

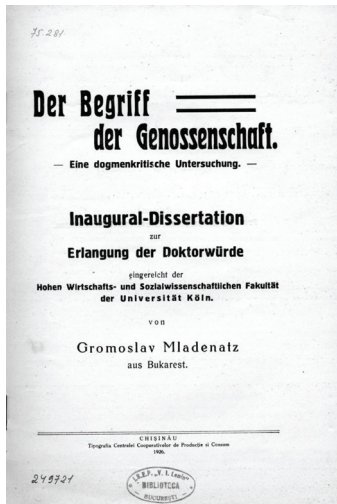


GROMOSLAV MLADENATZ: PROFESSOR AND RECTOR OF THE BUCHAREST ACADEMY OF COMMERCE, THE MOST IMPORTANT THEORIST OF THE ROMANIAN CO-OPERATIVE MOVEMENT



Within the present Bucharest Academy of Economic Studies, some time ago, the co-operative represented a privileged study domain. In 1947, after the merger of the Bucharest Academy for High Commercial and Industrial Studies and the Academy of Commercial and Co-operative Sciences, the Academy of Commercial and Co-operative Studies was created. At that moment two new, distinct faculties appeared: Faculty of Commercial Sciences and Faculty of Co-operative Sciences. The times were yet turbid, so the new structure proved to be of an ephemeral existence. In 1951, the Faculty of Commerce and Co-operatives was founded, with a commercial section and a co-operative one. At that moment, the Department of economy and planification of the co-operative commerce and organization and technique of co-operative commerce had 10 members. The first Dean of the Faculty, Gheorghe Barbu, was also working at the Centrocoop. An undesired coincidence, explained by the great pressure created within the Romanian society and in the academic sphere from those years, led to the situation where the greatest theoretic of the Romanian co-operative, Gromoslav Mladenatz, was drifted apart from the Department. Without the support conferred by the presence of the great personality which professor Mladenatz was, the co-operative component will begin to lose importance, only one subject dedicated to it was kept in the academic curriculum of the Faculty of Commerce until the 1990s. It was already tradition for this component to be supported by Centrocoop specialists, such as: Gh. Fețeanu, I. Smedescu, P. Marica and I. Vetrineanu. (Nicolae Lupu)

The present article presents the formation years, the activity and the scientific achievements of Gromoslav Mladenatz (1891-1958), Romanian most important theorist of the co-operative movement. Mladenatz was a professor at the Bucharest Academy of Commerce in the 1930s and 1940s and for a brief time, rector of that Institution. The paper focuses on his activity as a student, later a professor, scholar and publicist.



Professor Mladenatz' PhD thesis, defended at the Köln University in 1926, was published in Chişinău the same year, having as an annex an autobiography, which hasn't been used very much by the researchers until now.

He was born on February 5, 1891 in the town of Turnu Severin, situated near the Romanian frontier with Serbia and Austro-Hungary. His father, the merchant Vasile Mladenatz, originated from nearby Serbia: in his adoptive country he got married with a young woman belonging to a rich family of Craiova. After graduating from primary and secondary school in his home town, young Mladenatz went to the Faculty of Mathematics at the University of Bucharest, which he attended in the academic year 1909-1910.

At his family wish in fall of 1910 he enlisted at the *Handels-Hochschule* (Higher School of Commerce) of Berlin, an institution sponsored mostly by the business community of the German capital. By the time of Mladenatz studies, this school had a valuable teaching staff including the well known German economist Werner Sombart. Higher Schools were attended mostly by young people wishing to enter economic life as clerks or managers.

Mladenatz graduated the studies in the February 1914 session, when he passed his *kaufmännisches Diplomexamen* (undergraduate exam in the field of commerce) and was awarded a *Diplom-Kaufmann* (undergraduate degree in commerce) (Mladenatz, 1926).

With this degree in hand, Mladenatz returned to his native country in spring 1914 and was appointed accountant and later chief of statistical department at the Head Office of the Co-operatives of Production and Consumption of Romania. He also made himself known as a publicist on issues linked to the Romanian and European co-operative movement.

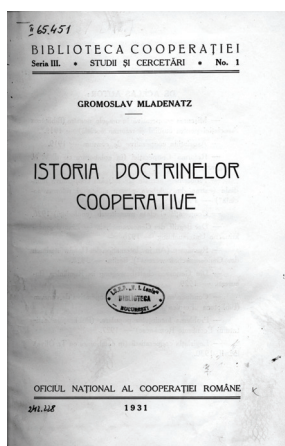
Having in his mind to pursue an academic career, Mladenatz returned to Germany after the First World War for getting his Ph.D. title. In fall 1922 he enlisted at the then recently opened University of Köln/Cologne, where – by his own statement – he studied microeconomics, macroeconomics and social policy. He defended his Ph.D. in 1926 with a thesis entitled *Der Begriff der Genossenschaft. Eine dogmenkritische Untersuchung* (The Concept of Co-operative. A doctrinary critical approach), under the scientific co-ordination of the economist and sociologist Leopold von Wiese und Kaiserswaldau. His Ph.D. thesis was published the same year in German in Chişinău.

Upon the next years, Mladenatz held leading positions at central and local level in the co-operative movement and went on with his publicistic activity on co-operative issues.

Mladenatz was a teacher at the Bucharest Academy for High Commercial and Industrial Studies (commonly known as Academy of Commerce) between 1929 and 1951. The teaching ranks were in the 1930s: full professor, aggregate professor, associate professor (senior level tenure-track positions), lecturer and assistant-professor (junior level). The teaching body was composed in 1938 of 23 professors, 2 aggregate professors, 7 associate-professors, 7 lecturers and 6 assistant-professors.

The Bucharest Academy of Commerce was organized in chairs and conferences, corresponding to the 20 disciplines of study. At 6 disciplines (Political Economy, Finance, Accounting, Money and Credit, Economic Geography and Chemical Technology) there were a chair and a conference; at the remaining disciplines – only a chair. Most of the chairs had only a full professor, but some of them had two full professors at same time. For instance, at the chair of History of Commerce and Industry served Professors Nicolae Iorga and Gheron Netta, at Political Economy – Ion Gr. Dimitrescu and Virgil Madgearu, at Accounting – Grigore Trancu-Iași and Spiridon Iacobescu, at Mathematics for Commerce – Ion Tutuc and Mihai Mazilescu, at Civil Law – Andrei Rădulescu and Cezar Partheniu.

Mladenatz was appointed as an associate professor at March 1 1929, as aggregate-professor at July 15 1932 and as a full professor in 1935. In the 1930s besides Mladenatz attached to the chair was also the lecturer Mircea Pienescu who specialized in co-operative as well as in corporative issues – he belonged to the circle of the review „Lumea Nouă” (The New World), led by economist Mihail Manoilescu.



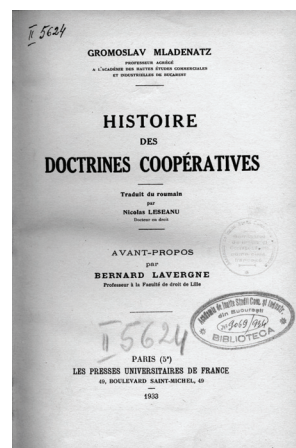
The first important paper of Mladenatz, on the subject of co-operatives, was bound to have an important international career, as it was translated into many foreign languages.

In the 1930s Mladenatz displayed a rich activity, which brought him the scholarly recognition both national and international. He published 8 books as well as articles and syllabi, both in Romanian and French, German and Serbo-Croatian. Some of these were later translated into Spanish and Italian.

In 1931 he published *Istoria doctrinelor cooperative* (History of co-operative doctrines), which presents the evolution of ideas and actions of the main thinkers in the field. Deepening the same topic, he prepared a new edition of the book, under the title *Istoria gândirii cooperative* (History of co-operative thought), in 1935.

For the international reputation of the still young Romanian

economist, more important is the French version *Histoire des doctrines coopératives*, appeared in Paris in 1933 at the publishing house Presses Universitaires de France, in a collection of great economic and social-political doctrines, having a very courteous foreword of the French specialist in co-operative issues Bernard Lavergne. He wrote that Mladenatz entire life, dedicated to the study and practice of co-operative movement, entitled him to write an objective and documented book. "Briefly, it is impossible to tell more and better things in such a restrained number of pages", wrote Lavergne. The book was put in print due to the special request of the economist Charles Gide, in his capacity as president of the International Institute for Co-operative Studies (Zaharia & Tănăsescu 2002, p. 42).



The French edition of the paper called Istoria doctrinelor cooperative, published in Paris, conferred to the author a certain reputation as a specialist in the co-operatives domain.

The same work was later translated into Italian, Serbo-Croatian and Spanish in Mexico and in Argentina. The Mexican edition *Historia de las doctrinas cooperativas*, which appeared in 1944, was commented by Luis Nuevamana, a specialist in the field. The Argentinian edition, translated after the French version, appeared in 1969 with the comments of B. Lavergne.

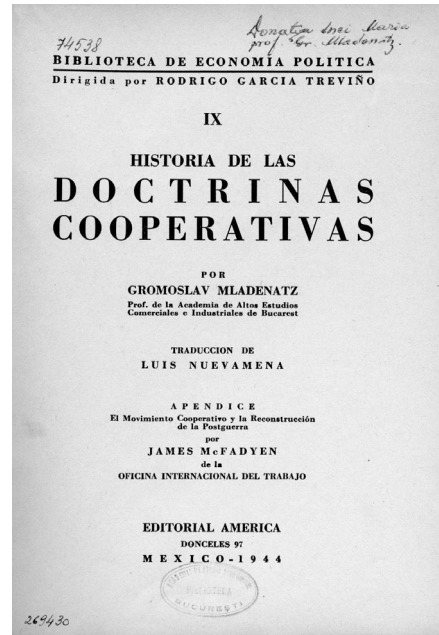
His next important contribution was *Tratat general de cooperație* (A General Treaty of Co-operative Movement), Bucharest, 1933. It included most of his lessons held at the Bucharest Academy of Commerce and Bucharest Co-operative Higher School, and at the International Co-operative School in Basle – Switzerland.

The same year he published *L'économie coopérative* (Co-operative Economy), in "Revue des Études Coopératives", 2, 1933, in which he presented a genuine opinion on organizing a socio-economic system of co-operative orientation. This paper established the place of Mladenatz as a co-operative theorist in the French speaking area. The Romanian version, entitled *Cooperația în economia agricolă* (Co-operatives in an Agrarian Economy), was published in "Independența economică", Bucharest, 1935.

He also approached the co-operative ideas in actions in his native country in the book *Gândirea cooperativă în România* (The Co-operative Thought in Romania), Bucharest, 1939.

After the Second World War, as many teachers of the Bucharest Academy of Commerce died or retired, Mladenatz enjoying a good name amongst his fellow-teachers and having not hold political offices until then, looked doomed to high academic positions. He was preoccupied also with political economy issues, reflected in his writings *Noile fundamente ale științei economice* (New Foundations of Economics), Bucharest, 1945, *Cunoaștere și metodă în știința economică* (Knowledge and Method in Economics), Bucharest, 1947 and *Economia politică teoretică* (Theoretical Economics), Bucharest, 1947-1948. He served as a chairman and was commissioned to lead the institution in 1948 as rector. Put aside following the reorganization of the Bucharest Academy of Commerce as a result of the Education Reform of 1948, he was forced to retire in 1951, at the age of only 60 years. Having no means, he served for a short time as a scientific researcher before his passing away in 1958 (Văcărel 2003, p. 184).

In Mladenatz opinion, the co-operative system would not abolish property and freedom, but put them in the hands of the masses, as producers and consumers, leading to the expander



The Spanish edition of the Istoria doctrinelor cooperative, published in Mexico, in 1944, assured the author's notourisness within the economic and cultural latin-american circles.

of the social basis of a democratic society. The co-operative action is developed in line with three sets of basic principles, on an economical, social and ethic level.

In its organization, the co-operative is obliged to respect the unity in interest and refrain of the political engagement of the participants. According to the definition of Mladenatz, the co-operative represents a free association of a number of small producers or consumers, who chose to establish a common enterprise, through which they would exchange services between the associates.

The agricultural co-operative, as an associative form of performing common work, represented for Mladenatz the only social and economic organization, through which the peasant could combine the individual ownership of a land with the collective ownership of the inventory of modern agriculture (Mladenatz 1931, pp. 14-20). As the prices of Romanian agricultural products fell on the international market during the economic crisis in 1929-1933, he would recommend the involvement of co-operatives in the trade of grain with the purpose of removing the intermediaries and adopting a production structure that would prove itself to be much more productive.



This photograph presents a group of representative professors of the Bucharest Academy of Commerce, in the 1930s; professor Mladenatz is located in the back row, first on left hand, in festive attire.

The co-operative units would show differences in comparison to capitalist enterprises on different levels such as: the purpose of foundation, means of action, position towards capital and labor, economic results and others. The principles of a co-operative organization were the following: self help, solidarity, predominance of labor interests, profit distribution to those directly involved, autonomy in relation to the State. The principles made it possible to put this method in practice, because it was considered fair in distributing a social product-establishing an adequacy between the incomes and the personal contribution into achieving those incomes (Păiușan 2006, p. 57).

Mladenatz got involved in developing the co-operative movement at an international level by holding different offices: as member of the International Office for Labor, International Co-operative Alliance, International Institute for Co-operative Studies, as well as a plain participant (representing Romania or at personal level) at international gatherings on co-operative issues. He was in favor of cooperation between national co-operative organizations and according in his opinion, this would lead to mutual knowledge, exchange of experience, but represented also a doctrinal necessity, because no one could organize a cooperative by itself (Mladenatz 1930, p. 15).

Mladenatz formulated some interesting reflections about the place of economic science and the mission of an economist. The economic science was considered a social science, and the studied object was not the individual, but *socetas oeconomica*, the entire world of acts and ideas in the economic field.

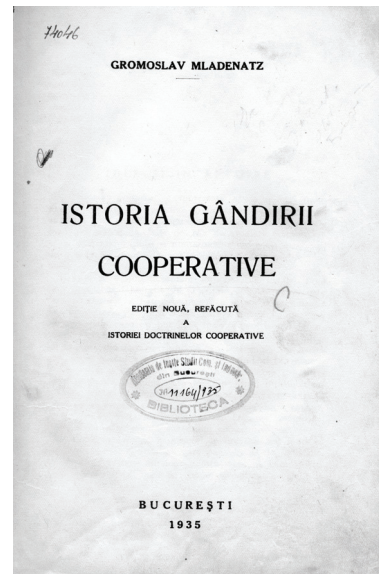
Emphasizing the ideas of the historical German school (which influenced his development as an economist) he considered that the laws and trends in economy, in the extent in which they were actually validated by real life, had a historical and fleeting character.

In relation to the phenomena which he was required to investigate, the economist appeared in a double position: observer and direct participant. He could not be able to build hypothesis only on reasoning or abstractions, he always had to start an *empiric-realistic* research of facts and actions (Mladenatz 1945, p. 87).

Mladenatz is among those economists who were in favor of the third economic way, between the free-market and the central planned economic systems. For instance, at the same time Romanian economist Virgil Madgearu supported a peasant agricultural state, Manoilescu a corporatist industrial order, other Romanian economists – a solidarity solution. For Mladenatz, *the social co-operative economy* was offering a new perspective for bringing together the work and the results of the work. The fundamental principle of the social co-operative economy is the specific way of the social product repartition, which take the character of an economy pursuing the general interest (Mladenatz 1933, p. 18).

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This paper represents a new edition, revised and completed, of the Istoria doctrinelor cooperative, from 1931.

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