

Support or Exclusion? Regional Development in Bánát: Ministerial Branch Office of the Ministry of Agriculture in Temesvár (1913-1914)

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Organisation of the System of Branch Offices

After the Compromise in 1867, Hungary, during the embourgeoisement process, underwent a huge economic and social development. However, general upturn did not characterise the whole territory and population of the country evenly. Especially the peripheries characterised by adverse natural, more archaic social and economic structures suffered from lagging, which resulted in emigration and inward migration as a remarkable consequence. The key issue in economic and social modernisation was the competitive agriculture, which could provide a decent living at the same time, the development of a healthy farm structure as a criterion for the former, and dealing with industrial employment of large redundant workforce disengaged from agricultural sector with accelerated industrialisation.

After the previous occasional and sparse aids, public intervention in the development of lagging regions started to become official around the turn of the century. The “aid actions” of the Ministry of Agriculture appeared to be the most efficient, with the most long-term effects among all public interventions. Ignác Darányi, the Head of the Ministry of Agriculture (1895-1903 and 1906-1910) – who although being liberal was open to certain elements of the agrarian-conservative approach as well –, and his worthy successors (Béla Tallián and Béla Serényi) personally paid attention to the granting of preferential aids to the eastern, north-eastern and northern regions in need, taking into account the possible options in matters falling within the competence of the Ministry of Agriculture¹.

In 1897 in Sub-Carpathia (East Carpathian areas), economic aid-granting to the Ruthenian “farming people” started; public authorities operating under the same principles were created from 1902 in Székely Land, then from 1909 in the territory of Transylvania and Upper Hungary². The branch offices of the Ministry of Agriculture

¹ The development of lagging regions by the State was not a new phenomenon in the central European area, as the governmental intervention and planned economic policy favoured the development of an agrarian culture best suited to the landscape of high mountain areas and the establishment of the Alpine dairy farming in Austria as well.

² Petra Balaton, *A székely akció története. I/1. Munkaterv és kirendeltségi jelentések*, Budapest 2004, p. 39-45.

sought to implement the governmental programme for agriculture; however, in addition to simple material assistance, they provided proposals and suggestions reflecting their expert knowledge of local conditions in tackling economic underdevelopment and to promote change in perception³.

My research of source investigation has clearly shown that the scant literature examines and presents “public actions” on their own, as if State aids granted on a regional basis would only have been a specific response to the very serious local problems to be remedied. Yet Minister Darányi considered the Mountainous Action as “a starting point for the future activities to be extended to the whole Carpathian mountain range” even in 1899, i.e. the idea of granting economic aids in a broader scale was already born. Governmental actions lost their character of being actions against dearth by the 1910s and transformed into intermediary-level specialised offices with the constant scope of duties⁴. The National Party of Work led by István Tisza won a majority in the 1910 election and sought to implement a policy based on consensus and negotiations with nationalities, derogating from the former political practice of Hungary. The aim of the new, more moderate political direction was the establishment of peace with nationalities, with fair school and cultural policies, and extending modernisation and programmes for economic development to mountainous areas home to the nationalities and characterised by traditional farming⁵. The subject of the Romanian pact negotiations started in 1910 was the compliance with liberal Nationalities Law of 1868, concessions on schools, encouraging underdeveloped areas economically and, in particular, ensuring constituencies with Romanian majority. Thanks to the Romanian rapprochement, certain mountainous regions home to Romanians (Szolnok-Doboka and Hunyad Counties in 1912) were incorporated in the Transylvanian action for economic development.

Minister Béla Serény (1910-1913) devolved the matter of aids to be granted to the countryside, to the branch offices of the mountainous areas, Transylvania (Székely Land) and Upper Hungary on 18 October 1912, due to the severe devastation caused by heavy rainfalls and flood in 1912-1913. Later, the Minister was authorised to establish new branch offices on September 1, 1913 in regions of Eastern Hungary and the Partium with Romanian majority, and of Bánát with a population of mixed nationalities of Romanians, Germans and Serbians that had suffered serious damage caused by natural disasters⁶. While more than half of the population (52.5%) were Magyar in Bihar County, Arad and Szilágy Counties were areas with a Romanian majority (above 60%). The following regions that were with populations of the most mixed ethnicities fell within the territory for which the branch office in Temesvár

³ Imre Takács, *Magyarország földművelésügyi közigazgatása az Osztrák–Magyar Monarchia korában, 1867-1918*, Budapest 1989, p. 81-83.

⁴ Official agricultural report: *Indoklás a Földművelésügyi magy. kir. Ministerium 1913. évi költségvetéséhez*, Budapest 1912, p. 119.

⁵ Gábor Vermes, *Tisza István*, Budapest 1994, p. 142-260.

⁶ National Archives of Hungary, Central Archives [hereafter, NAH CA], K 184 (The Archives of the Ministry of Agriculture, General documents, = K 184) 1913, 1916. Class 128. (General issues of the sub-offices of the Ministry of Agriculture), 86418. Report of Szilágy County's subprefect on August 19, 1913 (No. 9962)

(Timișoara) was responsible: 224 municipalities of Temes County (40.8% Romanians, 29.4% Germans, 14.3% Serbians, and 11.9% Magyars), and 361 municipalities of Krassó-Szörény County (74.4% Romanians, 10.8% Germans, 5.8% Magyars, and 3.3% Serbians). Serbian population represented an absolute majority in Fehértemplom (58.8%) and Kevevár (53.7%) Districts of Temes County, and their proportion (13.2%) was close to 15% in Versec District. The proportion of Serbian population remained below 1% in Krassó-Szörény County, except for three districts (Újmoldva 37.3%, Orsova 6% and Jám 3.7%). A single isolated ethnic island developed in the whole territory of Bánáság, namely in Temes County (Temesrékas, Sztancsfalva, Lukácskő, Kralovecz, and Temes Péteri villages), with approximately 3,000 Serbian inhabitants.

A large part of the areas of the new branch offices belonged to the so-called “innovation border strip” along the Eastern market line of the Great Hungarian Plain. However, the natural and economic conditions, settlement network, social composition and modernisation levels were fairly heterogeneous from Szatmár County through Bihar County to the Southern boundary of Temes County. Dynamically developing regional centres (Arad, Temesvár, and Nagyvárad), as financial-commercial and industrial centres, played a significant role in the regional spread of modernisation⁷. Nevertheless, the mountainous parts of the counties were considered as underdeveloped areas engaged in traditional farming under adverse agricultural conditions. In the 1870s, the former specific types of tenure (Military Frontier⁸ and *zadruga*⁹) were eliminated in Temes and Krassó-Szörény Counties, thereby land-use community ceased to exist, and the process of land consolidation took considerable progress. Following the completion of river regulation and the water programme for flood control, the area of agricultural land could only be increased at the expense of the meadow- and pasture areas in Temes County, and of the forest areas in Krassó-Szörény County¹⁰. Although forest- and pasture areas became protected by authorities due to forest protection laws by the 1890s, soil erosion and flood hazard caused by erosion remained a serious problem due to the former practice of unrestricted and irresponsible grazing. Flood damage also played a part in the recognition of the

⁷ Zoltán Gál, *A helyi bankok aranykora: bankközpontok a Bánáságban a 20. század elején*, “Közép-európai Közlemények” 2 (2010), 9, p. 117-133.; Zoltán Gál & Szilárd Rác, *Városok fejlődése és pénzügyi funkciói a mai Vajdaság területén a dualizmus időszakában*, in *Regionális kaleidoszkóp* (ed. by Zoltán Takács & András Ricz), Subotica 2014, p. 91-102.

⁸ The joint landed properties of the 13th Border Regiment of Bánáság was about 251,919 acres, the former leaseholders had a common landed property of 145,949 acres. The vast pasture and forest estate of the Regiment of Bánáság came into the ownership of 122 villages belonging to the frontier guards when dissolving frontier guard service (1850). This estate was managed by the so-called Karánsebes Community of Property (*Karánsebesi Vagyonközösség*), which allowed large families to use it: 4-5 families used jointly a designated area. Land became scarce for the families later multiplied due to natural population growth. Farming was the least developed here. See Ákos Egyed, *Falu, város, civilizáció*, Kolozsvár 2002, p. 152-153.

⁹ A *zadruga* included more blood relative families in the framework of one common household and one agricultural holding.

¹⁰ Ferenc Virágh, *Adatok a dél-alföldi mezőgazdaság tőkés fejlődéséhez (1880-1910)*, “Agrártörténeti Szemle” 23 (1981), 3-4, p. 489-514; Mihály Mózes, *A kiegyezéstől Trianonig*, Debrecen 1998.

Ministry of Agriculture that there was a need to economically develop the mountainous regions home to nationalities engaged in traditional farming.

Foreign and economic policy disagreements (Customs War between Austria-Hungary and Serbia, 1906-1911) pressuring the Serbian-Magyar relationship seriously contributed to giving lower priority to the economic aids to be granted to the Serbian nationality population – with developed and differentiated society, wealthy peasantry even stronger than that of Magyars and Germans, and a significant stratum of medium and large landowners – compared to the “people sympathising with Magyars” (Ruthenians and Swabians) and the Romanians tending towards consensus, in the policy of branch offices in Temesvár.

Minister Béla Serényi (1910-1913) intended to establish a separate governmental organisation for agricultural administration, and the first step for this was setting up branch offices in Temesvár and Nagyvárad. The Minister was planning to build the organisation of branch offices gradually in other parts of the country as well, then to convert them into district directorates of agriculture. However, the Tisza government formed in June 1913 did not consider expanding the system of branch offices feasible. Imre Ghillány, Minister of Agriculture (1913-1917), did not find it necessary to establish a separate centre of branch offices for the wheat-growing areas of Bánság linked to the economic growth, and heavy industrial areas rich in iron ores in Krassó-Szörény County. The Board of Ministers, therefore, agreed on October 23 to devolve Temes County to the Directorate of Livestock in Arad, and Krassó-Szörény County to the branch office in Kolozsvár (Cluj-Napoca). The centre in Temesvár closed in agreement with local authorities on May 1, 1914. The targeted economic development of mountainous areas of the counties continued with less intensity. A new administrative centre was established in the Eastern part of Upper Hungary, Eperjes (Prešov) being the seat¹¹, from the freed-up budgetary funds to counterbalance the Slovak agricultural movement that jeopardised Magyar public positions¹². István Tisza, Prime Minister, was confident that national vitality could be controlled and embedded into acceptable frameworks, the Government therefore closely followed nationalist movements (for instance, the purchase of landed properties) as well, in close cooperation with county offices¹³.

Additional centres of branch offices were not established due to war conditions from 1914 to 1918. After the collapse of historic Hungary, the operation of all ministerial branch offices was discontinued.

The present study presents the operation of the office in Temesvár existing for the shortest period in the history of the system of branch offices that covered nearly half of the historical Hungary. Among offices operating in the territory of Transylvania, i.e. Marosvásárhely (Târgu-Mureş), Kolozsvár and Nagyvárad

¹¹ NAH CA. K 27 (Archives of the Prime Minister), Cabinet minutes of the meeting on October 23, 1913.

¹² László Szarka, *Szlovák nemzeti fejlődés – magyar nemzetiségi politika 1867-1918. Slovenský národný vývin – národnostná otázka v Uhorsku 1867-1918*, Bratislava 1999, p. 117-120.

¹³ The II/B Department of the Prime Minister's Office was following nationalist movements in Hungary closely from 1911-1912. István Tisza engaged in agreement and pact negotiations with Romanians and Slovaks before the start of the First World War.

(Oradea), only a part of the documents of the branch office in Temesvár were preserved in the National Archives of Hungary, and grants insight to the administration and work of the ministerial office¹⁴.

Operational Activities of the Ministerial Branch Office

The first months of 1913 were marked by the organisation of the office in Temesvár, the secondment of officials and the provision of office premises. The Ministry allocated 6 officials with ministerial experience and economic skills to the central office in Temesvár led by Zoltán Vásárhelyi, the Minister's Secretary. The branch office had employees with monthly and daily subsistence allowance as well; among them, German-Serbian and Romanian translators and interpreters also worked at the office¹⁵. The branch office rented its premises in the imposing Löffler Palace located in the downtown Corso of Temesvár (Portal C, Franz Josef St.)¹⁶.

The office was a part of the administrative and organisational system of the public regional development with 15 years of operational experience. Under the uniform rules for organisation and operation issued on 28 April 1913, the external offices and specialised agencies of the Ministry of Agriculture – educational and scientific institutes (schools and experimental stations), State-owned lands, national matters of horse breeding, baths appertaining to the treasury and summer camps, forestry- and water policy bodies, with the exception of authorities and agencies for the management of public assets – were placed under the direct supervision and control of the branch office of the Ministry. The subordinate offices communicated with the Ministry through the branch office. The office, having the constant scope of duties, had been following the economic conditions of its operational area, promoted the development of agriculture, drew up proposals and supervised the implementation of laws and decrees. Besides contacts with the countryside, it supported the activities of associations and cooperatives of farmers¹⁷. The office performed assessment, proposing, awareness-raising, coordinating and advisory roles.

In 1913, after the assignment of public authority to the branch offices, the organisational principle of de-concentration applied in the agricultural administration. Many saw this as the intention of building the public administration at a lower level – in line with the endeavour for the nationalisation of municipal administration (Act 33 of 1891 on the Nationalisation of Administration) –, which strengthened again in the 1910s.

¹⁴ NAH CA, K 596 (The Archives of the Ministry of Agriculture, General records, Branch-office in Temesvár).

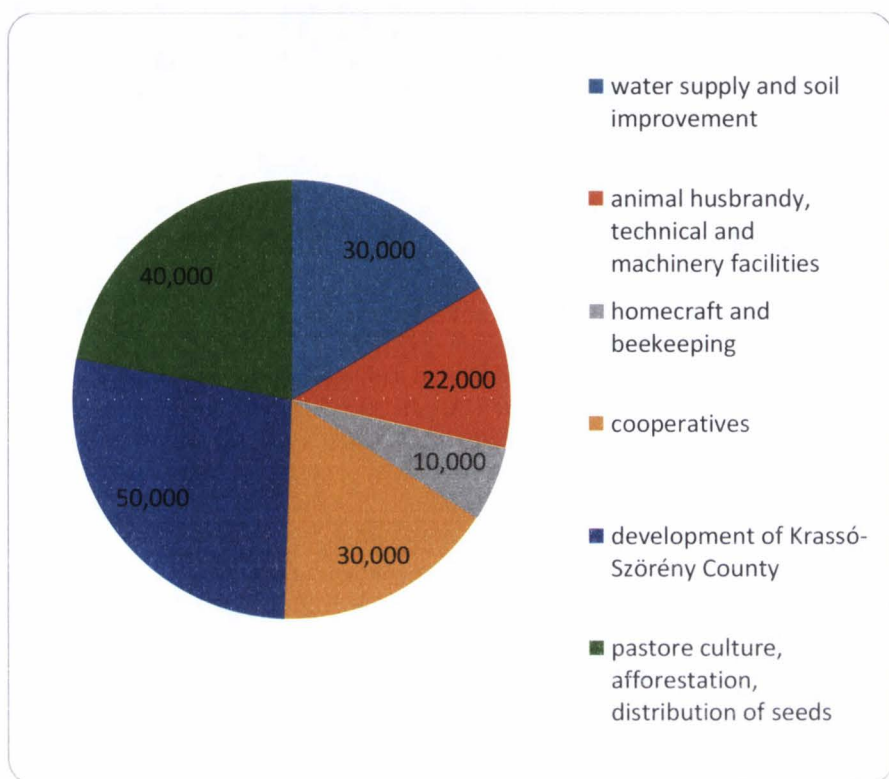
¹⁵ NAH CA, K 184, 1913-128-87442. Order of the Minister of Agriculture, No. 2702, on March 3, 1913.

¹⁶ Löffler Palace was built between 1912 and 1913 by Leopold Löffler, an entrepreneur. The intended function of the palace was firm centre and family house for him and his three sons. It has four levels, with a shopping area on the ground floor.

¹⁷ NAH CA, K 184, 1913-128-87548/112347. Organizational rules for the Branch Offices of the Ministry of Agriculture, issued by the Order of the Minister of Agriculture, on April 28, 1913, No. 4670.

The branch office centre in Temesvár had an annual credit line amounting to 80,000 koronas, within the credit line of around 3% (that was 3 million koronas) in the budget of the Ministry of Agriculture¹⁸. The fact shows the unified management of public actions that the amounts of costs were determined separately, by tasks (cooperative or water policy), in some cases.

The credit line of the branch office in Temesvár, 1914¹⁹ (%)



Source: Budget estimates of the branch office in Temesvár for 1914. NAH CA, K 596, 1913-81-96

The support- and aid policy of the economic programme always preferred institutions for the benefit of communities; in the form of low-interest (2.5-4%) loans with a repayment obligation during 1.5-3 years on one hand, and against cash payment with 10-30% discount on the other hand. A condition for State aid was the requirement

¹⁸ NAH CA, K 596, 1913-81-96. The budget estimates of the branch office in Temesvár for 1914 (the proposal of the branch office was 283,876 koronas).

¹⁹ A diagram does not contain the personal and material expenditures.

of contribution (financial, manpower or draught animal power, land or building). The office dealt with occasionally granting aids to individuals only in exceptional cases (fire, flood and hail damage).

It first assessed the agricultural conditions of Temes and Krassó-Szörény Counties. Instead of haphazard aids and governmental tutelage, it promised to play a pro-active and leading role fairly and swiftly to promote economic advance, and good and intensive agriculture²⁰. The office had to coordinate two counties with very different levels of development: Temes County with developed economic culture and Krassó-Szörény County with one of the least-developed agriculture²¹.

Temes County that had emerged from the traditional agricultural world had higher development indicators and literacy level compared to other Transylvanian regions. The agricultural ratio was low (by 62.5% in 1900) due to favourable natural conditions (arable land 65.4%, forest), high population density and urbanisation. Livestock performance (horse, swine and Hungarian grey cattle) was considerably lower contrary to that of plant production (wheat, oat and maize). Farm structure was characterised by wealthy peasant farms (20-100 acres) and farms of 100-200 acres, however land-tenuring was popular (especially that of farms below 5 acres). The high proportion (41.54%) of landless and marginal farmer strata was correlated to developed agriculture and the prevalence of wagework. In particular, Swabians farmed their consolidated lands with developed and intensive farming methods in Bánát.

Krassó-Szörény County was an underdeveloped and unconsolidated agricultural region of the country that was characterised by traditional two-field or three-field system even at the beginning of the 20th century. Its areas with unfavourable natural conditions were dominated by mountains (Poiana Ruscă Mountains, Cerna Mountains and Banat Mountains). The levels of mechanization and supply with means were low, however, agricultural ratio was high (74.2% in 1900). Cattle (mottled breeds) were important in animal husbandry, and sheep farming (in particular Racka) was of utmost importance. The proportion of freely disposable private lands was low (36.44%), contrary to that of limitedly disposable lands (63.56%). Besides demesne lands (20.66%), the proportion of common lands (forests and pastures) was particularly high (42.01%), which was related to the former military frontier guard service and mountainous nature. Small farms of 5-20 acres were decisive in farm structure; the low proportion of landless and marginal farmer strata (13%) resulted from the fact that developed heavy industry absorbed the local landless tenants and marginal farm holders, and the remains of the system of land community prevented the total divorce of peasantry from land on the other hand.

Besides extensive stock farming, livestock herding and logging ensured the population of mountain regions a subsistence, which were complemented by the Romanians and Serbians with cottage industry (spinning and weaving), beekeeping

²⁰ NAH CA, K 596, 1916-128-62713. 27911/1914. Report about the activities of the branch office.

²¹ See: Mariann Nagy, *A mezőgazdaság regionális szerkezete a XX. század elején*, Budapest 2003; A. Egyed, *op. cit.*, p. 142-210.; Pál Beluszky, *Magyarország történeti földrajza. I. Kötet*, Budapest-Vienna 2005; Sándor Kókai, *A Bánát szerepe és jelentősége a történelmi Magyarország gazdaságában*, in *A Délvidék történeti földrajza* (ed. by S. Kókai), Nyiregyháza 2006, p. 135-150.; Idem, *A Bánság történeti földrajza (1718-1918)*, Nyiregyháza 2010.

and primitive fruit growing. The branch office emphasised the improving the economic situation of the population of Krassó-Szörény County in its functioning, where the poverty of the population was caused by insufficient income conditions, harsh natural conditions, and the conservative and primitive type of farming. Repetitive yearly floods and the elemental disasters of 1912-1913 only exacerbated the underdevelopment of this county.

The branch office quickly granted emergency aids for the devastation caused by flood and persistent rainfall under the budget amounting to 30,000 koronas in spring 1913²². The office mainly supplied maize- and winter seeds to harmed small farmers and medium landowners (tenant farmers) at a reduced unit price against cash payment. The branch office acquired the needed crops by purchasing stocks of the State-owned studs and royal demesne land in Gödöllő; municipalities submitted their needs to the management bodies of the estates. The discount rate varied from region to region, depending on the seriousness of elemental disasters. Seeds were supplied under the supervision of lord lieutenants who had responsibility for immediate reporting, however, Trade Inspectorate was also mobilized to ensure quick implementation²³. Through the intervention of the office, the harmed small farmers of Temes and Krassó-Szörény Counties received 57 trainloads of winter wheat seeds, 16 trainloads of oat seeds, 6.5 trainloads of barley seeds, 26 trainloads of maize seeds and 2.5 trainloads of potato seeds by spring 1914 to ensure the next year's harvest.

After the on-the-spot examination of flood-hit areas, the branch office drew the attention of the Ministry of Agriculture to the consequences of the destruction of forests caused by unrestricted grazing. Huge soil erosion was found especially in the common pastures of Orsova and Teregova Districts – former areas of Military Frontier – in Krassó-Szörény County. According to the branch office, the immediate start of the works concerning afforestation, bank protection and mountain entrapment was necessarily required, which were more important than river regulations. The office proposed temporary suspension of unrestricted sheep grazing with designing other areas for grazing or ensuring other extra income opportunities²⁴.

The branch office took great care to matters concerning landed properties, especially promoting and supporting the consolidation process of landholdings. The aims of State resettlement in the region (Act 5 of 1894) were the extension of cultivated area, the distribution of lands to unemployed agricultural population, and thereby the establishment of more level types of tenure. In ten years, resettlements took place seven times in Temes and Krassó-Szörény Counties: six settlements were created in demesne lands (resettlements to Igazfalva, Facset, Temesrékás, Bálincz, Mosnicza, and Monostor); just the resettlement to Sztancsófalva was executed of the resettlement fund amounting to 6 million koronas (Act V of 1894). In resettlements, thousands of

²² NAH CA, K 184-1913-128-86418. 112628. The resolution of the Cabinet Council on September 2, 1913.

²³ NAH CA, K 184-1918-128. 87156/87841. The order of the Minister of Agriculture, No. 45865/X/2, on June 17, 1913.

²⁴ NAH CA, K 596, 1913-119-245. Proposal of the branch office in Temesvár about the prevention of flood.

acres of forests were eliminated in the region²⁵. Jaša Tomić leading the Serbian National Radical Party pushed the lease of monastic land through the Serbian Church Congress in 1902, thereby the resettlement of Serbian landless tenants and marginal farm holders began into the Serbian Church estates as well. However, the profitable private resettlements and parcelling were not governed by any legislative provisions. Magyar, Ruthenian and German settlements were created in many cases by private undertakings of penniless intermediaries, who sold lands (valueless strips of land) to indebted farmers for a high price. The branch office followed closely – on a confidential basis – parcelling, involving the secretaries of the trade association of Krassó-Szörény County, and strove to stop abuses, primarily the misuses of lawyers. Besides legal advice free of charge, the branch office investigated cases, and held negotiations to convert massive bank loans. The office was successful in its negotiations in favour of Csango settlers of Kisszécsény (belonging to the Bozsor district-notary office of Facsád District)²⁶. The office in Temesvár could not help 5 families of settlers in Mezősomlyó due to its closure²⁷. It also could not provide sufficient assistance to 32 Ruthenian families forced to emigrate, who had been living in Kricsó of Krassó-Szörény County. However, the branch office considered the urgent adoption of a law preventing fraudulent practices in connection with re-parcelling necessary.

The economic action put great emphasis on the cooperation with the organisations of farmers, and, for this purpose, created the instrument of local farmer council for reflection and support; its members were the representatives of major society organisations of the counties (county trade associations, Southland Trade Association of Farmers [*Délvidéki Földmivelők Gazdasági Egyesülete*]). Data on the

²⁵ Mária László & Antal László, *Magyar állam telepítési politikája és az erdélyi „hózzátelepítések” az első világháború előtti negvedszázadban*, in *Magyarország és a Balkán, Balkán Füzetek* (ed. by M. Császár Katalin), II., Pécs 2009, p. 283.

²⁶ NAH CA, K 596, 1913-146-37. The settlers purchased the area in 1912 (for 700 koronas/cadastral acre) using an intermediary. The transaction was financed by Temesvári Bank és Kereskedelmi Rt., but 30,000 koronas from the sale of lands in Sándoregyháza disappeared in the hands of assistant notary due to the fraud and embezzlement of lawyers. Embezzlement of lawyers also occurred in the case of an advance against a bill of 20,000 koronas taken out for buildings. The bank seized and froze the assets of settlers due to their debts in spring 1913. The settlers asked the Altruista Bank for providing legal aid, exemption from asset freeze and the conversion of debts, and opposed to the ill-treatment of the receiver. As a result of the rescue mission of the branch office, a part of the debts and taxes were credited in November 1913. The bank gave back half of the crop seized to the settlers for seed and food, but auctioned the other half due to their debts.

²⁷ NAH CA, K 596, 1913-146-37. Inhabitants of Torontáltorda purchased 448 cadastral acres in Mezősomlyó of Temes County for 1,200 koronas/cadastral acre using three intermediaries on October 15, 1911. The creditor, Dél-Magyarországi Kereskedelmi és Gazdasági Bank reclaimed more debt than the original amount of the debt set out in the agreement, with the help of intermediaries. The bank brought an action against the settlers for the non-payment of 3 instalments, froze their assets, and took crops delivered for instalment payment into account at a reduced price. The land was not transferred into the purchasers' name even in summer 1913, who first asked Baron Géza Papp (Member of Parliament between 1910 and 1918, Managing Director of the National Confederation of Hungarian Land-Banks [Altruista Bank] between 1913 and 1934) for help. Géza Papp's lawyer contacted and asked the branch office for help in August 1913.

fact only exist in case of the office in Temesvár that the branch office discussed more important matters, such as a draft budget for the next year on May 17, 1913, with subordinate offices – county trade inspectorates, district viticulture and oenology inspectorates (Fehértemplom), state-owned vineyard (Temesrékás) and nurseries (Lugos and Csák) – on a joint meeting²⁸. The subordinate offices often asked the branch office for directions²⁹.

The office in Temesvár – as other branch offices – emphasized the organisation and support of rural society, as intelligent and trustworthy leaders were indispensable to implement the economic action. The office in Temesvár inherited a very developed network of farmer associations. 25 municipalities had farmer associations in Temes County back in 1904, altogether with 1824 Magyar, Serbian, German and Bulgarian members. In 1913, the number of farmer associations in villages that conveyed the concepts and methods of scientific agriculture was more than 300. They did not just prepare and organise additional relations in rural society, but effect State aids as well.

The branch office added the continuance of promoting the concept of cooperatives to its work programme in Southland that had a developed cooperative network; the idea of a cooperative network was intended to be propagated by local small farmers in more developed areas, and the branch office established new ones in undeveloped areas that were without society leaders³⁰. Villagers showed a willingness to establish credit and animal insurance cooperatives in both counties. While there was a developed network of credit cooperatives that had been operating almost in 40% of municipalities in Temes County, consumer and animal insurance cooperatives were established very slowly. Animal insurance cooperatives were popular in Krassó-Szörény County: cooperatives established for reducing the risks concerning the rearing of high-value animals had a contractual relationship with Hungarian Mutual Animal Insurance Association (*Magyar Kölcsönös Állatbiztosító Társaság*), which covered damages to livestock that exceeded 5% for a ½% reinsurance rate. 80 new animal insurance cooperatives were established in cooperation with the branch office in the county. The office had been dedicated very considerable energy in promoting credit cooperatives belonging to the National Central Credit Cooperative (*Országos Központi Hitelszövetkezet*) in particular among Romanian-speaking population. Besides counterbalancing activities of financial institutions of the nationalities, it supported the conversion of credits formerly taken out, combating usury, bulk procurement and distribution of crops. Before receiving financial support, the earlier functioning of the cooperatives was assessed and evaluated from a (Magyar) national perspective “with regard to trustworthiness and patriotism” based on information gathered from the lord-lieutenant. Therefore, only those cooperatives could have received an aid, which met certain expectations. Such as the credit cooperative in Temesliget established in 1912, which could have moved into its premises from the Village-Hall in summer 1913; or

²⁸ NAH CA, K 596, 1913-93-50. Issue of the joint meeting.

²⁹ NAH CA, K 596, 1913-157-526. Memorandum of the branch office to the Minister of Agriculture on June 7, 1913.

³⁰ “Budapesti Hírlap” 157 (1913) (July 4, 1913), p. 17-18.

the credit cooperative in Varadia composed of Romanian-speaking people, which aimed to offset the functioning of “Varadiana” Romanian financial institution in the region. The cooperative of Vecsház composed mainly of German-speaking inhabitants also received a State aid³¹.

The branch office provided material and moral support not only to rural, but to urban charitable and social associations as well. Thus, it brought aid to Temesvár People’s Office Association (*Temesvári Népiroda Egyesület*) pursuing cultural and social activities, which had been providing legal protection to urban poor and illiterate workers, as well as the agricultural population of nationalities living in neighbouring villages free of charge. Furthermore, the People’s Office maintained a library and launched training courses for illiterate people, where basic legal knowledge and other useful information were taught³². In the 1910s, the People’s Office, together with Workers’ Gymnasium of People’s Academy (*Népakadémiai Munkásgimnázium*)³³, organised lectures on popular knowledge dissemination and general encyclopaedic knowledge, and provided legal assistance free of charge. The branch office considered presentations on social policy and economy organised for rural audience particularly important. Versec People’s Protection Office (*Verseci Népvédelmi Iroda*) pursued similarly diverse social and philanthropic activities; its free legal assistance and cultural activities were available for urban workers and small farmers living in the neighbouring villages as well³⁴. The branch office in Temesvár also organised free legal assistance during its office hours: lawyers advised on issues related to parcelling, obtaining loans, taxes, land registry, child welfare and public administration free of charge twice a week.

Besides, it organised study visits, and, in cooperation with the Southland Trade Association of Farmers (*Délvidéki Földművelők Gazdasági Egyesülete*), presentations on rural trade to raise the small farmers’ awareness of the economy. These presentations concentrated on general legal and public administration knowledge, and social issues (public health and problems with alcohol); they also talked about household and parenting with women. Books and booklets in the field of economy, using the popular tone of several languages, in particular, promoted consolidation of land holdings³⁵. The Temesvár Trade Association held 37 presentations, that of Krassó-Szörény County 26, and the Southland Trade Association of Farmers 54.

The branch office set the objective of disseminating higher-quality machinery and means, and certified seeds to develop agriculture with good tillage. It tried to improve harvest with seeds exchange in Krassó-Szörény County that farmed with primitive methods. It started to introduce good fruit production, which was suitable for

³¹ NAH CA, K 596, 1913-81-96. Issue of credit cooperatives.

³² “Gazdák Lapja” 25 (1910), June 18, p. 1-2.

³³ The Workers’ Gymnasium operating with the support of the Ministry of Religion and Public Education launched two parallel classes in the outskirts József and Gyál of Temesvár. Subjects relating to the general encyclopaedic, social and practical knowledge, Hungarian language courses and lectures were held for students of mainly non-Magyar nationalities.

³⁴ NAH CA, K 596, 1913-81-96. About Versec People’s Protection Office.

³⁵ NAH CA, K 596, 1913-119-245. Issue of booklets.

the climatic and soil conditions in mountainous areas. In spring 1913, the enlarged state-owned nurseries in Lugos distributed and planted rootstocks that were suitable for the local conditions, to improve the stock. However, the nurseries being flooded every year posed a problem, its translocation, therefore, became more urgent. It can be taken as a result that plum crop exceeding 0.5 million koronas was sold in Bozovics District of Krassó County.

90-97% of vineyards in Krassó and Temes Counties required renewal due to the ravages of the phylloxera epidemic in the 1880s³⁶. The vineyards were renewed by the viticulture and oenology inspectorate in Fehértemplom and the vineyard in Temesrékás: they distributed cuttings and rootstocks free of charge or at a reduced price. Additional technologies concerning the treatment of wine and new vine varieties spread after campaigns on protection methods (carbon disulphide procedure). The branch office, in its short life, supported the building of a public wine warehouse in Fehértemplom, and it was hoped that it would have spread modern procedures of treatment of wine and increased wine sales. Protection against the *sparganothis pilleriana* (moth) took place through the branch office; its donation for costs covered the need of the vine and wine yards in Fehéregyház for sprayers³⁷.

The office promoted vegetable production among Swabian farmers in Temes County, and, as a result, smaller vegetable-producing farms were established (Újarad). Supply with vegetables in the towns of the region was difficult due to the emigration of market gardeners. Many individuals supplied a request for thousands of koronas to the branch office in order to receive support for creating vegetable farms, however, the Ministry did not grant such aids to individuals as a matter of principle and in the lack of resources. Aids were primarily granted for creating market gardens near towns with higher consumption-rate. The serious vegetable supply problems of Temesvár attracted attention in the local press, the Ministry of Agriculture therefore already called for the creation of a vegetable farm with State aid in autumn 1912. The branch office designated town-owned areas suitable for a vegetable farm based on an on-the-spot visit at the request of the Town Council in autumn 1913, then the necessary preliminary work could begin³⁸. The branch office supported the creation of a garden as well, on an area of 20, later 60 acres at the town boundaries. Although the Lugos Cooperative of Gardeners (*Lugosi Kertészszerkezeti*) that was composed of rural gardening landowners for production in a uniform way and wholesale, failed due to the lack of participation in autumn 1913.

Collecting herbs also served as a source of additional income; regular gatherings of wild herbs and plants for commercial purposes were organised by the herb farm of Kolozsvár Academy of Economics (*Kolozsvári Gazdasági Akadémia*). The branch office in Temesvár made it possible for Orthodox ethnic minority teachers

³⁶ László Boros, *A Bánát szőlő- és borgazdasága 1890-1920*, in *A Délvidék történeti földrajza* (ed. by S. Kókai), Nyíregyháza 2006, p. 17.

³⁷ NAH CA, K 596, 1913-129-45. Issue of the vineyards.

³⁸ NAH CA, K 596, 1913-93-50. Issue of the problem of the vegetable supply.

who originated from impoverished regions and had been refused in previous years, to attend the courses free of charge³⁹.

Grassland- and meadow management were the basis of the most important farming sector, the animal husbandry. Neglected pastures were the result of carelessness and insensibility to the economic progress, the Ministry of Agriculture, therefore, provided large State aids for pasture improvement (amelioration). Pasture improvement and ensuring pasture lands were important tasks of the branch office. The office, in its short life, started working on pasture improvement in common pastures of certain municipalities (in Zsuppa, common pasture of Karánsebes town, and Temeshidegkút), working closely with county trade inspectorates; it placed waterers for herds (in Zsuppa and Radmanóc) and bored wells (in Lugosegres and Bégahosszúpatak) on municipal pastures. The branch office explained Act 10 of 1913 on Indivisible Common Pastures in detail to and discussed it with local farmers concerned prior to the promulgation of the law. Most of the requests were on the breaking up of common pasture lands; municipalities handled income from tenements sold as arable land as a fund for pastures based on a recommendation of the branch office, which was spent on livestock improvement (acquiring sires and building bull stables), pasture restoration and improvement, or loan payments (Újbesenyő, Temesmurány, Nagyszilas, Fönlak, and Temesillésd municipalities)⁴⁰. Several requests concerned granting opportunities to earn extra income in common pastures, such as using them for purposes of making bricks (Várboksán), steam brick factory (Karasjeszenő), workers' mansion (Liebling), quarrying (Lukácskő that was a Serbian language island), community slaughterhouse (Móriczföld) and cemetery (Újbodrog), and also for the purpose of taking cattle into agistment (Mercsyfalva) and selling a part of the common pasture (Szabadfalva) by public auction. The branch office protected German settlers in Panyó, who intended to purchase a pasture land of 96 acres from the State Treasury, using credit with scheduled repayments. The "pro-government subjects" envisaged resettlement of farmers emigrated to America and the establishment of a pasture cooperative by the acquirement of the pasture.

Individual land squatting created many problems, in which cases land-squatters planted fruit trees in more fertile parts of common pastures (Várbogsán), broke them up to arable land (Belence) or even leased them (Temeshidegkút) without permits. The branch office announced to take back areas acquired by usucaption with the help of security forces in Komornok.

The office contributed to acquiring eligible breeding-animals (cattle, horse, swine and sheep). The official breeding policy advocated breed change: breeding of, besides the White Hungarian breed, the triple-purpose (for milk, for meat and as a draught animal), multi-coloured (red-mottled) landrace with Western origin because of good agriculture, and increased demand for milk and meat. The branch office, in cooperation with trade inspectorates, organised breeding-cattle judging contests, and it considered the adequate selection, housing, care and feeding of sires important as well. Insurance of allocated breeding-animals and measures taken to prevent the spread

³⁹ NAH CA, K 596, 1913-110-44. Issue of the herb farm of Academy of Economics in Kolozsvár.

⁴⁰ NAH CA, K 596, 1913-119-245. Issue of pasture culture.

of animal diseases, in cooperation with animal health inspectorate in Temesvár, were also important. Sire rearing assigned to entrepreneurs was replaced by municipal and domestic rearing after a while, and several municipal bull stables were built using State aid (Vársomlyó).

The office supported the development of an additional source of income, i.e. beekeeping that was suitable for the favourable natural conditions of the region and had a long tradition, to improve the living conditions of the inhabitants. The branch office initiated to set up a vocational school of apiculture in Temesvár; it marketed apiculture products (honey); and allotted mellific plant seeds and saplings, bee colonies and hive equipment free of charge or at a reduced price, to improve bee-pastures.

The branch office in Temesvár advocated granting State aids to the cottage industry: the office considered it as an additional source of income, with which the rising emigration of the agricultural population could have been reduced. The office supported the organisation and promotion of cottage industry embroidery courses, particularly in Krassó-Szörény County. There was a pinch of nostalgia in the cottage industry development programmes of the Ministries of Trade and Agriculture; the cottage industry movement could not have achieved a long-term and major commercial and social breakthrough in this region.

The Ministry of Agriculture, Industry and Trade attempted to transfer redundancy to areas with labour shortage within the framework of a national programme from the 1880s. The Southland Trade Association of Farmers (*Bauernverein*), having small farmers in Bánát as its members, pursued the activity of provision of workers, on behalf of and with the material support of the branch office, to reduce the shortage of labour in Bánát in 1913 and 1914. In this context, it relocated Székely servants and workers into farms of Swabian medium and small landowners along (Magyar) national lines⁴¹.

Results

What was the intention of the government with establishing the branch offices? Counterbalancing the nationalist movement that jeopardised the Magyar public positions, linguistic-cultural Magyarization (Hungarianization) coherently, or a positive social and economic action to be implemented among the Magyar diaspora and landowners of nationalities?

The activity of the office in Temesvár is difficult to quantify due to its short life. Beside granting aids and spreading good agriculture, the office brought the most important economic and social problems of the counties in the Southland – such as the flood hazard due to forest destruction, parcelling by individuals and economic underdevelopment of nationalities villages in the mountainous regions – to the attention of the Government. The branch office, unlike other branch offices, had been followed the development of nationality and social (socialist) movements closely. As the management of the office in Temesvár stated: “they can be included in the community of the Magyar nation’s progress, creating the preconditions of economic

⁴¹ “Budapesti Hírlap” 40 (1914), February 5, p. 34-35.

progress and the existential security for them” by the purposeful dissemination of agrarian culture⁴². The branch office held that the economic support and Magyarization of nationalities cause synergy effects and increase loyalty towards Hungary. “National allegiance” and “trustworthiness” were important aspects when assessing material supports. Thus, in addition to granting large aids to the Ruthenian and German (Swabian) population, the Romanian people who sympathized with the Magyar State idea began to receive economic aids in the Magyar-Romanian pact negotiations, while the Serbian population only received considerably smaller aids granted to dispersed villages or some farmers.

Still, regional economic actions proved to be the most effective measures in the economic and nationality policy of Hungarian Governments in the era of Compromise, which aimed to improve supply constraints and employment problems. The functioning of the system of branch offices was influenced by the officers’ attitude as well:

“branch offices were established in the least developed regions, primarily home to nationalities, even though they could not achieve the ideal objective, they carried out a lot of effective work, [...] and they were only able to achieve positive results in villages and a direction, in which the personnel of branch offices composed of indefatigable, sedulous and skilful persons”,

as written by Dezső Pókay, former livestock inspector, land-steward in 1919⁴³.

Hungarian Governments dedicated very little energy, money and time to the implementation of economic actions, however their significance becomes apparent not just in their economic and social effects, but rather in the change of contemporaneous Hungarian economic policy; the liberal State recognised that it must play an active role in the development of economy, thus in evening out regional differences and promoting the convergence of less developed regions.

⁴² NAH CA, K 184, 1916-128-62713. 27911/1914. The operational report of the sub-office in Temesvár.

⁴³ NAH CA, K 184, 1919-128-2233. Order about the organization of the Ministry of Agriculture’s External Offices.