THE TAX SYSTEM IN EGYPT IN THE 18th & 19th CENTURIES

by

Professor Mohamed M. El Sourougi

Faculty of Arts — University of Libya

This papers deals with three distinguished periods :

First, the tax system in Ottoman Egypt during the 18th century, second, the tax system during the period of the French expedition (1798-1801), which differs from the previous and successive period; and thirdly, the development of the tax system in Egypt during the reign of Mohammad Ali, i.e., in the first half of the 19th century.

No doubt, the financial and taxation system in closely connected with Ottoman rule and administration in Egypt. The regularity of the financial and taxation condition indicated that Ottoman rule and administration was stable. The mal-administration affected consequently the financial and taxation system where the taxes and the means of collecting them varied considerably. Bribery spread on a great scale, and only few sums of the revenue reached the treasury. The tax collectors misused their authorities and the tax payers were forced to pay many different taxes.

The tax system, which prevailed in Egypt during the 18th C., had been established by Sultan Selim I, after his conquest of of Egypt in 1517[1]. Sultan Selim borrowed most of the Islamic tax system which had existed in Egypt at that time[2]. It was, therefore, a mixture of Islamic and Ottoman systems.

When the Ottomans conquered Egypt, the lands were divided into the following[3]:

1 — Al-Ahbas al-Sultaniyya for the Holy Sanctuary and charity.

2 — Al-Ahbas al-Ahliyya.

3 — Private ownerships bought from the treasury.

4 — The lands of the Diwan which included most of cultivated lands. The Kharaj tax was only collected from these lands. The first three kinds of lands were exempted from taxes, and therefore the whole burden of taxes fell on the fourth, i,e. the lands of the Diwan. Ibn' Iyas estimated the total sums collected from the Kharaj in the first years of the Ottoman conquest at 1,300,000 dinars (LE. 780,000) in cash, 600,000 ardebs of wheat and 300,000 ardebs of barley. If the price of one ardeb of wheat was 35 P.T. at that time, the total price of that amount was £E. 21,000. In addition to the price of barley, the total sum collected was about £E. 1,000,000.

The French scholars such as Poussielgue and Girard provided us with information about the tax system in Egypt at the end of the 18th C. Moreover, they relied on the accounts of Husayn Effendi, the ruznamji[5] anl al-Jabarti.[6]

According to the above mentioned accounts, we notice that the financial administration was concentrated in two diwans[7]:

The first was al-Diwan al-Deftari which was headed by a high official, known as al-Defterdar. He was appointed by the Sultan to supervise the financial affairs of Egypt. He was assisted by an agent and some officials.

The second was Diwan al-Ruznameh, a branch of the former diwan. It was headed by al-Ruznamji (treasurer), who was responsible for the collection of taxes and supervising its expenditure. This diwan worked in complete secrecy so that its officials used a sort of writing which was only known to them. Deny describes such writing as follows[8]:

«Sorte d'écriture destinée aux mandarians de l'ancienne administration et dont le déchiffement présente les difficultés, que l'on sait, pour ceux qui n'en ont pas la routine.»

The one who occupied the post of Ruznamji should be moslem,

wise and experienced because he acted as an adviser to the wali of Egypt[9]. The wali and Shaikh al-Balad, together, appointed the Ruznamji. Estève says in his book[10] that the Ruznamjis enjoyed a high position amongst the people.

Different departments were entrusted with the collection of taxes. The great portion of taxes came through the Iltizams system. This system was not a new creation of the Ottomans. It had existed in Egypt before their conquest of the country[11]. Weak governments adopted this system and commissioned one of the nobles, called as multazim, either by tender or agreement between him and the Ruznameh on behalf of the government, to collect the Kharaj imposed on the cultivated lands. The multazim was required to give the government fixed annual payments in advance. Then the government isseud him with taqsit (a warrant), after the approval of Shaikh al-Balod, demanding the people living within his iltizam to pay him the taxes. The multazim was allowed to retain the difference between the miri and the amount he could exact from the fallahs[12].

The multazims were mamlukes, officials, Beduin Shaikhs[13], ulamas[14] and others among them. They were assisted by a large proportion of officials, whom Girard estimated at about 30,000.

Owing to the short duration of the French expedition, the French scholars could not be able to make a thorough investigation of the Iltizam system. They thought that the multazims resembled the nobles in France under the feudal system. There was a great difference between the Iltizam and the ownership. The Iltizam was a financial system adopted by the state to facilitate the collection of taxes.[15]

Although this system had facilitated the task of collecting taxes, it had many defects such as follows:

1 — This system had given the multazim, especially at the end of the 18th C. extensive rights which resembled to some extent those enjoyer by feudal masters in Europe in the middle ages. The multazim was the master within his Iltizam, and the fallahs worked as his slaves. He has the right to expell them from the land if they delayed the pay-

ment of rent. They could not leave the village without his permission. They were exposed to imprisonment, whipping and killing.

2 — At the end of the 18th C., the iltizam was not granted for a year or even for a few years, but for the lifetime of the holder, or even as heritable and alienable property.[16]

3 — The multazim paid far less than what he had collected. He only paid to the treasury between 40 per-cent and 4 per-cent[17] of the total sum he had collected from the falllahs.

4 — The fallah was exposed to many exceptional taxes which exhausted him.

5 — The multazim has the right to demand corvée[18] labour to cultivate his own lands which was exempted from taxes.

6 — Because of the various taxes demanded from the fallah, he was forced to borrow money at high profits from the multazim. He remained at his mercy for ever.

7 — This system weakened the authority of the government over the fallahin, who were not under the direct control of the government.

8 — At the end of the 18th C. the multazim was de facto the owner of the land. Therefore the government lost control over its lands.[19]

9 — This system did not enable the fallah to know the exact amount of taxes he was required to pay of the date of payment. Usually the taxes were collected from him before the maturity of the crop or even before he sold it. In such circumstances, the fallah was obliged to borrow money at high profits to pay the taxes.[0]

10 — The operation of collecting the taxes was very complicated and therefore it cost a lot of money.

11 — According to Girard the multazims employed about 30,000 tax-collectors. They used a bigger measure than formal one in collecting corporal taxes from the fallahs. There-

fore they had a difference between the two measures which reached sometimes to 25 per-cent or 35 per-cent of the quantity collected.[21]

There were two more defects but they were due to the mal-administration of the government:

1 — From the legal point of view, the fallah should not pay the land-tax unless the land was over-flooded by the Nile water so that he could cultivate it. But it is noticed that during the years of low flood, the government did not exempt the fallah from the tax.

2 — The tax was collected according to the measure recorded by the land surveyors. These measures were not accurate because of cheating and bribery.

The taxes were devided into two parts:

Property taxes and non-property taxes.

The property taxes were imposed on cultivated lands and known as free money. Lancret[22] says that when the Ottomans imposed the Kharaj on the lands in Egypt they distributed it on the villages regardless of the number of feddans in each village. Estève adds that when Sultan Selim conquered Egypt he discovered that the mamlukes had burnt the taxes' records. Therefore he collected informations from the officials, but this not help him much. He ordered the lands to be surveyed to know the area of cultivable lands, but the survey did not include all the lands. So, there remained some lands unknown to the government until the coming of the French. The multazims collected the property taxes from the fallahs. They were devided into grades[23]. Between 90 and 300 midi[24] per feddan were collected from first grade properties, 60 to 150 midi per feddan from the second grade and 30 to 120 midi per feddan from the third grade.

The sum collected was divided into the following[25]:

The sum collected was divided into the following[25]:

First: The Sultan's share which was collected the miri. It was sent to Constantinople in a great ceremony. According to Lancret

the miri was divided into two main sections: the winter miri and the summer miri. The first was levied on the beans, barley and wheat crops. The amount collected was more than the summer miri and was spent on internal affairs. The summer miri was levied on the rice lands and was reserved for external expenditure.

Secondly: The share of different departments such as watchmen and soldiers.

Thirdly: The share of the local government. It was known as Ksufiyya.

Fourthly: Faiz: the difference between the miri and the amount the multazim could exact from the fallahs.

Two more unofficial taxes were added: the Barrani and the new Ksufiyya.

The taxes were collected either in cash or in kind: or a portion in cash and the other in kind. In upper Egypt the taxes were collected in kind because the money was rarely there.[26]

The non-property taxes were of various kinds as follows:

(a) — Customs duties: they were collected from the ports of Boulak, Misr al-qadima, Isna, al-Suways and Kossair. These taxes were not fixed. To prove this, France concluded with Egypt three commercial treaties in January 1785 to fix the amount of taxes collected on French goods passing through Egypt at 6½ per cent. But these treaties did not prevent Ibrahim Bey and Murad Bey (the then rulers of Egypt) from exhausting the foreign merchants by excessive taxes. Accordingly, the French merchants wrote many complaints to their governments.[27]

Moreover, James Bruce, the English traveller, concluded an agreement with Abu-al-Dahab (the ruler of Egypt) concerning the amount of taxes collected on the goods. Abu-al-Dahab was allowed to collect 8 per cent on the goods coming to the port of Suez. This was in additin to the collection of 50 Spanish Riyal on each ship anchoring in the port.

Warren Hastings (the British ruler of Bengal) also con-

cluded a treaty with Abu-al-Dahab in 1775. It stipulated the reduction of customs imposed on goods coming from Bengal and Madras to 6½ per cent, and the goods coming from Surat and Bombay to 8 per cent [28] The fate of these two agreements was not better than the fate of the three French agreements. They were violated by the mamluke rulers of Egypt.

(b) — Taxes on the agencies, caravans, markets, sale of salt and hunting.

(c) — Taxes on urban guilds in addition to 5 per cent on the products themselves. They were collected by the heads of the guilds. Girard writes that the taxes imposed on the weavers were about 20,000 paras.[29]

(d) — Occasional taxes imposed in certain circumstancies and for certain purposes.

(e) — The Jizya imposed on non-Muslim communities. It was composed of three grade: the higher grade was 440 fadda per person, the middle was 220 fadda and the lowest was 110.[30]

(f) — Impositions levied by the Mamluke rulers from merchants and foreigners.

From the above mentioned details, M. Estève was able to estimate the income of the Egyptian government from taxes at the end of the 18th C. at about £E. 1,203,467.[31]

Expenditures[32]

(a) — Expenditures for the Walli, Mamluke rulers, salaries and wages.

(b) — Expenditures for charity such as pensions and the maintenance of mosques.

(c) — Expenditures for amunitions.

(d) — Expenditures for pilgrimages and the Holy cities.

(e) — The Jizya sent annually to the Ottoman Sultan. It was greatly decreased before the coming of the French expedition, and amounted to 24,550 francs (£E. 10,580).[33]

Husayn effendi estimated the miri sent to the Sultan at 117,614,443 fedda[34]. After the deduction of 89,238,628 fadda as necessities, the total sum left for the Sultan was 28,375,815 fadda.

Estève estimated the miri at 116,651, 727 fadda[35]. After the deduction of 88,828,276 fadda as necessities, the sum left for the Sultan was 27,823,451 fadda. This sum is not much less than the figures given by Husayn effendi.

Analytical study of Husayn al-Ruznamji's answers[36]

If we compare between Husayn effendi's answers and the writings of Estève and al-Jabarti, we notice the following:

First: All matters mentioned by Husayn concerning in the tax system was from the theoretical point of view. He talked about the tax system as had been put by Sultan Sellim the 1st. To prove this he did not refer at all to the disturbances in Egypt and the inaccuracy of the tax registers, although he was not ignorant of these things.

Secondly: His answers state an important fact. The tax system introduce by Selim I was not totally new, but it took much from the previous systems. This indicates the originality of the financial and taxation policy in Egypt and how it was adopted to suite the Egyptian conditions during the different ages.

Thirdly: Despite the unhappiness of the Egyptians from the heavy taxes at the end of the 18th C., there was some Ottoman Sultans who wished to make reform.

The effect of the tax system on the political, social and economic conditions of Egypt in the 18th C.

After the Ottoman conquest of Egypt, a long struggle began between the new ruler, i.e. the Ottoman Sultan and the old mamluke rulers of Egypt. This struggle lasted from the beginning of the 16th C. until the end of the 18th C. The status in Egypt was as follows:[37]:

1 — The Ottomans represented the high authority in the country.

2 — The Mamluke Amirs: They held large estates, collected taxes and dominated the administrative and political affairs.

3 — The Egyptian people: Most of them worked in fields under a feudal system not less in its land for the whole year, and at the end he handed his crop of the feudal master.

He only had a small portion of the crops.

Accordingly, the standard of living of the Egyptians was low, and the state neglected them. No cultural, social and economic projects were planned to raise their standard of living.

Agriculture greatly depended on the Nile flood. But the low flood in any year meant the paucity of crop. Sometimes, this caused famine. Nevertheless, the fallah was not exempt from taxes[38]. So, the relation between the ruler and the subject was based on selfishnes from one side and poverty and slavery from the other.

In addition to the cultivators, there was the class of merchants. This class was one of the richest classes in Egypt. Its standard of living was much higher than the other classes.

Despite the wealth of this class, its interests were threatened because of the unsettled condition of the absence of constant government and the heavy customs imposed on trade. In addition, bad communication, and insecurity were responsible for this. Therefore the trade deteriorated at the end of the 18th C.

This class expressed its rejection to these conditions, and supported Muhammad Ali to seize power and set up on stable government in Egypt.

The guilds also played an important rôle and rejected Ottoman rule because of the restriction which had been imposed on industries by the mamlukes. Each corporation had its head whose task was to fix wages, the prices of products, and estimates the customs duties and taxes imposed on each individual, and on products as well.

At the top of this social construction, there was the Ulama who belonged to the middle class. Their religious educations hellped them to get the respect of the people. Consequently they became the cultural and political leaders of Egypt from the end of the 18th C.[40]

They acquired this position gradually. At the beginning, they used to advise the rulers to lessen the burdens imposed on the people. At the end of the 18th C., they stood firmly against the mamluke rulers in order to protect the people from exessive taxes. They forces Ibrahim Bey and Murad Bey, few years before the coming of the French, to sign a document in which they undertook to respect the people's rights and not to collect excessive taxes.

Since then, the Ulama represented a new class in Egypt, i.e. the enlighted middle class which polarized the people and created from them a revolutionary power capable of standing against oppressive governments. Both the Ottomans and the memlukes tried to attract this new class to their sides in order to consolidate their position.[41].

From this investigation we see that there was a desire for the establishment of a new regime from the political, economic and social point of view. This desire coincided with the coming of the French expedition which would weaken the old regime.

The French Expedition and the tax system

The French expedition is considered as an important turning point in the modern history of history of Egypt. Despite its short duration, its indirect results had deep effects on the future of Egypt from the political, economic and social lsides.

For the first time in history of modern Egypt, Egypt was put under civilized European rule, and the European christian civilization penetrated into Islamic Egypt. The European institutions.

The expedition get rid of the obstacles of progress represent-

ed in the mamluke power, and also weakened the power of the Ottomans. This was a necessary step for the set-up of a new regime in lieu of the old one.

After they had settled in Egypt, the French studied the conditions of Egypt,[42] especially the financial administration and taxation system. During their study of the tax system and the method of collection, the French were confronter with a complicated problem. This was the flight of the mamlukes who were responsible for the financial and taxation affairs.

They only found Husayn effedi, the Ruznamji. They appointed M. Poussielague as the financial director in Egypt. He was succeeded by M. Estève, and both wrote about the tax system in Egypt. Two other French scolars, Lancret and Girard were interester in the study of this subject as well.

The French introduced some essential changes into the tax system. They abondoned diwan al-Ruznameh and transferred its functions into a commission composed of fixe membres. Shaikh al-Mahdi, Husayn effendi and muallem Faltas were members to it.[43]

Therefore, Napoleon confiscated all the Mamluke's properties including their tax farms which amounted to three-quarters of the tax-farms in Egypt. Only one-fourth was in hands of the people.[44] This, Napoleon facilitated the task of abolishing the Iltizam system.

Clot Bey writes that when the expedition landed in Egypt the largest portions of lands were owned the mamlukes and the government. The rest was in the hands of ,000 owners, known as multazims. The other lands were kept for waqf purposes, and were called Awqaf.[45]

After abolishing the iltizam it was necessary to re-consider the status of the iltizam lands. Some of the French considered that these lands resembled the lands of the nobles which the French revolution had annexed to the state. The other group thought that these lands should be owned by their holders.[46]

At first, the second view found support and the multazims

were treated as the real owners. They were provided with official certificates denoting this.

But because of the fallahs' revolts, the French administration under Minu preferrer the first view. Accordingly, the multazim's lands were gradually annexed to the state.[47]

On 16 Sept. 1798, Napoleon issued a decree concerning the establishment of a private diwan which was called the «Court of Cases» to settle questions of lands ownership. This was on condition that the following measures should be taken:

1 — The right of ownership should be checked up in the Ruznameh registers in return of certain fees.

2 — If the ownership right was proved the fallah should be issued with a new deed.

3 — The price of the land should be re-assessed in return of 2 per cent, for registration according to the new price.

4 — If the fallah failed to prove his ownership of the land, it should be returned to the state.[48]

5 — Islamic inheritance remained. But for the transfer of ownership from the dead person to his heir various fees should be paid.

Taxes were levied on the registration of contracts, guilds, buildings such as houses, baths and shops.[49]

The people understood that these taxes were imposed to cover the expenses of the expedition. No doubt, these new taxes were the main cause of the revolt which broke out in Egypt in October 1798 against the French.

Although the taxes imposed under the French were not less than the taxes imposed during the mamluke rule, the expedition succeeded to change the government in Egypt from the autocratic system to a democratic one. It also replaced the feudal capitalism by economic bourgeoisie which was based on social justice and laissez faire.

This strongly affected the Egyptian economy. By abolishing

the Iltizam, the fellah became the owner of his land. He was emancipated from the mamlukes authority and the feudal sovereignty.[50]

The return of Ottoman rule after the evacuation of the expedition and its effects

After the evacuation of the French expedition reactionary institutions re-appeared in Egypt. The Ottomans did not believe in the reforms introduced by the French. They abolished the law of landownership which Napoleon had issued on 16 September 1798. Egypt returned back to the system of feudal capitalism. The Iltizam system re-appeared again when the mamlukes seized power in Egypt once more. The fallah lost his land and the money which he had paid to prove his ownership of the land.

Moreover, the Ottomans imposed new tax on the land known as mal al-himaya[51] in return for getting the French out of the country. The people objected the return of Ottoman rule and resisted the mamlukes and supported Muhammad Ali.

The tax system under Muhammad Ali

The French expedition prepared the way before Muhammad Ali to introduce new taxation and financial institutions. The blow which the expedition had aimed at the old institutions had weakened them to a great extent. They were not be able to survive Muhammad Ali reforms, and he finally abolished them.[52]

The sources of Muhammad Ali's revenues were as follows:[53]

First: The land and every thing connected with it such as ownership and agricultural monopolization.

Secondly: Commercial monopolization and the control over the means of communications and the trade routes.

Thirdly: The taxes which included what Muhammad Ali had collected from his different industrial and agricultural monopolization.

Concerning the land, the new ruler of Egypt did not want to retain a system which would erect a barrier between the fallah and his direct submission to the government without the mediation of the mamluke multazims. Muhammad Ali realized that few sums of the revenue reached the treasury, and therefore the fallah abondoned his land and the population of the countryside decreased.[58]

Moreover, Muhammad Ali needed money to establish his position in Egypt[55] and to launch a programme of necessary reforms.

So, he abolished the Iltizam system in 1809, and set up a new system for the collection of taxes. The multazims of lower Egypt accepted the new measures but their compatriots in upper Egypt rejected it. But Muhammad Ali subdued them and annexed their lands to the state.[56]

In 1811, the massacre of the mamlukes took place. Muhammad Ali get rid of most of the mamllukes and captured their lands.

The lands of the non-mamluke multazims were taken from them and compensated them the usyya lands for life.[58] He exempted their lands from taxes,[59] and they the liberty to cultivate it or rent it or sell it to the government.[60]

The multazims and the Ulama' attempted a counter-coup but it failed.[61]

In 1812 and 1813 Muhammad Ali captured the rizq lands and imposed taxes on them. The Ulama protested, but their protest had no affect whatsoever.[62]

The Usyaa were the only lands exempted from taxes. So were the Abadiya and Jafalik lands in return for the money paid by the owners for their cultivation.

In addition, the lands granted to Shaikh al-Balad, which were estimated at 1/20 of all the lands of the village, were exempted from taxes.

Muhammad Ali replaced the iltizam system by another one called Nizam al-Tadamun. This system [61] meant that all the people of

each village co-operated in the payment of the taxes imposed on it directly to the government.[65] This was done after the survey of lands in 1814.

This new system contradicted the principle of equality and justice and encourages carelessness and negligence.[66]

In 1840, Muhammad Ali abolished this system and replaced it by the Uhda system which resembled to some extent the iltizam system. Certain individuals undertook to pay the arrears to the treasury after giving the government the necessary guarantees.[67] The area of the Uhda was from 300 to 800 feddans.[68]

Uhda differed from iltizam in that the holder had no right to levy higher tax than that decreed by the Pacha;[69] but resembled it in that he received a parcel of land in each uhda.[70]

Before each Nile flood, the government offered the lands for tenderers. The tenderer who get the land was given permission to cultivate the land. The government sent an official to survey the land of each individual, and this was recorded in registers for the collection of taxes.[71]

The land taxes increased many times, especially during the time of war.[72] Generally speaking, the average of 40 P.T. was per feddan. This amount varied according to the fertality of the land. The tax varied accordingly from 15 P.T. to 78 P.T.[73] In 1833 the taxes of the cultivated lands were about 45 per cent, of the revenue.

As a result of Muhammad Ali's policy of extending the cultivated lands, the area of these lands increased from 2,031.900 feddans in 1821 to 3,123,997 feddans in 1833. Therefore the property taxes increased from £E 660,541 to £E 1,084,922.

The other indirect taxes can be enumerated as follows:

1) Furdat al-Rous which was imposed on each individual according to his status and job. Concerning the officials, this tax equalled month salary, but it was collected from the merchants and workers according to their circumstances. With respect to the fallah it varied from 30 P.T. to 100 P.T.

The minimum of this ta xwas 15 P.T. and the maximum was 500 P.T. Clot Bey[75] estimated this tax at about 16 per cent, of the total revenue.

2) Poll-tax which was imposed on non-muslims and each individual paid between 8 P.T. and 10 P.T.[76]

3) The palm furdat: it was divided into three grades according to the crop. It was 1½ on each palm tree of the first grade, 1 P.T. for the second grade and 20 paras for the third grade. In the city of Rashid it was as follows: 2 P.T. for the first, 1½ P.T. for the second and 1 P.T. for the third.

To encourage the cultivators it was decided in 1845 not to impose taxes on palm trees except after 10 years from cultivation. Palm trees cultivated in the jafalik lands were exempted from taxes.

4) Taxes imposed on some animals : In 1820 it was decided to collect 20 P.T. per goat, 15 P.T. per cow and 15 paras per horse. These taxes were not known in the Ottoman Empire except in Egypt.[76]

5) Taxes on the Nile boats: it was 200 P.T. per boat.

6) Taxes on weaving machines and was about 36 P.T. per month.[78]

The indirect Taxes included :

A) **The customs-duties** which were imposed in the customs of Bulaq, Damietta, Alexandria, Rashid, Misr all-qadima and al-Suways. The sums collected from these duties were not great because of the following:

First: The government monopolized 95 per cent of the exports and one-third of the imports.[79]

Second: The Egyptian government was forced to execute the customs policy adopted in the Ottoman Empire according to the system of capitulations. The foreigners paid 3 per cent on imports, while the muslims paid 4 per cent, and the non-muslims 5 per cent.[80]

Muhammad Ali attempted to increase the duties on foreign imports to protect local industries. But the Sultan ordered him to observe the capitulations at concluding commercial treaties.

In addition to the customs-duties, there was another duties imposed on the transit trade through Egypt. The volume of this trade was small at the beginning of the 19th C. But because of the efforts made by Egypt to facilitate communications through the overland-route, the amount of trade passing across Egypt in 1840 was estimated at about £E. 10,000,000.

Moreover the government imposed taxes on pilgrimages crossing Egypt to the holy lands.

B) **Awayid al-Dukhuliyay:** it was imposed on goods, animals and crops crossing from one place to another inside Egypt. In 1840 this tax was imposed as follows:[31]

74 P.T. per ox, 24½ P.T. per buffalo, 3½ P.T. per sheep, 20 P.T. per arbed of wheat and 15 P.T. per ardeb of barley, beans and maise. Generally, the tax was 12 per cent of total value of the commodity.

C) **Different taxes on fishing and boats:** The fisherman had to give the government one-third of the amount of fish.

D) **Profits of monopolization:** These were estimated at about 28 per cent of the revenues. In 1836 the government monopolized 95 per cent of the exports, but it could not monopolize all the imports. The government monopolized the Coffee trade. It bought the qintar by 140 P.T. and sold it at 412 P.T.[32] It paid 30 P.T. for one ardab of wheat and sold it at 50 P.T.

So, in 1821 the income of the government from monopolization was £E. 340,000 of the total revenue which was L.E. 1,199,700.

In 1836, this income increased to £E. 750,000 of the total revenue which was £E. 3,064,300.

The effects of the taxation system on the political, economic and social conditions

Muhammad Ali established a powerful government which kept order and security which Egypt had not enjoyed during the Ottoman-mamluke rule. This government enabled Muhammad Ali to carry out his reforms and to benefit from European experiences. The stability in Egypt was praised by contemporary writers.

Nevertheless, Muhammad Ali did not set up a constitutional government. The people did not participate in the responsibilities of government.

The abolishment of the Iltizam system did not mean that the cultivators became the owners of the land. It was transfered from the multazim's lands to the government, and thus the government became the owner of the land. Menging says that the abolishment of the Iltizam was far from reform. The modifications, which he had introduced to the ownership system, did not serve public interest. He neither respected private ownership nor acknowledge it.[84]

When it is said that the ownership was transferred from the multazims to the government which distributed 3 or 4 feddans on each fallah this does not resemble the ownership known at the present time. The fallahs merely possessed usufruct rights in their lifetime.[85].

Contemporary writers such as al-Jabarti and Mengin severely attacked Muhammad Ali's rule. Even those who defended him such as Clot Bey recognized that this was a temporary system which would prepare the way before the real ownership. The ownership of the land was only approved in 1850 after the death of Muhammad Ali.

The taxes during Muhammad Ali's reign were not stable. They continuously increased because of his successive wars in Arabia, Sudan, Moria, and Syria. As a result, many villagers were unable to pay their arrears, and their fallahs fled from the land. So he issued an order in 1839 stipulating that the villages should

co-operate in the payment of arrears. This contradicted social justice and badly affected the wealthy villages.[86].

The Uhda system had allso its disadvantages. The holder of the Uhda usually exploited the fallah for his own interests. If the fallah escaped from the land, the government followed him and returned him to the land because the holder had paid the taxes of this land. These disadvantages encouraged the government to abolish this system in 1850.

The condition of the fallah did not change much during Muhammad Ali's reign. The only thing he had was the usufruct right.[87] He was given this right in return for the payment of tax. If he failed to pay the tax, the land was taken off from him.[87] If the holder died, his sons were permitted to cultivate it but not on heritable ground.[89]

The fallah under Muhammad Ali either work as a labourer or as a holder of the land. The labourer received one piastre per day[90] either in cash or in kind. In most cases the government took the land off from him without paying any compensation.

Nevertheless the condition of the fallah considerably improved.[91] But he did not have the right of ownership, and paid different taxes. He also suffered from the monopoly system.

The best description of the fallah condition is given by Mengin. He writes:[92]

«S'il est vrai de dire qu'il n'y a pas de contrée plus riche que l'Egypte dans ses productions territoriales, il n'en est peut-être pas dont les habitants (1832) soient plus malheureux.»

The workers worked under Muhammad Ali in the works and the arsenals which he had constructed. They were trained on new industries. They formed a new class which would play an important rôle in Egypt's progress in 19th C.

The merchants' class was greatly affected by the policy of monopolization. Although the volume of the Egyptian trade increased, the wealth and the number of merchants decreased.[93]

The Ulama's influence decreased under Muhammad Ali espe-

cially after the banishment of Umar Makram. Moreover, al Azhar rejected progress and reform and defended his traditional system. SO, the centre of culture was transferred from al Azhar to the schools and institutes. The ulama did not participate in the movement of modernization. Therefor they lost their wealth and respect.

Although Muhammad Ali did not think of reforming al-Azhar, it remained the main source which provided schools with students. When they completed their courses they participated in the scientific and social revival of Egypt.

The Beduins living in the Egyptian desert and on the fringes of the Delta caused Muhammad Ali many troubles. They attacked the cultivated areas, merchants and passengers. At the beginning, Muhammad Ali attempted to sign an agreement with them, but they violated it. He finally subdued them to the government's authority.[91]

To transfer them to a civilized group, the government granted the beduins vast areas of lands exempted from taxes to cultivate it.[95] Muhammad Ali enrolled them in his army, and therefore assimilated them in the social construction.

To sum up: owing to this new system, Egypt was dependent of the Ottoman Empire from the political and administrative point of view. The period extending from Muhammad Ali's death to the British occupation of Egypt in 1882, witnessed vast taxation and financial changes. The domination of the state over the economic and financial activities of individuals was lessened, and the restrictions were also reduced.

No doubt, this phenomenon coincides with the general principles of Liberalism which were adopted in Europe at that time. Egypt could not be isolated from the new trends in Western Europe.[9] This contact would contribute to the financial administration in Egypt.

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21 — Ibid, P. 40.

22 — Lancret, Description de l'Egypte vol. 12, P. 236.

23 — al-Hitta, Tarikh Misr al-iqtisadi, P. 31.

24 — 1 P.I. equals 40 midi, I midi, 1 midi equals $\frac{1}{2}$ fadda.

25 — Huseyn efendi.

26 — Barrawi & Ulaish, op. cit., P. 37.

27 — al-Hitta, op. cit., PP. 23 & 24.

28 — Ibid, PP. 25 & 26.

29 — Description de l'Egypte. T. 17, PP. 214 & 215.

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31 — Estève, Mémoire.... Desc. de l'Egypte, T. 12, P. 243.

32 — Barrawi & Ulaish, op. cit., P. 39.

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55 — Hitta, op. cit., P. 65.

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77 — Ibid, P. 328.

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79 — Ibid.

80 — Hitta, op. cit., P. 310.

81 — Ibid, P. 272.

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84 — Mengin op. cit., vol. II, P. 337.

85 — Baer, op. cit. P. 7.

86 — Rafi, op. cit., vol. III, P. 591.

87 — Baer, op. cit., P. 6.

88 — Ibid.

89 — Raffi, op. cit., P. 586.

90 — Clot, op. cit., vol. II, P. 196.

91 — Raffi, op. cit., P. 591.

92 — Mengin, op. cit., vol. II, P. 342.

93 — Ibid, P. 227.

94 — Hunayn, op. cit., P. 197.

95 — Rafi, op. cit., vol. III, P. 611.

96 — Barrawi & Ulaish, op. cit., P. 90.

APPENDIX

Etat des revenus[1] de l'Egypte pendant l'année 1821

	Bourses[2]	Piastres
Montant du myri	132,308	131
Bénéfice sur les denrées régies		
le petit Khazneh, et dont suit le détail:		
Le coton		
La cire		
Le sucre		
Le lin		
L'indigo		
Le miel		
Le henneh	21,000	
L'eau de rose		
La graine de sésame		
La graine de carthame		
La graine de laitue		
La graine de selgam		
La graine de lin		

1 — Mengin, F., Histoire de l'Egypte sous le gouvernement de Mohammed Aly, vol. II pp. 384-390.

2 — La bourse est cinq livres.

	Bourses	Piastres
Nota. Ces articles sont achetés des fellah, qui doivent les transporter dans les dépôts désignés.		
Bénéfice sur la vente des soiries et des toiles	21,800	
— sur la vente des peaux	8,000	
— sur la vente des nattes	1,200	
Bénéfice sur le riz	197,222	381
Bénéfice sur la natron	—,600	
Bénéfice sur le sel ammoniac	—,280	
Bénéfice sur le fil d'or	—,450	
Produit de la douane de Suez	5,000	
Produit de celle de tosseir	18	
Produit de celle de Deraouy, pour les marchandises des gellabs de Darfour	260	
Produit de celle du vieux Kaire	500	
Produit de celle de Boulag	3,000	
Produit de celle de Damiette	3,600	
Produit de celle du Canal Mahmoudyeh	500	
Produit de celle d'Alexandrie	2,500	
Produit net de la monnie	3,500	
Apalte du sel et des liquides	5,000	
Apalte de la boucherie	370	
Apalte sur la fonte de l'argent et des galons pour les orfèvres	750	
Apalte du séné	120	

	Bourses	Piastres
Produit de la pêche du poisson au lac Menzaleh	800	
Droit sur la vente du poisson au vieux Kaire et à Boulâq	150	
Droit sur la vente des bestiaux à Embabeh et à la place de Roumeyleh	50	
Droit sur les danseuses, les escamoteurs et les métiers servant à dévertir le peuple	300	
Droit sur les successions	400	
Droit sur les barques servant de passage d'une rive à l'autre du Nil	600	
Droit sur les barques servant aux transports des marchandises	400	
Apalte sur les liquides de la Haute-Egypte	350	
Droit sur les okels et les bazars de la Haute-Egypte	600	
Produit du droit de Karach	800	
Produit du droit sur les dattiers	10,000	
Produit du droit sur les graines à leur entrée au Kaire	720	
Total	239,940	381

(Environ 50 millions de francs)

Etat des dépenses de l'Egypte pendant l'année 1821

	Bourses
Pour la solde des troupes	100,000
Envois faits en diverses fois à Constantinople	12,000
Pour l'entretien des fabriques et le salaire des ouvriers	15,000
Pour les appointements des employés civil	16,000
Pensions accordées aux moultezims	6,000
Pensions aux cheykhs, entretien des mosquées, des écoles, des citernes publiques en compensation des rizaqs.	1,800
Pour les redevances dont jouissaient les moultezims	1,200
Dépenses des maisons du vice-roi et de celles de ses enfants	24,000
Pour les présents aux cheykhs des villages, aux Arabes, l'habillement des ytchagassis et des gens attachés à la cour, à l'époque des fêtes du rhamadân et du beyram	10,000
Pour les dépenses de la caravane des pèlerins	1,700
Pour les dépenses du Kissoueh	300
Frais de l'ouâdy toumlât; pour la plantation des mûriers et la fabrication de la soie	1,400
Total	189,400

Outre cette somme, le vice-roi a dépensé environ 15,000 bourses pour construire des casernes, des fabriques, des maisons, etc.....

Revenus[1] de l'Egypte pendant 1833 (1249 de l'Hégire)

Miry, ou impôt foncier	28,125,000 fr.
Droit de capitation, dit firdet-el:rouss	8,750,000
Droit du Karatch	80,000
Droit sur les successions, dit beit-el-mal	150,000
Droit sur les bestiaux destinés à être abattus	250,000
Droit sur les okels et bazars de la Haute-Egypte	48,000
Droit sur les danseuses, les musiciens et les escamoteurs	60,000
Droit sur la fonte de l'argent et des galons	56,250
Droit sur les dattiers	500,000
Droit sur la pêche du lac Menzaleh	250,000
Droit sur le sel, les barques et le poisson	438,000
Droit sur les céréales	4,500,000
Produit des douanes et droits d'octroi	3,070,500
Appalte des liquides	346,000
Apalte du céné	32,500
Apalte de la pêche du lac Keroun et droits d'octroi du Fayoum	72,500
Bénéfices sur les denrées suivantes :	
Le coton	
L'indigo	
L'opium	
Le sucre	
Le vin	
Le riz	

1 — Clot-Bey, A.B., Aperçu général sur l'Egypte, vol. II, pp. 208-211.

Le miel	
La cire	
Le henneh	
L'eau de rose	
La graine de lin	
La graine de sésame	
La graine de laitue	
La graine de carthame	12,000,000
La soie	
Le safranum	
Le nitre	
La chaux, le plâtre et les pierres	
Le natron	
La soude	
Le sel ammoniac	
Bénéfices sur l'Hotel-des-Monnaies	375,000
Bénéfices sur les toiles	1,500,000
Bénéfices sur la fabrique des étoffes de soie	1,200,000
Bénéfices sur les cuirs et apprêtés	875,000
Bénéfices sur la vente des nattes	100,000
Total	62,778,750

Etat des dépenses pendant 1833

Envoi d'argent à Constantinople	1,500,000
Budget de l'armée (150,000 hommes)	15,000,00
Traitement des grands officiers, chefs d'administration	5,000,000
Solde de la cavalerie turque irrégulaire	812,000
Solde des Arabes bedouins	650,000
Pour le matériel de la guerre	1,750,000
Montant des rations de fourrages mules, chameaux	312,000
Ecole militaire	200,000
Budget du personnel de la marine	7,500,000
Construction des bâtiments de guerre	1,875,000
Frais pour chantiers de construction des barques à Boulac	412,500
Entretien des fabriques et salaires des ouvriers	2,750,000
Entretien des employés d'administration	2,500,000
Rations de bouche accordées aux employés	625,000
Pensions aux anciens moultazims	440,000
Pensions accordées à plusieurs Arabes	750,000
Dépenses pour les constructions de palais, de fabriques, pants, digues, etc.	2,250,000
Objets tirés d'Europe pour les fabriques	1,875,000
Dépenses pour l'entretien des palais du vice-roi	1,250,000
Dépenses de bouche du vice-roi	500,000
Pour l'administration des achats de cachemires, étoffes de soie, bijoux	1,750,000
Dépenses pour les caravanes des pèlerins	250,000
Total	49,951,500

GLOSSARY

Abadiya (pl. abadiyat, abaid) : Uncultivated land surveyed but not included in Muhammad Ali's cadaster; estates granted from land formerly abaiya.

Al-Ahbs al-Sultaniyya (sing. habs(: The waqf of the Sultan ; enowed property not subject to normal transactions, its its income being assigned by the founder.

Al-Ahbas al-Ahliyya : « family waqf », income of which is assigned to specified persons before going to a religious, cultural, or charitable institution.

Al-Diwan al-Deftari : Department of finances.

Amir (pl. umara or amirs) : prince; Mameluke of high rank ; (in the 18th and 19th centuries) distinguished notable.

Ardebs (sing. ardeb) : Egyptian dry measure.

Awayid al-Dukyliyya: Tax imposed on goods, animals and crops crossing from one place to another inside the country.

Barrani : tax land.

Beduin Shaikhs: elder; beduin chiefs.

Defterdar : Director of finances.

Dinar = one pound.

Diwan : council.

Diwan al-Ruznameh : calendar; financial register.

Fadda : silver coin and so fadda equals one piastre.

Faiz (originally faid) : surplus; interesét; profit; the difference between the miri and the amount the multazim could exact from the peasants.

Fallah (pl. fallahin or fellahs) : peasant.

Feddan : measure of land (at present 1.038 acres).

Furdat al-Rous : tax imposed on each individual according to his status and job.

Iltizam : undertaking; village or land made over to multazim, holder of contract for collecting revenue. Agrarian system based on this.

Kahufiyya : tax taken by district officer.

Mal al-himaya (protection money) : tax paid in return for getting the french out of the country.

Midi : ½ fadda (silver coin).

Miri : from amiri, of the ruler: land over which the government has certain rights. Tax, mainly land tax.

Multazim: see iltizam

Nizam al-Tadamun : meant that all the people of each village co-operate in the payment of taxes imposed on it directly to the government.

Palm furdat : tax imposed on each palm tree.

Paras : half a piastre.

Qintar : equals about 40 kilograms.

Uhda : respensibility ; guarantee to pay tax liabilities; village or land for which a person has given a tax guarantee.

Ulama : religious dignitary; holy man.

Rizqa (pl. rizaq) : allowance; grant of land, held in full ownership.

Ruznamji : treasurer.

Shaikh al-balad : village headman.

Taqsit : a warrant.

Wali : viceroy; governor; representative of the Sultan.

Waqf (pl. awqaf) : endowed property not subject to normal transactions, its income being assigned by the founder; the act of endowing waqf.

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