Premisele marketingului în România

Premises of Romania Marketing

Autor: Ion Vorovenci

Abstract: The existence of the Ottoman monopoly dependency for several centuries, the opening of the North Danube European Retailers was spurred by the English capital in the first decades of the nineteenth century. Thus, in 1820s, the English trade penetrated vigorously to the East, namely to Odessa, and from there its agents, impressed by the natural riches and resources of the Romanian provinces, spread into all the neighbouring provinces (Zelentin, 1997, p.95). They will cause a rich literature on the Black Sea and the Danubian provinces. After the Treaty of Adrianople (1829), the Ottoman monopoly on trade was abolished in the Romanian Principalities. "English importation started to make an increasing competition to that of the Austrian. In 1840 ten English vessels arrived in the Galati harbor, in 1847 their number amounted to 219 (Zelentin, 1997, p.96). Under Article V of the Treaty, full freedom of trade principalities was granted. This freedom was considered the source of happiness of a people (Buşe, 1976, pp.20-21). Although we cannot yet speak of the existence of the concept of marketing, that idea was manifested at that time in trade and transport. It should not be omitted the fact that mainly through the establishment of consulates in Bucharest and Iasi, rich Western countries were informed about resources available to them. Even though the term marketing was not known, its elements in various forms of economic life were present. It should not be overlooked the existence of favourable economic conjuncture

Key words: market, protectionist policies, brands, province, monopoly

Introduction

For the economic potential of the Principalities, the English government led negotiations with the Ottoman Empire in order to achieve a waterway between

Cernavodă and Constanta. They also spread the idea of building a railway, but the evolution of political events, removing Russia from the mouths of the Danube and the return of southern Bessarabia to Moldova, after the Crimean War, determined England to give up these projects and to focus on the development of trade in the waterways of. Braila and Galati (Zelentin, 1997, p.96) as the most important ports of entry and exit of vessels, primarily English and French, but also other countries, paved the way for capitalist development.

By establishing the European Danube Commission (1856), headquartered in Galati, the Danube dredging was performed reclaiming its international trade. This could be achieved given that, since 1836 and 1837, Braila and Galati became free ports and Walachia and Moldova's major trading partners for European powers. These ports have been upgraded, becoming true warehouses for foreign goods. In modern terms, the existence of these warehouses is important elements of international marketing. The effects were not allowed but expected. Thus, if in 1836 the value of trade in Moldova was 28,221,725 lei in just ten years' time, this had doubled (Buşe, 1976, pp.51). Enhancing trade in 1839 that led to question the issue of setting up stock exchanges in Bucharest and Braila the project was realized only in 1881. An important measure that should have been taken was the modernization of ports and connecting them to the railway network. The modernization process lasted over two decades (1867-1893), the works being driven largely by engineer Anghel Saligny. Braila port docks occupied 38.5 ha. had 334 grain silos with a capacity of 25,000 t., of 22752 cubic meters oil tanks, power plants, shipyards and other facilities (Iavorschi, 1993, pp.41-43).

Premises

Promoting trade was achieved by the most developed countries in the West, the French and British capitalists, but also Austrian and, German, whose interests aimed at unlocking the potential of these particularly rich provinces. Foreign firms had begun to make visible steps, as shown in the press, the towns began to develop under the impetus of cereals, wood and later oil. Domestic political factors were decisive in achieving that state of Romania (1862). Great European powers had recognized this reality and wanted a factor of stability in the area for exploiting these resources, had created conditions to form a Romanian elite to negotiate in this direction. The Industrial Revolution led to

increasing cereal prices on the European market, which led to increased interest in these products, while industrial goods prices declined. On the Romanian market the English goods tended to replace more expensive German goods, coming through the "intercession of Leipzig city (Netta, 1920). Even under these conditions for trade, Romanian initiative was hindered because of the dependency of the Ottoman Empire.

In 1874 the "Annualize general de Romaine" was issued, an important source of information for foreigners who wanted to know the realities of Romania. It should be noted that the directory presented the economic situation (statistics), as well as historical and geographical aspects, climatology, agriculture and trade elements, and, not least, Romania's Constitution in 1866. The yearbook pages listed the following institutions:" Societe financiere de Roumanie", Banques de Roumanie, Banques de Moldavie, Assicurazioni Generali a Trieste, Banque de Braila Bucarest Gas Works, etc. According to statistics from the 1876 first export grain was occupied by Turkey (2,185,266 fr.), Followed by England (1,340,979.90 fr.), on 7th and 8th of Italy, respectively, Netherlands. Russia ranked third, there Romania exporting wool, fish and caviar worth 714,192 lei. Also, these directories promoted on their pages various financial institutions and companies in the country or abroad (branches of Banques Imperial Ottoman, company insurance "Dacia and" Romania, daily "Romania, bookstores" Nouvel and "Universlle", Grande Maison of Change, La Bourse de Bucarest), restaurants, bistros, cafes, theaters etc. In the 1979 yearbook is devoted a special page Banques de Roumanie, founded in 1866. It is suggestive that elements of "marketing firm C. & G. meet Capşa presented in the directory with medals at universal exhibitions of 1867 and 1873. Capitalism gradually began to manifest, promoting economic and commodity units in all cities.

Getting through diplomatic independence by concluding commercial conventions with Austria-Hungary in 1875, could not be achieved, resulting in "not only paralyzing efforts aimed at creating a national industry, but also applying a mortal blow to industries existing in the country" (Xenopol, 2013).

The most important step for Romania's development began with the entry into force of Law to encourage domestic industry, which marked the birth of the domestic industry by adopting protectionist policies (Strat, 1944, p.332). Even under these conditions, foreign goods continued to penetrate the Romanian market. Their presence

becomes increasingly evident towards the end of the nineteenth century, when Romania concluded a number of trade agreements with other countries. Thus the media began to promote a series of foreign firms and companies of Romania. But we cannot speak of a true marketing policy as promoting products was on a small scale, while the press was addressed to a limited number of people in urban areas; the majority of the population continued to live in the country. Internationally, the most important form of marketing was represented by exhibitions organized in various cities of Europe, where Romania participated.

In 1856, Bucharest was the first city lighted by kerosene (Manole, Bădescu şi Ciucă, 1991), a feat that has led to worldwide headlines. After almost two decades, this form of lighting was replaced by electric lighting. In 1885 Edison Company made an electrical installation at the National Theatre (Arhivele Naţionale, 1885). It was a time when Romania had scored great achievements, which led to the prestige and giving new momentum to economic development (National Bank was founded and commodity exchanges in Bucharest, Braila and Galati) (Monitorul Oficial, 1881).

The growing demand for cereals on the world market caused their prices to be based on the commodity exchange of Braila. Romania, after Russia and the United States was the third largest grain exporter in the world.

At the beginning of the twentieth century, two thirds of the revenues stemmed from this export (Constantinescu, 1969, p.328). After the establishment of the National Bank, statistical yearbooks content improved substantially by promoting Romanian companies of industry, commerce and agriculture; similar to the Société du Credit Mobilier Anglais.

Other banks such as Bank "Prevederea' advertise for firefighting, appreciated especially by the extinguisher Delattre, patented in Europe, France, Germany, America, and awarded with gold, silver and bronze medals at exhibitions in Vienna, Linz, Stockholm and Krems. The pages directories included Orfevrerie Christofle & C firms in Paris and Bouilliant ie, which advertised agricultural machinery

Goods of imported brands and leading companies were present in the largest cities in Romania, but especially in the Capital, prompting foreigners who visited Bucharest to designate it as Little Paris. The share of German capital at the end of the nineteenth century and early twentieth century skyrocketed. A Romanian company

established in 1905 was Siemens-Schuckert Electricity, SA, with majority shares belonging to the German Company "Siemens-Gesellschaft mit beschänkter Schucbertwerke Haftung, based in Berlin (Anon, 1910). Grim & Dorfel, forest logging company, sold saws and had warehouses in Ramnicu Sarat, Gugesti and Galati (Anon, 1910, p.264). If Braila specialized in the export of grain, Galati was the most important port for timber loading. Sawmill "H. Theiler "in Moineşti placed orders for various contractors also in this area and enabled the company "E. Lessel "a joint stock company, which had the largest lumberyard building and carpentry to trade furniture, parquet, desks, doors, windows, etc. (Anon, 1910, p.234). For wood industry we notice a number of companies that sell machines for sawmills and carpentry. Kirchner & Co., A.-G. Leipzig, achieved an annual production of about 11,000 pieces (saws, machine planes, fillisters) found a major outlet in Romania. It produced all the necessary machines for timber industry and was known worldwide, winning numerous awards at various exhibitions in Paris ,, Grand Prix medal in 1900 and in Bucharest in 1906, in a large exhibition celebrating 40 years of reign of King Carol I, received honorary diploma and a gold medal (Anon, 1910, p.280).

Regarding timber exports it ranked second after cereals. The main items exported were raw lumber and wood. It seems that Romania has returned a century ago, because these realities are still present today.

“It would be desirable that our timber port (Galati) be not restricted only to raw materials and less wood carving. For our wood Industry we should provide all the necessary wood articles in our internal consumption had advised DN Panaitescu Galati Chamber of Commerce Secretary (Anon, 1910, p.66). There were a series of mobile workshops, but insufficient for all our market needs. We only mention some of those that are present in Bucharest: mobile workshop Schmidinger, who won gold medals, company owner was awarded Order of the Crown of Romania in the rank of knight; Bucher & Durer workshop; carpentry factory "George Nicus," which, in addition to furniture and wooden products, was specialized in furniture for churches; Adam's carpentry workshop of Joseph Rau and the Josef Enescu carpentry and windows

The most developed field remains that of trade in cereals. At the beginning of the twentieth century the Official Gazette published quotations of commodity exchanges in Bucharest, Braila, Galati and Constanta. André Belles sort, author of the book, La

Roumanie contemporaine ", published in 1904, describes the Commodity Exchange of Braila:

"From 6am cafes are open […] flocked by […] all buyers and sellers of grain, waiting for telegrams with cereal courses abroad. Neither resembles the curious market players abroad; they do not make noise; they come out, get in, communicate telegrams, talk together slowly filing figures in the books their ... addressees, receiving visas of the arrival of goods, rush to the station where they stick out waybills, , break the seals of the wagon, probing bags... Armed with evidence, rush to the street jobbers, on a small street parallel to the port quay ... More than 1500 carriages waiting at the station and within a few hours they are distributed and managed across the five lines garage, serving repositories of large commission. Each knows what he wants, does what and how matters, nobody seeks to deceive his neighbor, fulfills everything right, without jumbles" (Iavorschi, 1993, p.45).

Among industries, the textile, in the early twentieth century, was increasing. The statistical data shows preponderance of manufactured goods.

In 1905, the amount of imports amounted to 117,491,382 lei, in 1906-146,087,254, and in 1907 to 142,212,920 lei, while cotton imports in 1906 was worth 21,680,718 lei and 1907 of 24,013,712 lei. Total imports of raw materials was in 1906, as in 1907, 37.5 million lei−90% of this figures represented not raw materials but their processed products (cotton, wool, hemp, flax, jute and silk) (Iavorschi, 1993, pp.40-41). These statistics are crucial for figuring an adequate economic policy. Initiatives for the development of wine industry were found everywhere, but their materialization was made difficult. Prince Ştirbey lodged to the ministry of agriculture, industry and domains a proposal to establish a hemp processing factory and a mill, but failed to convince Parliament to vote in favor of such a law.

The process of industrialization began to encourage industry by the law of 1887 and the Act of 1912 but the process was rather slow due to lack of capital, and specialists, who were mostly foreigners. On the eve of the outbreak of the Second World War the state government was the largest industrial operator in the country (Xenopol, 2013, pp.72-73), they are exploiting railways, almost all our mines that extract salt and factories producing matches and tobacco... In Romania there were 838 factories that had benefited from the law to stimulate industry and 1,886 mills of the

latter total of 4902 (Xenopol, 2013, pp.72-73). Some of these factories failed to modernize, to impose on the market, participate in exhibitions organized in the country or abroad to promote their products, to capture the attention of the press. However Romania, in terms of economic development, was far from Western countries, it was an agricultural country with significant resources and every chance to develop its own industry. Regarding trade, because of a large number of companies hard to decipher and lack of clear rules on their exposure, had led Nicholas Xenopol, as minister of the Ministry of Industry and Trade to ask in Parliament the amending of the Law of Joined Stock companies of 1884. Traders could use the emblems they had put on the tables, posters, leaflets, advertisements, correspondence etc., without giving their names while [...] often current trading settlements were no longer the same that traders and the public knew them, with the qualities they trusted. Either because the owner company fell bankrupt, or however, continued on the same place and under the same emblem, but this time the company belongs to the title entered, but not known, on the name of the wife or a close relative. In particular, in trade banks, the deception is replaced by the freedom that exists for those who enroll firm banker, to choose any emblem, even those which, by their nature, induce easily errors on the significance and on the form of commercial establishment" (Xenopol, 2013, p.10).

Conclusions

These early forms of marketing have come forward from the first phase of modernization of Romania, being represented at the beginning of traders by foreigners that sold Romanian products, and many companies in the industry that had entered the market in Romania and from which, naturally, some Romanians were inspired.

References

Anon., (1910), *Almanachul Industriei şi Comerciului*, Vol.III, Institutul Grafic Mihai Eminescu, Bucureşti.

Arhivele Naţionale, (1885), *Fond Teatru Naţional*, Imprimeria Naţională, Bucureşti.

Constantinescu, Miron et al, (1969), *Istoria României*, Editura didactică şi pedagogică, Bucureşti.

Buşe, Constantin, (1976), *Comerţul exterior prin Galaţi sub regimul de porto franc*, Editura Academiei, Bucureşti.

Manole, Vasile, Bădescu, Mihaela şi Ciucă, Elena, (1991), Documente privind dezvoltarea industriei în oraşul Bucureşti, Direcţia Generală a Arhivelor Statului din România, Bucureşti.

Iancovici, Gheorghe, (1993), "Istoricul bursei de cereale din Brăila", in *Analele Brăilei*, 1(1).

Monitorul Oficial al României, (1881), *Legea nr.60 privind executia de escontare (urmarire silita)*, Imprimeria Naţională, Bucureşti.

Netta, Gheron, (1920), *Die Handelsbeziehungen zwischen Leipzig und Ostund Südosteuropa bis zum Verfall der Warenmessen*, unveröffentl Dissertation, Zürich.

Strat, Gheorghe, (1944), Industria românească în cadrul economiei europene, in *Anale economice şi statistice*, Vol.8, Bucureşti.

Xenopol, Nicolae, (2013), Bogăţia României, Editura ASE, Bucureşti.

Zeletin, Ştefan, (1997), *Burghezia română, rolul şi destinul său istoric*, Editura Nemira, Bucureşti.