

PROGRESS AND DEVELOPMENT OF ROMANIA IN THE TIME OF CHARLES I (1866-1914)*

Vorovenci Ion

Academy of Economic Studies, Bucharest, Romania

vorovenciion@yahoo.com

Abstract: *The economic evolution of Romania, during the reign of Charles I, is so obvious and unique in Europe that does not fail if you paraphrase historian Gheorghe Brătianu and say that it was "a miracle".*

The process of taking the country out of feudalism, started during the reign of Alexander John Cuza, and concluded in subsequent years when they laid the foundations of capitalist economy, european-style. Romania earned their independence and created most institutions with economic profile, diversified ministries and institutions of higher education (technical colleges and the Academy of Higher Commercial and Industrial Studies).

Also, the monetary system of the LEU (Romanian currency), Bank institutions, first National Bank of Romania, the railway complex developed and was carried out at the junction of the European railways, Danube navigation, trade, as well as cereal stock market of Brăila, and this forms an important yardstick for the cereals market in Europe.

With the coming of Charles I, its doors to the West opened for Romania, the Prince and later King being the guarantor of future economic relationships with Western capitalists.

The detachment of the Romanian economy from the sphere of influence and the dependence of the Ottoman Empire were made under the impetus of Britain and France, and, later, of Prussia, powers interested in the development of trade at the mouths of the Danube, through harnessing the principalities, Moldova and Romania, and their attraction to the European economy. Political solution meant to hasten this process had been given even by the great powers, by the election of a foreign Prince as Ruler of the provinces, after the Crimean War (1853-1856). At the beginning, it was very hard to accept a foreign Prince, the progressive forces of the two countries resorting to election as Ruler of Alexander John Cuza. After his abdication, the foreign Prince was accepted. Alongside Cuza, Charles I is the main reformer of modern Romania.

Keywords: *railways, concession, monopoly, viaduct*

1. Introduction

Charles I was born at Sigmaringen, on 20 April 1839. As Prince of Hohenzollern, he grew up in a severe national and German military background.¹⁴ Following his studies at Dresden, after which he joined the exam for junior lieutenant at Münster. In 1850 he met for the first time with his cousin, the future King Friedrich Wilhelm of

* The article comes as a celebration of a century since He passed away.

¹⁴ C. Kiritescu, *A great moral personality: Charles I, King and the Founder*, p. 7.

(Conference held on November 13, 1940, in the presence of M. M. L. L. King Michael I and Queen Mother Elena)

Prussia forming a close friendship. On 1 January 1857 he was appointed second lieutenant of the Artillery Regiment of the guard of the Citadel of Jülich. In the same year, he began to attend, at Berlin, The Unified School of artillery and engineering. In 1858 Prince Charles was mobilized during the Franco-Austrian war.

In the summer of 1861 he accompanied his brother, Crown Prince Leopold, to Lisbon, to his marriage with the infanta Antoinette. In January 1862, departing on a trip to Algiers¹⁵, which lasts a few months. On his return he visited Madrid and then Paris. The summer of the same year he spent at Bonn, where he also attended some lectures, but also private exposures about French literature and cultural history supported by Professor Springer. Back to Berlin he worked as a Lieutenant in the 2nd Regiment of guard Dragoons.

In December 1863, Charles I was invited by Napoleon III to the Court of France. In 1864 when Prussian Allied troops occupied Schleswig-Holstein, the young artillery Lieutenant Charles took part in this conflict. During the campaign he became ill, he had to go to be treated in Switzerland.

2. Progress and development of Romania (1866-1914)

On 31 March 1866, I. C. Brătianu, following the advice of Napoleon III, went to Düsseldorf, where Karl Anton Charles father lived, who occupied the position of military Governor of the province of Westphalia and the Rhineland, to persuade Carol to accept the proposal to be ruler of Romania.¹⁶ The one who had the final say in what concerned the decision of Charles was Chancellor Otto von Bismarck: "An entire nation unanimously elected you as prince; give this course calls, go directly to the country in whose reign you're called upon."

On 10 May, Prince Carol of Hohenzollern became ruler of Romania. "By putting my foot on this sacred earth I became Romanian... I bring you a faithful heart, honest, open, thoughts, tough will to do only good, a boundless devotion for my new homeland and that unwavering respect for the law and order that I learned from my folks. Today, peaceful citizen, tomorrow, if need be, soldier with gun in hand, now we will have the same destiny, be it happy or distressing."¹⁷

In 1940, in a conference held in front of their Majesties King Michael I and Queen Mother Elena, The historian Constantin Kirițescu argued: "The first five years of the reign of Prince Charles have been a thorny road of Calvary startles. It was a respite from the mutual knowledge, the intertwining of the mindsets of both the ruler and the prominent men of the country, a deep patriotism and capable of the greatest sacrifices for the good of their homeland... To the weights of the malevolent attitude of suzerain Turkey, ... the disastrous inside financial situation, the impassioned struggle of the political parties, which did not allow the formation of a seriously and lasting Government, barely disguised attacks to the Prince and, most importantly, the campaign in the fucking thing to new concessions of railroads Strousberg Consortium".¹⁸

Since his arrival in Romania, Prince Carol I was supposed to take into account the most important issue of general interest, that fidgeted the most important political

¹⁵ P. Lindenberg, *King Carol I of Romania*, Editura Humanitas, 2003, p. 49.

* The article comes as a celebration of a century since He passed away

¹⁶ Keith Hitchins, *Romania, 1866-1947*, vol. I, Humanitas, 1998, p. 27.

¹⁷ *Ibid.*, p. 67.

¹⁸ C. Kirițescu, *op. cit.*, p. 10.

figures, without which it could not achieve the economic progress of the country, the construction of railways, meant to relieve the trade with the West.

Construction of the first railway line of Bucharest-Giurgiu was leased to an English company T. J. Barkley & J. Staniforth. The price of a kilometre had been fixed in 196.500 gold francs, the total cost amounting to 13.775.000 gold lei, with the possibility of redemption.¹⁹ Discontinued after the abdication of Al. I. Cuza, these negotiations were resumed and their results published, with some modifications, in the Official Gazette on April 7, 1867. The Romanian Government excelled in this regard: "... the lack of quick, safe and cheap transport is in this regard the biggest obstacle. Only the railways can today satisfy this requirement. Across the country in all directions, they will give the mountain products to the fields and the surplus of the field to the mountains and some excess would form the exportation, which would perform with ease. Developing industry, agriculture would make those advances that brought wealth and abundance in other parts of Europe."²⁰

Charles I, aware of the importance of rail transport after the commissioning of the Bucharest-Giurgiu line, on May 16, 1868, initiates the construction of other lines, with the help of the Austrian firm Oppenheim and German Stroussberg Maschinenfabrik. The former built the first railway line Suceava-Iași-Botoșani-Roman (244 Km), at the price of 270,000 Gold lei/km. The price versus the English firm T. J. Barkley & J. Staniforth is much higher. To make the Roman-Vârciorova railway line at the same cost per mile of track built, Charles I chose the German firm offer Stroussberg, having the support to the Minister of public works, Donici.²¹ The support of Prussia was taken into account and working with Chancellor Otto von Bismarck, for the supply of the equipment for the army endowment. Charles I does not exclude that, after the conclusion of the Convention, to achieve a settlement for the transport of materials and even the purchase of the project carried out by Oppenheim company. The duration of the concession was 90 years, being also laid down the redemption by the Romanian State after 30 years. To grant the necessary capital formation (absolute German majority), they could issue bonds guaranteed by the State with an interest rate of 7.5% per annum.²² The problem of the concession of this rail line to the German shareholders arose a great political scandal in Romania, after the bankruptcy of the Stroussberg firm.

Professor Gh. Tașcă, making some references to this business, showed that the Vârciorova-Roman line was in full construction when the Franco-Prussian war started in 1870, "which shakes the whole European market. The great enterprise of Stroussberg is rocked and, soon after the outbreak of the war they ceased payments."²³ Ambron, former administrator of the House of Hohenzollern, the German Government's Commissioner to Stroussberg Society fails to use in financial speculation, 30 million and replaces them with some worthless mortgages, which led to the bankruptcy of the entire business. Later, this problem had a

¹⁹ Victor Slăvescu, *Developing transport, general principles, railways, inland waterway and maritime navigation*, Cartea Românească, Bucharest, 1930, p. 186.

²⁰ O.G. of 17 august 1866 in Const., Dem., John David, *The Romanian railway network*, Sport-Turism Publishing House, 1977, p. 70.

²¹ National Archives, Charles I, vol. I, 164.

²² Const. Botez, Dem. Urma, Ion Saizu, *The Epic Romanian Railway*, p.83.

²³ Gheorghe Tașcă, *The reign of King Charles I. The economic Organization*, p. 65. (Conference held on 14 December 1940)

pronounced political character, by conditioning recognition of independence of the redemption of shares by the Romanian State. The historian A. D. Xenopol, contrary to the other position toward this issue, considered that redemption, "had made the country a good deal, putting in our hands the main communication artery of the country."²⁴

Charles I was interested in the economic development of the country and "he looked with satisfaction at the beginnings of an industry, marked by the erection of different factories"²⁵ and the establishment of banking institutions in this regard, the most important achievement was the establishment of the National Bank. He was attentive to the economic situation in the country, as well as the effects of the evolution of the European economy and the world over. Romania has sought to lead a policy of close neighbours.

In 1873, a big slump, unknown until then, with General effects on the world economy, affects Romania, but its effects are much lower than in the developed States. Charles I was very confident in the economic future of the country, "...we can only congratulate ourselves and we are proud of our country's credit strength, and abroad."²⁶

In the same year, The Prince, on the occasion of the participation of Romania to the exhibition in Vienna, he met with the Emperor of Austria-Hungary, Franz Joseph. The Empire was passing through the greatest financial crisis unknown until then, "the great Black Friday crash"²⁷ of 9 May 1873, which resulted in the bankruptcy of several banks and industrial enterprises. Romania's economic situation was appreciated by neighboring States, Romanian products on display in Vienna received a number of medals.

Relations with Tsarist Russia have improved through the conclusion of a postal Convention in 1872. Romania had participated, together with other States, to the ratification of the new international postal Treaty concluded on 9 October 1872 in Berne. At the same time, he negotiated the conclusion of trade agreements with other countries. Romania also had a representative in the International Commission of statistics in Stockholm.

Changes in the economy have had long-term effects. The Conservative Government, interested in the development of agricultural productions, to remove the effects of the droughty years, studied the establishment of an efficient irrigation system. He felt the need for the establishment of a credit institution. Whereas economic progress could not be made without a proper education, after nine years from the adoption of the law of public instruction, it undertook some changes. Elementary schools needed teachers better prepared in „normal”* institutes, intended for their preparation. Secondary education was supposed to follow a practical direction, "to meet the needs of a country, whose legitimate aspirations for the future were partly based on its economic development. And faculties, in addition to the abstract Sciences culture which is entrusted, will also fulfil basically the purpose of giving senior officials to the State with a professional aim and well prepared for secondary schools."²⁸

²⁴ A. D. Xenopol, *Economic works*, publishing house, Bucharest, 1967.

²⁵ *Ibidem*, p. 216.

²⁶ M. O., 1873, no. 236, p. 2171.

²⁷ Erich Zöllner, *Austria's history*, vol. II, Editura Enciclopedică, 1997, p. 519.

* normal, that is pedagogical

The effects of the development of transport on railway are beginning to be felt. They are intensively working on the outfitting piers of the ports of Braila and Galati, and Giurgiu was almost finished. "Communications, until now very heavy and expensive, they turn to a degree unknown until today; the poor can enjoy the same convenience as the wealthy ones and we can find with satisfaction, how much they raised, to promote trade relations between various populous centres, from one edge to another of the country."²⁹

Charles I, addressing the Assembly of Deputies, on December 7, 1873, shows just how important is the establishment of a "discount and transaction Bank", for the development of credit and, implicitly, to commercial transactions.³⁰ This issue is under discussion also in the subsequent years. In order to ensure the necessary credits for land transactions in both urban and rural areas the Rural Land Credit was established through the law promulgated on 6 April 1873, which, later, in 1880, has been amended.

Rural Land Credit Society was established by 60 owners, who made the proof that they have a Fund of 3 million gold lei, a huge amount for the time. There were also established the Urban Land Credit and the Agricultural Bank, as privileged institutions.³¹ For a long time, no banking institutions have been set up, to ensure the normal operations of capital, because of the absurd prejudices which supported the idea that they did not resist in conditions of crisis, facing bankruptcy, and bankruptcy would have "The most damaging consequences for the whole economy."³² This bias has been superseded by Vintilă Brătianu, which initiated the establishment of the Romanian Bank, where the entire management and Supervisory Board consisted of Romanians.

The increased export of wood resulted in an alarming phenomenon, namely the phenomenon of deforestation. In order to regulate the massive cuts of forests, Charles I, reported that needed the legislative project concerning the new forest code. In December 1874, speaking to Senators and deputies of the Parliament of Romania, The Prince criticized the destruction of forests: "through their unbounded deforestation that has reached an alarming fact. It produced a disturbance felt in the country's climatic phenomena, the disturbance which has reflected upon and threatened agriculture. Your Excellencies, I do not doubt that you will think about the measures necessary to combat this danger."³³

The Conservative Government encountered financial hardships because of the budgetary expenses for building the railway line Vârciorova-Pitești and arranging the Danube ports. The Port of Brăila was transformed into a stop of agrarian products loading, particularly wheat, while Galați was intended for transport of wood. Budgetary needs were covered, largely by the charges levied on the export of such products and by issuing Government securities, which, in order to be attractive, were maintained at a fairly high rate. The State got more financial resources from the tobacco monopoly, the law of stamps and licenses. These fees were justified by the costs of the construction of buildings in the general interest.

²⁸ M. O. 1843, nr. 249, p. 2227.

²⁹ M. O. 1873, nr. 236, p. 2171.

³⁰ *Ibidem*.

³¹ Gheorghe Tașcă, *op. cit.* p. 68.

³² *Ibidem*, p. 69.

³³ M. O. 1874, nr. 250, p. 1419.

Sub-loans state interest was particularly high because of the dependence on the Ottoman Empire.

Statement of expenditures needed to modernise Romania was the following:

The period 1861-1866

The railway Bucharest-Giurgiu.....	2 010 000 lei gold ³⁴
Bridges of iron	1 443 274 lei gold
Stern Loan	2 111 983 lei gold
Oppenheim Loan	3 163 778 lei gold
Total	8 729 035 lei gold

The period 1866-1871

Ițcani-Iasi-Roman railway	3 881 250 lei gold
Roman-Vârciorova railway	18 609 750 lei gold
Domenial Loan	8 000 000 lei gold
Total	30 491 000 lei gold

The period 1871-1875

Iași-Ungheni railway	452 425 lei gold
Deposits for incident solution with the construction of the railroad's shareholders for the amount, borrowed from deposits and Savings Bank	700 000 lei gold
Lending loan interest (44 600 000 lei gold)	2 230 000 lei gold
Total	3 382 425 lei gold

The budget deficit in the period 1861-1871 was 39 035 120 lei. To cover this deficit, in 1874, a number of charges were introduced.

The addition to the property tax	2 019 336 lei
Tobacco Monopoly	8 010 000 lei
Stamp duty and registration.	4 461 647 lei
Charge over sale of spirits	7 372 656 lei
Fee for the manufacture beverages	402 000 lei
Tax on the revenues from the railways..	4 121 806 lei
Total	26 387 445 lei

Source: Titu Maiorescu, *On the pamphlet, Germany, Romania and Prince Charles of Hohensollern*, p. 12

³⁴ A gold leu = 0,3221 grams of gold.

For the proper functioning of the services that offered revenue to the State for a more rigorous control and supervision, public accounting was adopted. To prepare the accountants, high schools of Commerce had been established (1873). Titu Maiorescu, considered that “*the crucial question of State costs is not increasing them, but their use.*”³⁵

With regard to the agricultural landlords and tenants, the high rent favored a series of loans. The amount of these loans in this period was particularly high.

In 1875, Romania concluded a hotly disputed commercial Agreement with Austro-Hungary with quite disastrous effects they had on the development of national industry. This Convention, drawn up on a par with a major power, represented an important step towards that independence. Since that period, an older traditional Romanian foreign policy issue was the resumed theme that would aim at gaining political rights in Exchange for economic concessions.

Charles I, addressing lawmakers reminded: “We are a people small in number and territorial expanse. We can, however, be regarded as a great nation through the power of our rights, through respect and trust that we know to inspire. To seek our strength in developing all our origins, in our internal Organization, in the adoption and implementation of improvements compatible with our position and our interests in practicing, finally, of freedom and order at the same time. When being strong under this power of inside, we will know to inspire confidence outside, keeping us within a strict limit to the legality of treaties, arguing with moderation, but with resolution, our ancestral rights; When practicing a wise policy, within respect for others, we seek only to reclaim and exercise our rights to us and to keep us under our change in balance, the best relations with the guarantor powers, then our moral strength from outside will be as real as the one from the inside. Romanian nationality will become increasingly more assured and strengthened.”³⁶

Romanian products on the European market required a developed network of roads and railways under the proximity of the neighbouring State, politics of railway construction continued, the utmost importance was a junction with the Austrian railways, by the railway line construction through Ploiești-Predeal, which should have ended up in August 1878, in order to facilitate trade between the two countries.³⁷ In the discussions of the Romanian Ruler with the engineer Wardorf there was the problem of planning the Iron Gates of the Danube for navigation. At the same time, it was put into question the finding of solutions for populating the Danube with the Californian salmon and trout on mountain waters.³⁸

A pattern of approach to the problem of minorities is the advice given by the Ruler to his soldiers on the occasion of the return of Dobrogea to Romania: “Soldiers! In the New Romania, you will find a population of most Romanian! But you will also find the inhabitants of another nation of other religion. All of them became members of the Romanian State and have the right to an adequate protection and your love. Among them you will also find Muslim, whose religion, family, morals, differ from our own. I purposely recommend you to respect them. Be in the middle of your new fellow citizens what you have been up until now, in times of peace as

³⁵ Titu Maiorescu, *On the Pamphlet, Germany, Romania and Prince Charles of Hohensollem*, p. 13.

³⁶ M.O., 1875, nr. 2, p. 19.

³⁷ M.O., 1875, nr. 199, pp. 2477-2478.

³⁸ National Archives, Trust Fund, Charles I, file 449.

well as on the field of honor, what with pride I find that the whole Europe recognize today, i.e. a model of bravery and discipline, rights defenders and forerunners of the European legality and civilization.”³⁹

A series of measures were taken for the economic support of Dobrogea's population was disbanded. The metayage was disbanded whatever its nature, being replaced by “a straight quintrent and easy for agriculture. „Emleacul” (tax on real estate property in towns and villages), the tax on the income of property in cities, „temetuatul” (3% tax on farmers and craftsmen's work), the tax on the rent of pubs, grocer's, coffee shops, inns, all of which will be turned on January 1, 1879 to a tax that was easier and more straight and „bedelul” (tax for relief of army duty), „entizab” (2.5% fee from the sale of cattle) and the mills tax abolished altogether.”⁴⁰ In March 1879, the Prince attended the inauguration of the factory of matches at Brăila.⁴¹ In November 1880, they began the drainage of the Dambovitza that ended a year later. Reaffirming the importance of developing the industry on 13 November, when Society “Concordia Romana” opens an exhibition in Bucharest. Around this time, among other things, it is stated that the development of the industries would save the country a lot of shopping abroad and would contribute to her economic independence.

Charles I talks like a real economist about the role of exhibition: “Exhibitions have given in all the countries the most strongly urge to arts, trades and industry, establishing to competition, rewarding. I hope that all will be well with us. I salute, but with great joy, the first Romanian endeavour exhibition established on the initiative of Concordia and wholeheartedly wish you a full success of this beautiful enterprise, which, I am convinced, will bear its fruits. I have always had the most vivid wish to see national trades and industry provided and developed by practical schools and factories, thus preserving to the country so many millions that go abroad each year. I'll be grateful to whoever will help and work on our economic emancipation. Give God that this small exhibition, which already is the sign of a good progress, to be the start for the acquisition of the great results that will give new life to the Romanian people.”⁴²

Charles I appreciated the appellation DOMN, that have a historical significance, but also cherished the act voted by the Parliament on 26 March 1881, establishing the Kingdom of Romania: “Proud I was as a DOMN, this name is dear to me which had been bestowed in the past as rays of glory and highness; for the future however Romania believed that it was necessary, and in accordance with the extent and significance of the power acquired and manifested by certain acts and having lifted up her name, to proclaim itself as Kingdom. Not only for me personally but for the growth of my country, receiving this title expressing the desire that had been burning most vividly for so long in the chest of each, but that does not change anything in the tight links established between nation and me and that proved just how strong burning the events are that we have spent together.”⁴³

³⁹ M. O., 1878, nr. 254, p. 7145.

⁴⁰ M. O., 1878, nr. 255, pp. 7161-7162.

⁴¹ M. O., 1879, nr. 46, p. 1237.

⁴² M. O., 1880, nr. 247, p. 7334.

* The coronation took place on 10 May 1881.

⁴³ Constantin. C. Giurescu, The Speeches of King Charles I, vol.I, 1866-1886, Foundation for literature and art, "Charles II", 1937, p. 358.

However this political act had a great economic importance. Through the Prestige enjoyed externally, the country has obtained some loans with lower interests. In the following period, Romania concluded a number of trade agreements, initiated a program for the development of navigation on the Danube and the first railway line built entirely by the Romanians, Mărăști-Buzău (30 October 1881), whereby for the first time, the liberal principle "by ourselves" materialized.

In November 1881, P. S. Aurelian organized an agricultural exhibition at the school of Agriculture in Herăstrău, involving King Charles I. He, in addition to the appreciation, brings a series of criticisms that agriculture has not kept pace with the development of other sectors of the economy.⁴⁴ Significant progress is achieved in the field of mining, the development of navigation on the Danube, channeling the river Dâmbovița etc.

The last decade of the nineteenth century is important in several legislative initiatives and the achievement of remarkable constructions. By Royal Decree No. 1625, of June 1, 1882, the conditions were settled for the construction of the railway line Bucharest-Fetesti and Făurei-Fetești through international competition. The results of the two competitions, made in 1882 and 1886, being unsatisfactory, the Minister of Public Works, P. S. Aurelian, having the King's consent, gives this construction to the Romanian engineer Anghel Saligny. The construction of the main bridge, with a length of 750 m and the height at the central pillars of 60 m, was awarded to the French firm "Fives-Lille." The total length of bridges and viaducts is 4088 m.

On 17 May 1894, the Sulina Canal opened, making possible for heavy vessels enter the port of Galați (work carried out by the engineers of the European Commission of the Danube), and one year later (September 26, 1895), with great fanfare, inaugurating the bridge at Cernavodă, called King Carol I bridge: "Today - affirmed the King - we master the shortest line between the northern seas and countries of the Orient. I watch this huge bridge as a golden key of a brilliant future of our beloved Romania, whose soaring, step nobody can stop in its way of greatness and prosperity."⁴⁵

On 14 November 1895, the international luxury train Orient Express, arrived in its first journey at Constanta. The optimisation of the bridge in Cernavoda and Constanta railwaytrack could not be achieved without the arrangement of the harbour. The works started in 1896 and were also entrusted to the engineer Anghel Saligny, who uses the reinforcing iron bars for the first time in the construction of the concrete silos. The work of the port were completed in 1909.

Increasing quantities of goods transported by rail and the need to ensure the safety and security of those, urged the Parliament to revised the law for the railways, "so as to better specify their nature and to prevent alienation of the railways of general interest."⁴⁶

Although economic developments during this period were indisputable, they could not fully cover growing expenditure, which was due, on the one hand, to the large-scale construction, but also to the number of clerks required by various government institutions.

⁴⁴ M. O. 1881, nr. 173, p. 5685.

⁴⁵ Gheorghe Tașcă, *op. cit.* p. 70.

⁴⁶ Constantin. C. Giurescu, *op. cit.* p. 80.

In 1895 the first law of mines was worked out, a partial law of nationalization of resources, through which the State became the owner of the subsoil, except for oil deposits, bitumen and ozokerite. This law came in to the support of increasing crude oil production, Romania, at that time, being in competition with US, being the first country in the world which also had a refinery (1856).

In 1875 the society of Geography was founded, its purpose being, among other things, to discover the subsoil resources to be harnessed. Production of crude oil increased from 6,000 tons in 1866 to 1 900 000 tonnes in 1914.⁴⁷

Agriculture remains, during this period, the main economic branch. The absence of banks, to ensure, under favorable conditions, the necessary credit transactions, determined Parliament to give a law for setting up Rural House for sale of large properties in small plots, coming to the aid of both the large landowners, who could not find buyers, and villagers who, in most cases, lacked the money. Analyzing this fact today we consider it counterproductive, because they encourage the phenomenon of breaking down the agricultural property, being aware that a peasant subsistence economy is little suited to the market. It was however the only way by which the peasantry, which form the vast majority of the population, could make a better living, and the owner to obtain the necessary capital used, most of the time, at his own expense and less for development.

On June 20, 1897 the Foundation of the Economy and Deposits (Headquarters in Calea Victoriei) was laid. The King's participation in the inauguration had become a tradition of big buildings for institutions, which have become true symbols of Bucharest, which impress visitors today and foreigners coming to the Romanian capital.

Of the institutions opened in the early 20th century were noted, today's Commercial High school "Nicolae Krețulescu", and the Chamber of Commerce and Industry.

Making stock activity during the 42 years of existence of the Chamber of Commerce and Industry, the King had only words of praise, saying: "This is due to Romania's economic upsurge and the multiplication of means of transport, which gave it, in less than 50 years, a soaring impetus in the whole Europe. Elements of this prosperity we have in the richness of the soil, in the riches of subsoil in the basement and in our geographical situation. To come to light there was only a wise strained initiative. This initiative was taken by the State that, immediately after the War for Independence, addressed all his activity in this direction through the establishment of the railroads, regulating the navigation by the Danube, that started by arranging the ports and the great bridge over the Danube, through the countless commercial and conventions measures, aimed at all to raise the value of the produces of agriculture and to encourage trade and industry."⁴⁸

In the same year, the King gives University of Iasi an amount of 300,000 lei "whose interest will apply by the University Senate for theses prints and, most importantly, support for destitute students,"⁴⁹

An act with profound historical meaning it attending the unveiling of the statue of Alexander John Cuza, on 8 June 1912, in Iasi, for whom the King has made a major donation. They got the word, then, to a number of personalities: Metropolitan

⁴⁷ Gheorghe Tașcă, *op.cit.* p. 71.

⁴⁸ Constantin. C. Giurescu, *op. cit.* vol II, p. 434.

⁴⁹ OG 1911, nr. 146, p. 6890.

Pimen of Moldavia, Grigore Ghica Deleni, G. Botez, A. D. Xenopol and Minister of religious affairs, C. Arion.

King Carol I thanked everyone and only had words of appreciation for his ancestor, who performed the Union of Moldavia with Wallachia: "ruler Alexandru Ioan Cuza took the glory to tie his name to this great historical fact, started by his election, and led to the fulfilment by his strained diligence. However, other facts are great, more personal, which entitle their veneration that I do today. In addition, this monument, erected by the public gratitude, implies the Secularization of monastic goods and guiding the country to freedom. The resolute will of Cuza-Voda and his astute wisdom of His Counsellors finally found their right and beautiful reward. The first King of Romania is fulfilling a holy duty to the first ruler of the United Sisters-States, bringing in front of this monument the abundance of honor what the memory of Cuza-Voda, who will remain forever in the memory of the people."⁵⁰

3. Conclusions

Counting the totals of 48 years of the reign of King Charles I, we have made remarkable progress. In 1866, Romania had no kilometre of highway, no miles of track, very few bridges or ferry. In 1914, having 26 425 km of cobbled roads, 920 wood bridges, 2,700 stone bridges and 89 steel bridges, 3,600 miles of track and 10 ships in the Maritime Service.

Area under crop increased from 2 000 000 ha to 6 000 000 ha; exports grew from 150 million to 670 million, the number of factories from a few rose to 769 with 74902 workers. The amount of taxes paid through the customs duties amounted to 24.650.000 lei, and the budget of receipts increased 10 times. The National Bank of Romania had 265 million gold lei and had a discount of 1.246.000 thousand lei⁵¹, Romania scoring the most dynamic development pace in Europe.

References

1. C. Kiritescu, *A great moral personality: Charles I, King and the Founder*
2. (Conference held on November 13, 1940, in the presence of M. M. L. L. King Michael I and Queen Mother Elena)
3. P. Lindenberg, *King Carol I of Romania*, Editura Humanitas, 2003
4. Keith Hitchins, *Romania, 1866-1947*, vol. I, Humanitas, 1998
5. Victor Slăvescu, *Developing transport, general principles, railways, inland waterway and maritime navigation*, Cartea Românească, Bucharest, 1930
6. O.G. of 17 august 1866 in Const., Dem., John David, *The Romanian railway network*, Sport-Turism Publishing House, 1977
7. National Archives, Charles I, vol. I
8. Const. Botez, Dem. Urma, Ion Saizu, *The Epic Romanian Railway*, Editura Sport-Turism, 1977
9. Gheorghe Tașcă, *The reign of King Charles I. The economic Organization*
10. (Conference held on 14 December 1940)
11. A.D. Xenopol, *Economic works*, publishing house, Bucharest, 1967
12. M. O., 1873, no. 236

⁵⁰ OG 1912, nr. 45, p. 2321.

⁵¹ Gheorghe Tașcă, *op. cit.* p. 74.

13. Erich Zöllner, *Austria's history*, vol. II, Editura Enciclopedică, 1997
14. M. O. 1843, nr. 249
15. M. O. 1874, nr. 250
16. Titu Maiorescu, *On the Pamphlet, Germany, Romania and Prince Charles of Hohensollern*
17. M.O., 1875, nr. 2
18. M.O., 1875, nr. 199
19. National Archives, Trust Fund, Charles I
20. M. O., 1878, nr. 254
21. M. O., 1878, nr. 255
22. M. O., 1879, nr. 46
23. M. O., 1880, nr. 247
24. Constantin. C. Giurescu, *The Speeches of King Charles I*, vol.I, 1866-1886, Foundation for literature and art, "Charles II", 1937
25. M. O. 1881, nr. 173
26. OG 1911, nr. 146