## SECTION VI SOCIAL AND EDUCATIONAL POLICIES

# ECONOMIC APPROACHES REGARDING ROMANIAN CRAFTSMAN'S GUILDS, AT THE BEGINNING OF THE 20TH CENTURY

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#### Abstract:

The guild represents one of the many forms of association that formed a society, whose coagulation criterion was the profession. These forms of association originated from the administrative organs, being emanations of a class in the process of formation, attracting to its ranks the merchant craftsmen class. The production and sale of goods by guilds, in other words industrial and commercial aspects, were completely intertwined with the sphere of services rendered to the population. The purpose of organizing craft guilds was to establish new functions required by the society of that period, fulfilling both economic, social, political-military and religious roles. Through the guild was carried out the perpetuation of the profession, the defense of professional, economic and social interests. It also had an educational function of learning a craft, which ensured economic stability to the functioning of the guild by acting as a well-determined social organism.

Keywords: Guild, economy, craftsman, economy, corporation, status.

J.E.L. Classification: A29, A30, B19.

#### 1. Introduction:

Guild research was part of the evolution of the Romanian society, facing a double difficulty: The complexity of the phenomenon and the fragility of the documentation on which the reconstruction of their history is based.

Crafts, guilds, later manufactures and factories are characteristic of cities, that is why in many of the specialized works and their number is regarded as an index of the degree of urbanization, and the existence of industry was considered a fundamental feature in the definitions given to the urban phenomenon.

The artisans created the so-called guilds in order to defend against competition, to help each other, to create equal opportunities for work and gain, to protect professional interests. With the development of crafts, the communities of artisans were flexible and even dynamic, through the dynamics of the assumed functions.

The organization of craftsmen in associations is one of the most difficult and complex problems in the history of crafts in Moldova. This difficulty results from the lack of necessary documents to follow the process of setting up guild organizations.

In Romanian historiography, the subject of this analysis is not found as a point approach, writing associated with guild economy is a secondary aspect in our entire research. The attempts of some historians, belonging to this period, to explain some aspects of guild analysis, were starting points for the given subject.

The theme is extremely generous in terms of the aspects it involves, which is why in this approach we try to present some economic approaches to guild activity. The present approach cannot propose an exhaustive analysis of the subject, but rather merely attempts to point out some of the economic aspects that it would, in our view, entail.

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## 2. Definition of guild

The Romanian word guild comes from the Slavonic word from bratswo, which means brotherhood. The great historian A.D. Xenopol assumed that the guild institution was part of the Roman heritage, which was given a Slavic name, admitting that the guilds began to function with the cities. "A guild," said Nicolae Iorga is distinguished only when competition arises between those who exercise the same occupation. With all the idealistic conception, the question of the process of establishing craft guilds was very close to historical truth. "The (old) guilds formed by their own will developed according to their own needs. The old ones helped themselves with a proud sense of brotherhood; today they often bear man with unflinch of heart and working power, which political interests impose upon them under the shield of the state". Nicolae Iorga minimized the internal contradictions, the social conflicts in the field of craft production, reaching even the idealization of such social relations in the Romanian industry, through foreign competition, coming from the East and West, as well as the causes that led to the decline of the indigenous guilds.

The term "guild" means an economic association consisting of members belonging to the same professional category (fur, barbers, tailors, butchers, carpenters, carpenters, soaps, blacksmiths), whose main purposes were the common defense of those of the same profession (craftsmen or merchants) against state abuses or competition; ensuring markets for the sale of own products or goods exposed to competition; and ensuring a monopoly of the supply of raw materials.

## 3. Composition of guilds

Some guilds could be made up of members belonging to different professional categories, resulting in the joining of several guilds into one, depending on interests. Obtaining an economically and politically advantageous position by a guild in relation to competition or obtaining economic advantages from the state was not possible without the cooperation of all its members, but also without a certain discipline. Within the guilds there were internal regulations, but also a hierarchy of its members (craftsmen, journeymen, apprentices) with attributions for each, a governing body that had both the role of coordinating the guild's activities and that of representing the guild in relations with the state or with the competition. The guild had representatives in other shopping centers, the management being informed about the prices practiced, the activity of the competition, the economic measures taken by the authorities or information in the political field.

The guilds had as their object the defense and development of professional interests, but did not seek to share benefits. Professional interests were limited by their very nature, from those of commercial, agricultural, technical, economic, to those of a cultural and social nature. The guilds exercised their activity only on the national level, respecting the superior interests of the nation.

They could not be affiliated with international organizations, or represented at international congresses, without the authorization of the Ministry of Labor. The following categories of people are included in the guilds, such as workers, private servants and craftsmen (apprentices, shoes, journeymen, factory workers).

The guild was an association of at least 25 craftsmen all practicing the same craft.

The purpose of the guild was to defend the interests and to strengthen the idea of the honor of the craft, to care for the teaching of the craft of the disciples and of the journeymen, and to care for the cleanliness of the apprentice, of the caliph and of the journeymen, etc.

The guilds' statutes necessarily included the name and purpose of the guild, the headquarters and possibly the headquarters of the sections, the rights and duties of the guilds, the original patrimony, its amount and contributions, the declaration of compliance with the Constitution and the laws of the country.

The guild's governing bodies were the general assembly and the steering committee. The General Assembly was the supreme body of the guild, composed of all the members who were up to date with the payment of the contribution. It shall be convened in cases fixed by the statutes or when 1/5 when the number of members entitled to vote requested in writing the meeting in order to defend the purposes.

The general meeting's fees were as follows: The establishment of the benefits and contributions to which the members were subject, the admission and exclusion of the members of the guild, the election of the steering committee and the control committee, with the determination of their duties, verification and approval of the balance sheet and management account, creation of new sections, acquisition of movable or immovable property free of charge or generous, modification of statutes, affiliation to the union, merger with another guild, liquidation or dissolution of the guild. The decisions of the General Assembly in order to be enforceable had to be submitted to the approval of the Ministry of Labor, which had previously taken the opinion of the Labor Committee.

The steering committee was elected by the general assembly, consisting of 7 guild members.

It represented a legal guild against the authorities and against third parties. The members of the steering committee had to be Romanian, have reached the age of 30, practice or have practiced the occupation for at least 3 years, entering the professional category to which the guild belonged.

Members enjoyed full civil and political rights without having suffered any criminal convictions or committing various crimes (abuse of trust, embezzlement of public money, fraud, forgery, theft, concealment, smuggling, coin making or seals).

The Committee of censors was composed of 3-5 members, one of whom was an expert accountant or licensed accountant, selected on the list of the Body of authorized Accountants of the county. The Ministry of Labor was constantly in control of the guilds' activity. This control was aimed on the one hand at operating and administering guilds according to the Constitution, laws and statutes, and on the other hand, at not working against good morals, public order and the security of the state.

The relations between the guild and its members were determined by the statute. They could be members of the guild, individuals of Romanian or foreign citizenship, who exercised the respective profession, being at least 18 years old. They could become members and those without work, but who effectively exercised the profession at least one year before entering the guild. They were entitled to withdraw from the guild at any time without giving reasons provided that the latter had communicated to the Management Committee at least 6 months before the end of the social year.

Several guilds assembled together formed a corporation, comprising about 1000 members. When the number of members of a single guild exceeded a thousand people, then that guild could make a corporation by itself (but with the Central House's authority). It was administered by a council composed of the members of the committees of all the guilds that made it up and of the representatives of the workers and workers who were not part of the guild. When the corporation was composed of a single guild, then the council consisted of 7 members, elected by the general assembly. Corporations had a legal form that could buy (with the authorization of the Central House) only buildings necessary for their headquarters, or for the establishment of schools, hospitals, sanatoriums, polyclinics and swings.

#### 4. Organization and operation

At the basis of the organization of labor in craft guilds, some reasons could be distinguished, such as the need to regulate production, due to the limited market or the need for social requirements, by the formation of professional communities and professional groups. Most

craft guilds were founded in the 14th century and over time it entered various phases of development, with frequent legislative changes subject to constant political promulgation.

The organization and functioning of the guilds was carried out through the statutes, approved by the political power, where issues related to the economic and legal life of the guild were regulated. These were issued, analyzed and approved in the general assembly of the guild where both external and internal issues were discussed (such as the reception of new craftsmen, the punishment of those who violated the statutes, the Regulation of the production process, etc.). The most important gathering of the guild was the one organized in the first week after Christmas or even on new year's day, at which time the activities and the account of the guild of the previous year were presented.

From an economic point of view, the guilds provided a sufficient production, having a fairly good quality at an acceptable price. Non-conforming products were a problem for the entire guild, not just for the craftsman. Because of this, those who were dealing with the sale of products at a distance from the place of production had to make sure that they were worked very carefully and that they arrived safely. This was not only a matter of honor for the guild, but also a gain for the craftsman by defeating the competition. As for the social role of the guild, it was given by the close ties between its members, organizing real parties on the occasion of the reception of new members where all the guild craftsmen were invited with their wives. When a guild craftsman had a financial problem, the guild helped him with money or various raw materials from his reserves. She also cared for the sick craftsmen, giving their family loans payable, both during illness and after recovery. From the moment of receiving a new guild, the heads of the guilds were careful not to embarrass them, watching the disciple's character in terms of his ethical qualities (honesty, loyalty, fairness). He who dared to disturb the harmony of a guild by various false accusations was severely punished. The guild's concern for its members was also manifested in the most difficult times, such as the death of a craftsman who was buried at the guild's expense.

The guild was also a religious community, not just a social-economic community. From a religious point of view, its influences were as important and profound as they were from an economic point of view. Faith and religious traditions contributed to the outward manifestation of the guild and at the same time formed the bond between the members. Each guild had a calendar Saint as its protector, and the ceremonies were fixed in connection with the celebration of that Saint.

Participation in religious services was mandatory, with guilds having their own altar on which the holiday service was officiated or candles were burned. In the place of worship each guild held its own place, separate from the other guilds, where the craftsmen had to settle according to their own rank.

#### 4.1. Economic matters

The necessity felt in our country to have labor arms was quite high, and although the labor was paid quite well there was a small number of labor. Thus, the lack of arms and the need for work made the guilds of craftsmen from neighboring countries have an interest in emigration to our country. Getting used to living here in our country, and professing their profession professionally, they have offered us both the experience and the art of their talent over time. By competing with national labor under the promptness and speed of the work, it disadvantaged Romanian workers from two perspectives: One represented the working resources that were almost dry, and another was given by the capture of the works of foreign craftsmen under the guise of competition.

According to the law and the regulations of the Senate works enterprises, the Technical Commission prepared an estimate on the works to be executed, and then by auctioning the one who gave a favorable price was granted the work. Some bidders had 12-13

specialists in that profession (according to the estimate), and others ended up with 24 craftsmen. The question was why some entrepreneurs had twice as many craftsmen for the same work as others.

A good construction entrepreneur to serve his interests does not care much about the quality of the work, but rather the speed of its completion. It brought in 20 workers and over 100 workers who were very poorly paid. The Salahors were paid 2 lei a day, while the craftsman was paid 6 lei a day, from which a profit for the entrepreneur of 400 lei is deducted daily. The principle was that the construction would be completed as soon as possible, not interested in the fact that over time there was a chance that the construction would deteriorate and require radical repairs. For him it was a benefit to do so, because it was another gain for him which was also realized at the expense of the state.

According to the statistical data in the commercial trades were found 30% Romanian bakers (the rest being Greek, Jewish, German or other nationalities), shoemakers (50%), and the remaining 20% of Romanian merchants owned shops (the rest being Jews). The Jews brought their raw material from abroad and sold it at the price of the factory, not taxing 5% of the commodity. Interestingly, according to some simple calculations, in commercial registers, a Jew passed his liabilities worth 100-200 thousand lei, of which 30-40 thousand lei was considered "white money for dark days". The impediment to this financial scheme was the risk of going to jail, but the important thing was that the one who served the sentence was finally left with the 30-40 thousand, as a dowry, in the name of his wife. Of the 5% of the income obtained, there was thus a beautiful amount of about 1500-2000 lei per year.

These procedures were accepted by most commercial entrepreneurs, little of whom were honest craftsmen. In general, commercial trades were taken over by foreigners, some of them, such as barbers, were owned by Jews, accounting for 30% of all barber property. From here we can see the tendency of foreigners, especially Jews, to take over most trades (being masters of trade and trades), while Romanians became their porters.

As for all kinds of exploitation (of forests, of oil) they were contracted in the vast majority of them by other cohabitating ethnicities. This market being taken over by foreigners, the Romanians had only to become servants or state officials. Thus, the idea of leasing land and forests from the state domains and of the big owners to the corporations of the Romanian craftsmen was envisaged, under the guarantee of a special law, having the spirit of solvency on the part of the corporation.

This commissioning was also to be regulated by various directives, in the sense that the State would be entitled to benefits on raw materials and raw materials from net income, but also to have a minimum rent on the lease price of the exploitation from net income. Thus, the state was obliged to hire officials, who were in charge of keeping the accounts, but also exploiters from among the Romanians. Thus, the income was expected to be double and the owner (state or private) would have won without losing the lease or being pulled over by the tenant. The state also created new revenues, which entered the state budget, improving the financial condition of both the state and the people (who were under pressure from the weight of foreign contracts).

The law of creditworthiness of the craft corporation provided that the corporation should have nothing of the exploited, without the assistance of the state, and that the product should be sold by stock exchanges and not by samsars. Thus, the resulting price was to be deposited at a deposit house, which only released it after the balance sheet approved by the corporation and verified by a joint venture institution. The main public policy clause was that the owner should not be entitled to dispose of this income even through the intervention of justice, the fund being free from any burden from the beginning of the exploitation concession. The corporation could guarantee the amounts needed to buy the working tools used in operation, and the supply was to be checked both in terms of quantity and quality, in proportion to the amount of the sums for which they guaranteed, but not more than 30-40% of the cost of the tools. Thus, the corporation took responsibility for the idea of social credibility.

As far as the capital of the craft corporation was concerned, it was a fixed one obtained by the owner. Thus, the operating enterprise required two types of capital: One fixed consisting of buildings and the other working with which the enterprise was set in motion by purchasing working tools and machines.

The capitalists, aiming to be removed by the appearance of craftsmen, will feel the necessity for these capital to pay back, and this could only be achieved by the guarantee of a special law by which capital was to be established in societies. In such circumstances, a benefit from the net income as interest of capital was granted by the association. As for the capital necessary to supply the tools of exploitation, they were to be placed with corporations with the authorization of the State, and then sold for the purchase of the capital necessary for this purpose. The advantage was that the sale of shares was a majority for craftsmen and was otherwise a kind of guarantee, and the disadvantage was that this placement was an unpleasant one in terms of the lack of currency in the country. Thus, the corporations for Aces could procure working capital, they could foresee in their statutes the condition of admissibility of the one who possesses one or even two shares (being easily accepted before the others). On this occasion, the actions of craftsmen who were looking for an occupation with great interest could have been more easily placed. The craftsmen's shares were set in small amounts, reaching the figure of 50 lei per share. The loans contracted from the craftsmen's corporations and their shares were to be authorized and approved until it was proved that they owned the operating concession from the state or even from the private. The bottom line was that the corporation could borrow on the income of its future work. It was to be divided into specialties, forming each specialty a society to permanently arrange and deal with the improvement of the fate of its members.

The reasons of the Romanian craftsmen were inclined to find jobs in the factories. An example would be that for a carpentry factory where the raw materials were extracted, the salahas were used (which had the task of cutting the trees and transporting them to their destination) and this whole stage was the motto of the raw material.

The mass agregation of the manual work carried out by the Romanian craftsmen was done in almost all the factories which in turn had various divisions and subdivisions. Thus, for the extraction of raw materials were first used the salahores (which processed the raw material), and as a subdivision of it was the transformation of the raw material into firewood or planks, beams or spokes made by the tesslers or cutters. All these subdivisions meant the occupations of a series of craftsmen. Another subdivision was the transformation of the raw material into various furniture objects, which also involves other subdivisions (such as the painting and assembly of the ironwork accessories or various ornaments made by the wood and iron sculptors). It could be seen that, for the wood industry alone, a minimum of 8 trades were required.

The industry could progress much more, if all its branches were given to the use of the Romanian industry and the Romanian craftsman.

The iron industry was the heaviest of all industries, for it consisted of 7-8 trades (clay workers were iron casters, clay sculptors, montators and mechanical blacksmiths).

Among the main crafts that fed the Romanian population at the beginning of the 20th century was represented the masonry. For the maintenance of the establishments and institutions subordinated to the state, county or commune, it had to address only to the association of builders. They were required to perform the work promptly and accurately, without being exposed to fraud or any construction flaw.

In addition to this association of builders, brick factories, stone quarries or lime kilns were also established, because the constructions had to be executed at much more advantageous prices. In addition to this factory was born the lime industry, which used many other materials needed in construction and which consisted of over 27 trades.

The first two industries together with their trades worked hand in hand, for one without the other could not exist. Once these industries were combined in the sense of procuring work for craftsmen, in these industries they did not have the necessary arms to fill the demands of the market.

As for the tannery and fabric industries, as well as the alcohol and wine industries, small industries that were also part of the nation, were not so productive or so gnarled. The leather or tanned industry was important because its productivity was a strictly necessary industry from which the lowest class of the people could not be dispensed. The organization of the tanner industry would have meant that all the capitalist traders of meat for consumption would have established both factories for the processing of meat to be sold in cans, and factories for the tanning of hides, soap, vax, footwear. Their capital, once put into operation, had to be transformed into things of strict necessity.

The fabric industry was safer without prejudice, if it had not stretched the thread of competition between the skilled nationalists and those who were part of foreign competition. The wool, the flesh, the bones, the skins, and all that was necessary were exported after the needs of the people were satisfied, and what remained was exported, and the money would remain in the country.

Other trades such as barbers, pavers, printing houses were to be placed on guilds, thus there was the guild of barbers, typographers or company painters. Although there were very few people who could not change their jobs, they could not change their jobs into a more sought-after one.

The guilds could not have maintained themselves if they failed to defend the assets of their members from the tendencies of the agents of public administration.

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