținerea crezolilar și fenolilor. Deasemcni, în locul iutei importate din Anglia, s'a întrebuințat cu succes la fabricarea fitilelor Bickford, bumbac sovielic și cânepă. Procedeul a fost experimentat și pus în practică de technicienii fabricilor și a dat rezultate excețente.

Dintre produsele "Nitramoniei" au fost programate: — Amonaic comprimat, 80 tone lunar;

- Acid azotic  $98^{\circ}/_{\circ}$ , 65 tone lunar:

 Azotat de amoniu, 70 tone lunar:

— Sulfat de amoniu, 20 tone lunar:

— Oxigen, 2000 m3 tone lunar:

In afară de acestea, uzinele au mai produs:

Amoniac soluție;

Increasing of explosive production [Brazde făgărășene, An III, Nr. 46, 1948].



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Voluntarism in 1948 [The newspaper *Brazde făgărăsene*, An III, Nr. 46, 1948].

The raw material was the methane gas, from which the following products have been obtained: nitrogen, nitrogenous fertilisers, plastics and resins, ammonia, nitric acid, methanol, nitrocellulose.

After 1980 in this factory they produced: nitrogenous fertilisers, phenolresins, amino-resins, celluloid, and explosives.

## B. CASE STUDY - CHEMICAL FACTORY IN VICTORIA TOWN

The company is situated at the foot of the Făgăraş Mountains. It has developed on the nucleus of a factory set up before the Second World War, shaped on military production. In 1948 there was a re-design of production, and the city of Victoria begins to develop around the Factory. In 1980 the Factory had 4000 employees, a research center in chemistry.

The History of the town Victoria dawned in the years previous to the Second World War, during which period the Romanian State assigned the purpose and task of building several arms factories in the area.

During the year 1936, the Ministry for Army Provisioning placed to a German company the order of designing and building a factory producing smokeless powders. The year 1937 was marked by the issuing of a royal decree taking over the real estate for a public purpose, followed by starting the works for planning and fitting up the terrain, the lines of communication, the water feed pipes, the edifices and others.

The works had gone on planning and building until around 1942, during which year they were interrupted because of the war.

The first reference to the factory building was made within an address of the German company Ferrostahl of Essen, dated 20.02.1941, towards the Military Chemical Department. Ucea Factories were intended to be built in the outskirts of the village Ucea de Sus, County of Făgăraş, a colony for the factory staff, surfaced upon 30 hectares.

At that time, the labour force consisted in employees originated in the neighbouring villages, in prisoners from the war camps and in a detachment of Jews. Despite of the hard times and wretched conditions, people kept on working and outlived the regime set up within the country.

In those times, the town (colony) was intended to have a character of "isolated" village, fenced and guarded by sentinels, therefore with no contact with the neighbouring villages.

The first edifices were planned and started being erected during the year 1949, the locality bearing the provisory name of *Colonia*. Nowadays, the locality disposes of a surface of 930 hectares, wherefrom 647 hectares stand for the inhabited area, wherein an average number of 10,000 inhabitants live together. Media and people named the town Victoria as the town without a church, or the town of roses, the town of youth, the town garden, the town with no archives/history etc.

More than 50 years ago, the town began to have a shape. Firstly, there were made of several buildings, two streets and the diligence of those who had been thrown on these lands. During the years 1943–1944, the country was at war, and the problem of building a colony was undoable, so that the works have been delayed until February 1948.

The town came alive with many activities in which people took part, among which we are proud of the rich cultural life: In 1957 the city had a first high school class graduates, at that time people loved theater, because there was a cinema hall made of wood, a library searched by people from all over the world, a small gym, there still is a ski instructor for children.

For insuring the health of the personnel working in factories two points of first aid (compared to six planned), were built inside and in 1954 was built the Polyclinic, after a project type. Although it was planned and built a 75-bed hospital type, it was given in use only in 1981.

During the years 1955–1956 a Bread Factory was built with the capacity of 14 tones a days. Today the town has a surface of 930 hectares, from which 647 hectares are occupied by approximately 10 000 inhabitants.

#### 3. DE-INDUSTRIALIZATION AND CONSEQUENCES

In 2007, the Romanian Government started the selling procedure of Nitramonia Făgăraş, although Nitramonia was the only internal source for explosives. The reasons invoked are many: the potential danger of terrorist actions (Romania is OTAN partner), accidents, thefts, forced to double the guard.

There could be the option for declaring bankruptcy or liquidation. Furthermore, the companies producing explosives followed directly the law concerning an emergency plan for the country defense.

Every company that buys parts of this platform is ought to change its production into war production (in case the country is at war). Apparently the companies that want to buy Nitramonia, they want to do so just for the scrap machines and not to follow the law.

### The actual situation of Nitramonia Făgăraș

Romania needs explosives, both for mining and road constructions. However, prospects are bleak as well as for the economic and strategic standpoint, or the fight against terrorism.

Some people might think that bad management rules not only for the leaders of Nitramonia Platform but at the Romanian Government as well.

#### Postscriptum – Victoria Town Company

In 2008, the Company *Viromet* Victoria has bought the archives of Nitramonia Platform Făgăraş which consists nowadays of 5 companies. There are hopes to do some hiring for 800–1000 employees in producing nitrogeneous fertilisers. But, unfortunately the negotiations didn't complete with the Americans from Austn Powder ot the Hungarian company Nitrogenmuvek.

### PostScriptum – Braşov County

In Braşov county, heavely industrialized in communism period, some of the large industrial complexes managed to survive and adapt to the market market economy, but some of them were scraped, leaving behind them a high rate of unemployment.

Even in these conditions, new small companies are developed and number of economic units incresed (Table 6).

#### Table 6

Distribution of economic active units in Brasov County in 2009 [Statistic data of Brasov County]

Domain	Industry	Constructions	Commerce	Services
Number of units	2165	2271	6840	8604
%	10,8	11,4	34,4	43,3

Statistics show the continuous changes in structure of economic profile of the region: it is passed to electric and optic equipment manufacturing, informatics, but the predominant industries remained: mechanical and automotive industry, chemical industry, construction materials, and food industry.

### 4. CONCLUSIONS

The case of companies from Făgăraş and Victoria Town in *Țara Făgăraşului* in experiencing processes of industrialization and subsequent de-industrialization is repeated in many other regions in Romania.

It is clear that the strategy of so intensive development of industry – almost single-domain and the transformations in 1990, of dismantling the market socialist countries – has had a negative impact on economic-social-cultural life of these regions.

Given the conditions of globalization [N. Crafts, 1996], the process of de-industrialization is characterized by social changes caused by the reduction of industry capacity, and negative factors such as: bad economic performance, complexity of structure of demand, capital mobility and labor migration, these regions, which have been fully industrialized and now they cross the process of de-industrialization.

One can notice a slow business ability of those unemployed, who should play the most important role in developing small companies in the local industry.

The effects of industrialization are perceived also in education, which embraced single-domain forms of education too. This had an impact on the dynamic of employees' character that didn't have the ability to adapt to new changes.

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