

**MUSLIM ECONOMIC
THINKING AND
INSTITUTIONS IN THE
10th AH/ 16th CE CENTURY**



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FOREWORD

The state of Muslim economic thinking in the tenth century Hijrah corresponding to sixteenth century CE has been an un-researched subject. It is a matter of great satisfaction for Islamic Economic Research Center to present a pioneering work in this area.

There are many lessons to be learnt from the economic ideas of the great lights of the period. I am sure that the readers will find some of the chapters highly interesting and thought provoking. The present study underscores the thesis that mercantilism was a reaction against Muslim powers and investigates the factors that promoted mercantilism in the Christian West and the reasons why it did not find favor in the Muslim East. It informs us of many interesting examples of financial innovations adopted in this period in order to protect awqaf properties. It also tells us how those innovations were misused and corrective legal measures were imposed and bypassed subsequently. It deals with the legal issues in contracts and their settlements that arose due to unstable currency values and monetary mismanagement. It highlights issues with respect to *kharaji* lands and looks at land prices in the perspective of the purposes of land sale. This gives us insight into the level of understanding about price formation based on expectations. It also underlines new thinking on preserving the incentives and maintenance of awqaf by resorting to financial innovation of '*ijaratayn*' (combination of long- and short-term leases) and '*istibdal*' (asset swap) as well as institutional innovation of cash waqf that provided flexibility and efficiency in its maintenance. It calls attention to fresh thinking on reclassification of sources of state revenues and adding left-over property as an explicit funding source for *bayt al-mal* as it had assumed significant proportions. In addition, the book provides detailed information about works on public finance, Shar`iyah governance and market supervision that have been depository

of economic ideas of Muslim scholars. A detailed bibliography comprising the literature on Muslim economic thinking of the period has been provided.

The present study by Dr. Abdul Azim Islahi is first of its kind that systematically studies Islamic economic thought during the tenth/sixteenth century. The book is selective rather than exhaustive and makes no pretense of presenting a complete history of economic thought. We hope that the present work will be a significant addition to the existing literature on the subject. It is expected to provide a major fillip to future research in the area of Islamic economic thought.

May Almighty Allah accept our humble endeavor and grant us His favor.
Wa bi'llah al-tawfiq

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PREFACE

More than seventy-five years have passed since writing on Islamic economic thought began in the modern period. But these works do not cover the period after the 9th AH/15th CE century. In the present work an effort has been made to investigate the state of Muslim economic thinking in the tenth century Hijrah corresponding sixteenth century CE. This period occupies great significance in the world history. In the sixteenth century the Ottomans consolidated their rule in parts of Europe and took over the custodianship of the Holy lands of Islam by abolishing the two and half a century old Mamluk Sultanate of Egypt. The beginning of century also saw the establishment of a new dynasty – Safawids – in Iran and the Mughal dynasty in India. In Europe it marked the 'first phase' of early modern era. It was a time when renaissance was already in full swing and social reform, scientific inquiry and economic thinking and institutions were taking new shapes. This situation brought both challenges and opportunities to Muslim world. However, the balance of economic potential and technological scope moved progressively in Europe's favour.

To provide background knowledge of the situation in Muslim countries at that time, an overview of the history of Muslim governments, intellectual and literary situation and economic condition have been presented at the very outset. As far Muslim economic thinking is concerned, the present study seeks to examine it in five major areas: market and pricing, mercantilism, money, *kharaj* and land proprietary right, and endowment and cash *waqf* controversy. It also presents an analytical survey of works produced during the period under study on public finance, *al-hisbah* and *al-siyasah al-shar'iyah* – most important source material of Muslim economic thinking in the past. Occasionally this study also attempts a preliminary evaluation and comparison of the economic thinking of the Muslim scholars of the period with that of their predecessors as well as their contemporary Western thinkers.

However, due to certain limitations, the main focus of research has been, with a few exceptions, works available in Arabic language and economic institutions that existed in territories of the government that controlled the heartland of Islam. It also takes the note of some Western economic institutions and ideas for purpose of comparison. At occasions the reader may feel that there is a mixture of history of economic thought and economic history. The present writer has been aware of this kind of unavoidable overlapping. This was due to the nature of the research. The two disciplines are intimately related. Dependence on details of economic history becomes a necessity when information about economic thought is not sufficiently available. We hope that the historical details will be useful to understand and appreciate Muslim economic thinking of the period.

Although only a sketch of the state of economic thinking in the 10th/16th century, we hope that this study fill a gap, to some extent, in the literature on history of Islamic economic thought.

It is a pleasant duty to express my gratitude to Professor Muhammad Nejatullah Siddiqi and Professor Ishtiaq Ahmad Zilli who have read and commented on portions of the manuscript. I am also thankful to Professor Zafarul Islam and Dr. Mohammed Obaidullah who have provided me with valuable feedback and suggestions for improvement. None of them, however, should be held accountable for any deficiencies which remain.

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Thanks are also due to the two anonymous reviewers of this project report at various stages of preparation. I would like to put on record my special thanks and appreciation for Br. Syed Anwer Mahmood for providing secretarial assistant to the project.

Wa'l-hamdu lillahi awwalan wa akhira.

Abdul Azim Islahi

Jeddah

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CHAPTER ONE

INTRODUCTION: LITERATURE REVIEW AND IMPORTANCE OF THE PERIOD

History of Islamic economic thought is a well-researched area of the discipline of Islamic Economics. But all researches, to the best of our knowledge, come to an end at the 15th century CE. It would be our endeavour in this work to investigate the state of Muslim economic thinking in the sixteenth century CE (corresponding to tenth century *Hijrah*, exactly from 906 AH to 1009 AH). This period occupies great significance in the world history. Sixteenth century proved to be a turning point, on various accounts, both in Muslim world and the West. In the present study, by survey and analysis of the relevant literature of the period and by inferences from the existing economic institutions, an effort will be made to ascertain the level of economic thinking among the Muslim scholars and those at the helm of their affairs. To provide some background knowledge of the situation in Muslim countries, at the outset it will be helpful to present an overview of the history of Muslim governments at that time, their economic conditions as well as intellectual and literary situation. However, due to certain limitations, the main focus of research will be works available in Arabic, as also the economic institutions that existed in territories of the government that controlled the heartland of Islam. It will also take note of Western economic institutions and ideas of those days for comparison purpose. The study will conclude with a summary of the main findings and an appraisal and evaluation of the economic thought of Muslim scholars during the study period.

The present study will address both professional economists and students of the history of economic thought. By reporting and analyzing the economic thought of Muslims in the sixteenth century, the present study will try to fill the existing gap in the literature on Islamic Economic Thought. The knowledge of changes in Muslim perceptions and aspirations that took place as a result of historical experiences is very significant in determination of future strategy. It may even help to rewrite some of the existing theories. The writers who maintain that there had been continuity in economic thinking of Muslims but due to lack of research they are unable to support their claim, they will find some evidence at least for sixteenth century. It will help teachers of the Islamic Economic thought to enhance the scope of this subject and use the present study as a reference work. It may be used as a source of readings thus being useful for the student of the subject. Being the first attempt to explore Muslim economic thinking in the sixteenth century we hope that this research will be a significant addition to the existing literature on the subject and it is expected to provide a major fillip to future research in the area of Islamic economic thought.

1.1 Literature Review

The first article to introduce economic thought of Muslim scholars was written seventy years ago by Muhammad Zaki Salih (1933) in Arabic entitled “*al-Fikr al-Iqtisadi al-Arabi fi l-Qarn al-Khamis `Ashar*” (Arab Economic Thought in the Fifteenth Century), in which he discussed economic ideas of Ibn Khaldun (d. 808/1406), al-Dulaji (d. 838/1435) and al-Maqrizi (d. 845/1441). Since then a large number of works have appeared on the subject. We have work on economic thinking of Muslim scholars right from the 1st/7th century to 9th/15th century. Especially, the contribution of the Islamic Economics Research Center is highly commendable in this area. This literature has successfully refuted “the Great Gap” thesis propounded by Joseph Schumpeter (1997) in his encyclopedic work *History of Economic Analysis*. However, we still could not cross the age of Ibn Khaldun and al-Maqrizi. We do not find even a single entry of scholars who lived in sixteenth or seventeenth century in the works dealing with the history of Islamic economic thought.

In 1964, Spengler published a comprehensive research paper entitled "Economic Thought of Islam: Ibn Khaldun". Although his focus was Ibn Khaldun's economics, he mentioned names of a large number of Muslim scholars who had some economic ideas, but none of them belongs to the period after 15th century. The paper drew the attention of the historians of economic thought to explore further in that direction. The first survey of Muslim economic thinking was conducted by Siddiqi based on literature produced up to 1975 in three major languages Arabic, Urdu and English at the occasion of the First International Conference on Islamic Economics held in Makkah in February 1976 under the auspices of the King Abdulaziz University, Jeddah. The survey is appended by a comprehensive bibliography. He rejects the thesis propounded by Meyer that the "Arabic, Turkish and Persian speaking East has experienced no continuity of economic ideas such as those which come from the Judeo-Christian West." (Meyer, 1956, pp. 66-74). Siddiqi maintains: "From Abu Yusuf in the second century to Tusi and Shah Waliullah we get a continuity of serious discussion on taxation, government expenditure, home economics, money and exchange, division of labour, monopoly, price control, etc." (Siddiqi, 1980, p. 74). However, he did not support his statement by listing works that may prove this continuity. After Ibn Khaldun, al-Maqrizi and al-Dawani (all belonging to 15th Century), he lists only Shah Wali-Allah of Delhi – an 18th century scholar. Finally he laments: "Unfortunately, no serious attention has been paid to this heritage by centres of academic research in Economics" (ibid.).

At the same occasion, Zaim (1980) also presented a brief survey of "Literature in Turkish language" on Islamic economics and a bibliography. He does not list even a single scholar after Ibn Khaldun.

In 1982 Siddiqi presented another survey. This time *Recent Works on History of Economic Thought in Islam*. The gap of literature persisted. After fifteenth century he comes to 18th, 19th and 20th centuries and presents three scholars only each in a century respectively – Shah Waliullah (1114-1176/1703-1762), Jamaluddin Afghani (d. 1315/1897) and Muhammad Iqbal (1289–1357/1873–1938) (Siddiqi, 1982, pp. 41-46).

In his research article “Muslim Scholars and the History of Economics: A Need for Consideration” Mirakhor (1987) has successfully tried to draw the attention of historians of economic thought to reconsider the great gap thesis of Schumpeter. Accordingly he presented the case of Muslim scholars mainly during the period of gap, that is, five centuries prior to twelfth century CE.

In 1992 Sadeq and Ghazali presented their edited volume on *Readings in Islamic Economic Thought*. Again after Ibn Khaldun the only scholar whose economic ideas could be the part of this work is Shah Wali-Allah of 18th Century. Naturally, this is because of absence of research work on economic ideas of Muslim scholars after fifteenth century. A few years ago, the present writer was assigned to prepare a bibliography on history of economic thought in Islam and he failed to get any title for listing from the scholars of sixteenth and seventeenth centuries (Islahi, 1997).

The same is the case with Arabic writings (Ahmad, 2001; Dunya, 1998). If this is the situation of works by Muslim writers, there is no surprise if we do not find mention of a Muslim scholar of seventeenth and sixteenth centuries in works dealing immediately before Classical Economics (Gordon 1975, Lowry 1987). In fact the period after 15th century CE remained unexplored. There is literature gap after 15th century on economic ideas of Muslim thinkers. Absence of work on their economic thought in the later period raises another serious question: Do we have blank centuries after heyday of Islamic civilization? Has Islamic economic thought not experienced continuity or change in the later period? This situation poses a great challenge before the students of Islamic Economic Thought.

1.2 Sixteenth Century: A Turning Point in the World History

In the second half of the fifteenth century the world saw many significant developments: The conquest of Constantinople by Muhammad (Mohamed) *Fatih* (the Conqueror), fall of Granada the last stronghold of Muslim Spain, invention of compass, discovery¹ of New World and change in Europe–South East Asia trading route through Cape

of Good Hope to the disadvantage of Muslim countries of Middle East. These decisive events heralded a great change in the following century.

The beginning of sixteenth century saw the crowning of last Mamluk² ruler Qansawh al-Ghawri³, consolidation of Ottoman rule in Turkey and within two decades taking the custodianship of the Holy lands of Islam by defeating Sultan al-Ghawri and thus putting an end to the two and half centuries old Mamluk rule in Egypt. The beginning of century also saw the establishment of a new dynasty – Safawids – in Iran. Within a few years another strong dynasty was established by Zahir al-Din Babur (888-937/1482-1530) known as Mughal dynasty to rule India for coming three centuries. As a whole, the sixteenth century brought great opportunities and challenges to Muslim world. In the words of Hodgson (1974, 3:4), "At the start of the sixteenth century, a general realignment of political forces among all the Muslim peoples afforded an opportunity far extensive for political and then cultural renewal. It had major cultural consequences almost everywhere, which largely determined the history of the two or three centuries following." He further says: "The strength of Islamic society in the sixteenth century can be illustrated in the Malaysian archipelago, that focal point of hemispheric cosmopolitanism. There all four major Oikoumenic cultural heritages were in direct competition: Chinese and Japanese, Hindu Indians and Buddhist Thais, Muslims of many backgrounds, and Portuguese from the Occident all had influential footholds, and all were concerned, in some measures to bring local affairs into their own orbits. In such competition, the Muslims won: this was a century of major Islamization" (ibid., p. 48).

Even in European history the sixteenth century has a distinct place. It marked the 'first phase' of early modern times, for during this period 'the chief forces which were to shape the life of the succeeding centuries made their appearances' (Clough and Cole, 1967, p. 97). It was in this period that Europe saw the rise of humanism and Protestant revolt. The important and original work of English humanist Thomas More's Utopia appeared in 1516 in Latin and its English translation in 1551. Martin Luther started his reformative endeavors in this period. According to Cipolla: "On the level of general culture, the sixteenth and seventeenth centuries saw, particularly in the Northern countries, an exceptional increase in literacy, an increase that was nourished by the invention of

printing and by the preaching of the reformed religion" (Cipolla, 1977, p. 9). It marked the growth of science as a method of attaining knowledge. Many important inventions were made during the sixteenth century.⁴

On economic front, Europe introduced new products such as coffee⁵, chocolate, china, tea, potatoes, tomatoes, maize, etc. (Cipolla, 1977, p. 11). Enclosure movement gave impetus to industrialization. 'The fifth wheel' or turning point carriage, and the use of iron tyres were discovered in this century (Glamann, 1977, p. 453). Geographical discoveries that started towards the close of the fifteenth century, continued in sixteenth century too and within a quarter century many new lands were discovered. Changes in the direction of maritime trade provided helping hand to the development of 'mercantilism' in what is rightly called 'the age of commercial Europe'. (Minchinton, 1977, p. 83). Perhaps these are the reasons that it has become a fashion today among economic and social historians to speak of 'the sixteenth century as the golden age in the economic and social history of Europe' (Cipolla, 1977, p. 12). In one of our earlier studies we have noted that around the twelfth century the retranslation from Arabic to European languages played an important role in economic and intellectual uplift of the West (Islahi, 2005, pp. 7, 104n, 109-114). To Cipolla, "from the thirteen century onwards the balance of economic potential and technological scope (including scientific) moved progressively in Europe's favour" (1977, p. 10). During the sixteenth century, Muslim governments surpassed Europe, in military power and consolidated their rules. Economically also they were very rich. According to Hodgson (1974, p. 47), "The sixteenth century undeniably marks the peak of Muslim political power, taken all in all "... the Ottoman could alone defeat any actual alliance of Christian Europe power ...".

In spite of enjoying such an important place in the world history, it is strange that this super power of early modern period did not receive the attention of scholars and researchers that it deserved. After giving an account of Ottomans' various achievements and lamenting the state of inadequate researchers to explore reasons behind their success, Karpal (1974, p. 2) rightly observes: "It is obvious that Ottoman history has been condemned to an unjust neglect." McNeill, (1974, p. 34) endorses his statement when he says that 'the number of historians interested in Ottoman history is far smaller than any comparably important European

state commands". The reason is 'deep seated religious antipathy' that survives and continues 'to distort scholarly views of Ottoman reality' (ibid.). In the words of Hodgson, "the difficulty of assessing the intellectual achievements of the sixteenth and seventeenth centuries is symptomatic of the difficulty of assessing the period as a whole. Like its intellectual life, the period generally has little been studied by modern scholars, at least in the more central areas of Islamdom, where the achievement was evidently greatest" (Hodgson, 1974, vol.3, pp. 46-47).

1.3 Something about the Source Material

In the previous centuries, sources of Islamic economic thought were works on the Quranic exegesis, exegesis on the tradition of the Prophet, books of fiqh and fatwa, *usul al-fiqh* (jurisprudential principles), *al-siyasah al-shar'iyah* (Shariah governance), *al-hisbah* (moral and market supervision), *kitab al-kharaj* (book on taxation), *kitab al-amwal* (book of finance), historiographic and social and philosophical works. Writing on most of these areas continued in the subsequent centuries but their relative importance as source material for Islamic economic thought declined. In the sixteenth century many voluminous works on the exegesis of the Qur'an, commentaries on Hadith, and detailed notes (*shuruh*) on earlier *fiqh* literature appeared but because of imitation and lack of originality they lost significance. Books written on *al-siyasah al-shariah* and *al-hisbah* merely presented summary of earlier works. We could not come across to any work written on socio-economic problems as we had in previous century by Ibn Khaldun (d. 908/1406), al-Maqrizi (766-845/1364-1442), al-Asadi (lived in 9th / 15th Century), or Ibn al-Azraq (832-896/1427-1489). Works on history were a useful source in the sixteenth century. The trend set by Ibn Khaldun and his student al-Maqrizi on writing comprehensive history continued in the period under study also. With the increasing number of awqaf during the Mamluk and Ottoman periods, waqf deeds proved an important source for economic ideas and institutions of the period.

Ottoman archives that contain *ruznamacha* (daily reports), *sijillat* and *tahrirs* (registers and books of accounts), *framin* (royal decrees / ordinances) and a lot of other information, form a rather new source for research on the period under study. They are treasury of information for

socioeconomic and historical investigations. They contain details of sale and purchase, wages and prices. Poll tax and other duties, establishment of waqf, its replacement, gifts, etc. In brief, hardly any aspect of life is left unrecorded in those archives (Abd al-Qadir, 2004, Vol. 22, p. 150). The Ottoman archives contain about one hundred fifty million documents (ibid. p. 166).

However, it is not easy to directly benefit from Ottoman archives because of tedious bureaucratic procedures involved.⁶ Time and cost involved did not permit us to think about getting direct access to Ottoman archives. However, we could benefit from such documents that were available in print form or studies based on direct use of the archives.

One more source, still less in highlight, is Western source of Ottoman documents. Due to Ottomans' close relations with Europe in war and peace, diplomatic and economic, this source is also very important. The West itself, perhaps due to historical reasons, paid less attention to bring it in light. We could get very few such sources, again as a secondary data. In view of the above mentioned facts the present research, we are to admit, is only sketch of the Muslim economic thinking in the sixteenth century.

Endnotes:

1. Last of such outstanding voyages and discoveries came during 1519-1522 when Ferdinand Magellan (Portuguese in Spanish service) set out on a world circumnavigation who was killed by native island of Mactan in Philippines. His ship *Victoria* under Del Cano completed circumnavigation of the world. Out of an expedition of five ships and 243 men only one ship and 18 men returned. Even so a profit was realized (Clough and Cole, 1967, p. 109).
2. The Turks from the Central Asian border of Muslim Empire were imported as slave chiefly for service as soldiers. 'These military slaves came to be known as *mamluks*, an Arabic word meaning 'owned' to distinguish them from the humble slaves, usually African, employed in the house or on the land. Though technically of servile status, the *mamluk* become a privileged military caste wielding a great and growing power in the Muslim state' (Lewis, 1996, p. 192).

'They were treated not as despised chattels, as were slaves in the West, but as members of the family of their master ... They were accepted as his sons, and they served him in the same way as a page in the palace of a great European King or lord' [Shaw 1964, p. 8]

‘The two major sources of the slave population of Islam were the Eurasian steppes to the north, from which white slaves, mostly Turkish, were imported and used principally for military purposes, and tropical Africa to the south, from which black slaves were captured or bought for domestic and other labour’ (Lewis, 1982, p. 188).

3. Generally Islamists and Orientalists pronounce it ‘Qansuh al-Ghuri’. But W. H. Salmon (1921, p. 1), who translated the last portion of the Arabic chronicle of Ibn Iyas (930/1524) entitled *An Account of the Ottoman Conquest of Egypt*, writes that on the page of a contemporary Qur’an written for the Sultan himself, the name is clearly written “Qansawh al-Ghawri”. Although Salmon himself spelled it in his translation as others did, we prefer to use the correct pronunciation. It may be noted that Sultan’s name was Jundub, Qansawh was title, and al-Ghawri was related to a course of training in the army called ‘Ghawr’ (al-Ghazzi, 1:294-97).
4. William Lee of England invented knitting machine in 1589]. Zacharias Janssen, a Dutch lens-maker, invented compound microscope in 1590. The Italian Scientist Galileo Galilei invented a water thermometer in 1593.
5. Coffee and sugar were first introduced to Europe from the Middle East. Coffee was brought to the eastern Mediterranean lands during the sixteenth century and spread from there to Europe’ (Lewis, 1982, p. 195). It is also reported that an Arab named Khalid was tending his goats in the Kaffa region of southern Ethiopia, when he noticed his animals became livelier after eating a certain berry. He boiled the berries to make the first coffee. Certainly the first record of the drink is of beans exported from Ethiopia to Yemen where Sufis drank it to stay awake all night to pray on special occasions. By the late 15th century it had arrived in Mecca and Turkey from where it made its way to Venice in 1645. It was brought to England in 1650 by a Turk named Pasqua Rosee who opened the first coffee house in Lombard Street in the City of London. The Arabic *qahwa* became the Turkish *kahve* then the Italian *caffè* and then English coffee (Paul Valley, *The Independent*, London, 11 March 2006).
6. A researcher described his present experience of lengthy procedure to benefit from Ottoman archives. First one has to apply to the pertinent department which will forward it to the concerned department. The approval may take six months or more. The inside procedures are even far cumbersome (al-Rawqi, 2004, Vol. 22, p. 396).

CHAPTER TWO

AN OVERVIEW OF THE HISTORY

In the early part of the 10th/16th century the heartland of Islam was ruled by Circassian Mamluks with Cairo as their capital. In the year 923/1517 the Ottoman Turks put an end to the Mamluk rule and the whole region fell under their custody. Two other great Muslim powers of the time were Safawids of Iran and Mughals of India. This chapter is devoted to provide with the brief history of the political entities of the period and the next one chapter will deal with the intellectual and academic atmosphere as the back ground knowledge of the two will be helpful for proper understanding of the economic ideas and institutions.

2.1 Mamluks¹

The Mamluks were originally troops of slave status enlisted to sustain Ayyubid power. After they took control of Egypt, they achieved the re-conquest of the last of the Crusader kingdoms in the Levant, and defeated the Mongols at the critical battle of Ayn Jalut (658/1260). The Mamluks are divided into an earlier group called the Bahri Mamluks, and a later group, the Burji Mamluks; the Bahri Mamluks were originally soldiers based on Roda Island by Cairo, on the Nile (*Bahr*), while the Burji Mamluks were associated with the Citadel (*Burj*). The Bahri Mamluks derived largely from Qipchaq tribesmen in what is now southern Russia, with Mongols and Kurds; the Burji Mamluks were mainly Circassians, from the Caucasus Mountains. In 784/1382 al-Zahir

Barquq (d. 801/1399), a burji slave, overthrew the Bahri dynasty and established rule of Burji Mamluks. It was a peculiar oligarchic system of government; the throne belonged to him who had the support of the majority of the military chiefs. Thus, under Burji rule few sons could inherit their father's throne. The 46th Mamluk sultan was Qansawh al-Ghawri who was attacked and defeated by the Ottomans. Sultan Qansawh fell in battle in 1516. The following year Tuman was executed by the Ottomans, signaling the end of the Mamluk Empire and the beginning of Ottoman rule, but the Mamluks remained a powerful force within Egypt throughout the Ottoman period and beyond.

2.2 Ottomans²

A small principality established by Othman (Osman) b. Ertoghrlu around 699/1300 in Bithynia in Asia Minor in the region of modern Bursa, within a century grew so strong at the hands of Bayazid I (in Turkish, Bayezid or Bajazet) that the neighboring kings of Europe and Asia invited Timur (d. 1405) against him. So a great setback came at the beginning of 15th century when Timur invaded Anatolia and defeated Bayazid's army in the battle field of Ankara and captured him. This was in 1402. Bayazid died in his captivity in 1403. At this sad situation Stanley Lane-Poole (1888, p. 73) remarks: "The history of the Ottomans seems to have suddenly come to an end. Seldom has the world seen so complete, so terrible, a catastrophe as the fall of Bayezid from the summit of power to the shame of a chained captive". It appeared that the Ottoman power was gone for ever. But within a period of twelve years the lost provinces were reunited by Muhammad (Mohamed I) and the Empire emerged stronger and more vigorous than before. Lane-Poole expresses his great dismay when he writes: "The Christians had lost their opportunity when the Turks lay prostrate under the heel of Timur, and Europe might have expelled invaders once and forever" (ibid., p. 107). During the fifteenth century, the most important event is the conquest of Constantinople by Muhammad II in 1453 hence called 'the Conqueror' (*Fatih* in Arabic and Turkish sources). According to Lane-Poole, 'the Turks had longed for the possession of the imperial city (Constantinople) ever since Othman had dreamed that he grasped it in his hand'. "Thunderbolt" Bayezid had besieged it, Musa had pressed it hard; Murad II patiently planned its conquest' (ibid, pp. 107-08). But the credit of its conquest was destined for Muhammad II. He declared Constantinople

(Istanbul) capital of Ottoman Empire. No doubt, 'the conquest of Constantinople is the greatest event of Muhammad's reign. Yet it was by no means his sole achievement. He overthrew the Wallachian tyrant, Vlad the Impaler, and completed the final annexation of Serbia and Bosnia' (ibid., p. 133).

At the end of fifteenth and in the beginning of sixteenth century there was again Bayazid at the Ottoman throne but this time it was Bayazid II (1481-1512), who did his best to keep what he had inherited and further consolidate his power. He added a few new territories like Lapento Modon from Greece. He also played a part in European politics. His domestic and foreign policies were 'cautious and conciliatory' (Inalcik, 1995, p. 31). In his last days he was troubled by border disputes with the Mumluks of Egypt and Syria and growing power of Isma'il the founder of Safawid rule in Iran. However, it was left to Bayazid's successor, Salim (Selim I), to decisively deal with them. According to Inalcik, 'the reign of Bayezid II was a period of great economic development in conditions of stability and security. ... This period of development created the conditions necessary for the great conquests of Selim I and Süleyman I. Bayezid also modernized the Ottoman army and navy; it was largely the use of fire arms which enabled Selim to achieve his decisive victories against Isma'il in Iran and against the Mamluks of Egypt' (ibid., pp. 32-33).

After his accession to throne, Salim paid immediate attention to the eastern border of his empire as he was alarmed by the antagonistic activities of Isma'il and the Mamluks' secret deal with the rising power in Iran. In 1514, Salim defeated Isma'il's army at Chalderan subduing the Qizilbash (redheaded) supporters of Safawids at least for the time being.

Free of worry from Iranian side, Salim decided to deal at the earliest with the Mamluks. In addition to his desire to expand his empire towards the east, he had good reason to attack Mamluk Sultan because of the latter's secret alliance with Isma'il (Ibn Tulun, 1998, p. 333). Moreover, the time was ripe for such an act. Many wise men predicted the end of Mamluk rule at the hands of Ottomans (Ibn Tulun, p. 332; al-Ghazzi, 1945, vol. 1, pp. 229, 287). The Mamluk treasury was empty; army was not paid for several months (Stripling, 1977, pp. 40, 52), while

Portuguese's danger to establish their hegemony was looming large. It did not cost Salim much to finish Mamluk rule. He proceeded towards Aleppo. The governor and people deserted the city. The two armies met at Marj Dabiq. The fight did not last long. The fall of 75 years old Mamluk Sultan from his horse's back in the battlefield was tantamount to the declaration of Mamluk's end. Ibn Iyas says: "The rule of al-Ashraf al-Ghawri came to an end, in the twinkling of an eye as though he had never been" (Salmon, 1981, p.44). The Abbisid caliph al-Mutawakkil who accompanied Qansawh from Cairo to Aleppo granted Salim the title 'Servant of Makkah and Madinah' until then an honor of Mamluk Sultan. Historians agree that Salim won the hearts of people by declaring amnesty and his good treatment. (Ibn Tulun, p. 334). The Shafi'i *qadi* in his Friday speech mentioned Salim as 'the *imam`adil* (just ruler)'³. He addressed him as the Sultan of the Two Holy Places (ibid., p. 341). This happened in August 1516.

In early 1517 Salim defeated Tuman Bay, the vicegerent of al-Ghawri, who was proclaimed as Sultan of Egypt after downfall of Qansawh. Personally an able and honest administrator, he failed to mobilize enough support to face Salim's challenge. People were so fed up with the misrule of Mamluks that they welcomed the change of government. To win the heart of people, Salim 'immediately increased the good works and salaries considerably. All the people were made much more comfortable as a result. He established pensions to support those in need, orphans, and strangers, and all that was because of people's love and affection for him' (Shaw, 1964, p. 68). After the fall of Egypt, Sharif of Makkah also sent Salim the keys of the Holy Cities and announced his submission. Ottoman rule was established in Egypt, Syria, Hijaz and part of Yemen. Commenting on this change Inalcik (1995, p. 34) observes: "The addition of the Arab lands, and especially of Mecca and Medina, to the Ottoman Empire, marks the beginning of a new era. The empire was no longer a frontier state but an Islamic caliphate, and Ottoman Sultan now considered themselves protectors not only of the frontiers but of the entire Muslim World". On the other hand Arabia became for the first time part of a larger Islamic world of multi continents, multi languages and multi races.

However, the Ottoman Empire was much too large to directly rule over its Arab provinces, especially in the sixteenth century when the

emperors had to fight Austria, Spain, Venice and other European countries. Salim appointed governors to Egypt, Syria and Yemen and left for Istanbul in 1518, a much more dignified personage than he had set out. The remaining one year or so of his life he spent in extensive preparation, both naval and military. Though he kept his plan secret, Rhodes was behind his intended target. Very soon his health deteriorated and he expired on 22nd September 1520 at the age of fifty four. In a short reign of less than nine years, he doubled the extent of his empire.

Salim's able successor Sulayman (Suleyman I) carried his father's plan and conquered Belgrade, the gateway to Hungary, and Central Europe, Rhodes the stepping stone to the establishment of Ottoman supremacy in the Mediterranean Sea. He also conquered a large part of Greece, Hungary and major part of the Austrian Empire. He attacked Vienna too. He annexed Tripoli, extended the empire southward through Mesopotamia to the Persian Gulf and made the Ottoman navy dominate in the eastern Mediterranean. Under him the Ottoman Empire reached its pinnacle of power and glory. Therefore he is called by Europeans as Sulayman the Magnificent. In Ottoman history he is known as *Qanuni* (Legislator) as in his reign detailed laws were prepared for governances regarding affairs where Shariah rules were not existing.

Sulayman was a great soldier and organizer. Besides invasions and campaigns, he was also a major player in the politics of Europe, a lover of literature and himself a poet, famed for his love of justice. To Grant (1967, p. 214), 'the civilization of Western Europe has never had a more dangerous enemy'. He died in 1566 of old age after a reign of forty six years. He left to his successors a huge and widespread empire.

Describing the vastness of Ottoman Empire, Lane-Poole (1888, p. 205) says: " ... they had the command of the Mediterranean, the Euxine and the Red Sea. Their dominions now extended from Mekka to Buda, from Baghdad to Algiers. Both the northern and southern shores of Black Sea were theirs; a large part of modern Austria-Hungary owned their sway; and North Africa from the Syria frontier to the boundary of the Empire of Morocco had been subdued by their arms". Lane-Poole (1888, pp. 165-66) pays homage to Sulayman in following words:

“All Europe, as well as the East, seemed to have conspired together to produce its greatest rulers in sixteenth century, and to make its most astonishing advances in all fields of civilization. The age which boasted of Charles V., the equal of Charlemagne in empire; of Francis I. of France; of notable Henry VIII., and Elizabeth, queen of queens; of Pope Leo X.; of Vasili Ivanovich, the founder of Russian power; of Sigismund of Poland; Shah Ismail of Persia; and of Moghul Emperor Akbar, could yet point to no greater sovereign than Suleyman of Turkey”.

It is said that greatness of Ottoman Empire during Sulayman’s rule also marked the beginning of the long process of its decline. It became more and more difficult to manage this vast Empire and continue the war machinery. In the opinion of Armajani (1970, p. 158), "as a military organization, the vitality of the Ottoman state depended upon warfare and its economy was based on loot and tribute from the conquered nations. Because of both the rise in power of the nations of Europe and Asia and of the long distances involved, military conquest became more expensive and more difficult. By the end of the sixteenth century, conquest had virtually stopped and the army became restless in having to perform defensive duties. The whole machinery of government, which was oiled and fueled by war, gradually came to a grinding halt". In addition, some other writers prescribe as the reasons of the decay of Ottomans the Sultan’s absence from commanding the war, increasing lack of ability of the sultans who followed Sulayman, the ever increasing power of *devshirme*⁴ class and the tensions it created within the ruling class, conspiracies in royal court, the erosion of Ottoman industry, the decline of Ottoman controlled trade routes with the development of better navigation, involvement in luxuries, petticoat government, etc. In our opinion the main reason is that they ignored the developments that were taking place in Europe and did not prepare themselves to meet new challenges, such as maritime domination, scientific discoveries, relevant education, creative thinking, inventions and innovations, etc. Ottomans won the ‘*jihad asghar*’ (i.e., short term war in the battle field) but they lost the ‘*jihad akbar*’ (long term struggle).⁵

After Sulayman’s death in 1566, three sultans came to the throne of Ottoman Empire up to the end of sixteenth century – Salim II (1566–1574), Murad III (1574–1595) and Muhammad III (1595–1603) but they were not so strong and capable as their predecessors. There were some

additions and reductions in the Ottoman Empire but the net result was decline and decay. Corruption and enjoyments dominated the court environment; justice, energy and genius of a series of great rulers that brought to the height of renown became things of the past.

2.3 Safawid Dynasty⁶

The sixteenth century also saw the establishment of Safawid rule in Iran. The Safawids were descended from Shaykh Safi al-Din al-Ardabili (651-735/1253-1334), head of the Sufi order of Safawiyah, who was follower of Imam Shafi'i. But about 802/1399 his descendents exchanged their Sunnite affiliation for Shi'ism. The Safawids established Shi'ite Islam as a state religion of Iran. Shah Ismail founded the Safawid Empire by taking much of Iran through force. He ruled between 907-930/1501-1524 and made Tabriz the capital of the empire. In 1507 Portuguese invaded Persian Gulf and captured Hormuz Island. It became a naval base and trade outpost, which lasted more than a hundred years. Shah Isma'il, with the lack of navy, reluctantly accepted this European presence. In the mean time Safawids extended their rule by capturing Baghdad and Iraq in 1508. Later on after defeating the Uzbek (Ozbec or Ozbeg) army and killing their leader Mohammad Shaybani Khan in a battle near Marv on December 1510, Shah Isma'il absorbed the large province of Khorasan into his state as well as Marv, Herat and Qandahar. But Uzbeks remained a formidable rival to the Safawids domination of Northern Khorasan throughout sixteenth century.

It is reported that 'Isma'il sent the head of the Uzbek chief to the Ottoman Sultan Bayazid II, and this act is said to have aroused a strong desire for revenge in the latter's son Selim the Grim' (Savory, 1980, p. 36). Another reason for enmity between the two rulers was 'the support given by Shah Isma'il to Selim's rivals after the death of Sultan Bayazid' (ibid., p. 40). In August 1514, Isma'il was seriously defeated at Chalderan by the Ottoman sultan Selim I. 'As a result of their defeat at Chalderan, the Safawids were thrown to the defensive in their long-drawn-out struggle with the Ottoman, and did not regain the initiative for three-quarters of a century, until the reign of Shah Abbas the Great' (ibid., p. 45). This battle and defeat of Safawid Shah paved the path for the Ottoman conquest of Diyarbakr, Erzinjan, and other parts of eastern

Anatolia as well as northern Iraq. Isma'il Shah himself found relief from psychological depression in wine, and died ten years later, at the age of thirty-seven. 'During the reign of Shah Isma`il 1, then, the various branches of government, religious, political and military, were not rigidly separated compartment. There was considerable overlapping of authority and the relative importance of the chief offices varied from time to time' (Savory, 1980, pp.34-35)

Isma`il was succeeded by his eldest son Shah Tahmasp I (930-984/1524-76). At that time his age was only 10. Iran weakened appreciably during his 52 years rule – longest reign for any Persian ruler. Persistent and unopposed Turkmen forays into the country increased during his rule. After the death of Tahmasp, Isma`il II (984-85/1576-77) and then Sultan Mahmud Shah (985-96/1578-88) succeeded. The condition of law and order, peace and security and ethnic harmony further deteriorated.

In 1588 Abbas I was brought to the throne. Realizing the limits of his military strength, he made peace with the Ottoman Sultan Murad III on unfavorable terms in 1590 — and concentrated on reform of the administration and reorganization of the army (ibid., pp. 45, 85). 'He recruited soldiers from Persian villages and from among Christians, Georgians, Circassian, Armenians and others, equipped them with artillery and muskets. The Christians were proud to serve the Shah and to call themselves "*ghulams*" (slaves) of the shah although slaves they were not. To finance the new army, Shah Abbas converted large pieces of land traditionally granted to tribal chiefs as assignments into crown lands that he taxed directly. This new military force was trained on European lines with the advice of Robert Sherley. Sherley was an English adventurer expert in artillery tactics who, accompanied by a party of cannon founders, reached Qazvin with his brother Anthony Sherley in 1598. In a short time Shah Abbas created a formidable army consisting of cavalry, infantry and artillery'. Shah Abbas defeated the Uzbeks in April 1598 and recovered Herat, and some other territories in Khurasan, lost several years ago. He established Isfahan as his capital and transformed it into an architectural showcase.

The strategic location of Iran and Safawid animosity toward the Ottomans, who were a continuing threat to European powers, generated European interest. Shah Abbas received numerous European delegations and, with the help of English warships, conquered Hormuz, the Portuguese colony at the entrance of the Persian Gulf. Shah Abbas' remarkable reign, with its striking military successes and efficient administrative system, raised Iran to the status of a great power.

2.4 The Mughals⁷ – The Third Great Muslim Empire in the Sixteenth Century

The Mughal rule in India was founded by Zahir al-Din Muhammad Babur who succeeded to the throne at the age of eleven after the death of his father Shaykh Muhammad Umar in 899/1494 who was the ruler of a small Timurid principality in Farghana, Afghanistan. At that time Delhi was ruled by Lodi dynasty. In 931/1526 he attacked Delhi and after defeating Ibrahim Lodi he captured the throne. He faced hostility and enmity from different rulers from various part of India like Afghan *amirs*, and *Rajputs* (a warrior community in India). He defeated some of them and made treaty with some others. Babur was a skilled diplomat, capable military strategist, and a brilliant writer and poet. (Kafesoglu, 1964, pp. 245-46). Before his death in 937/1530, he succeeded in winning recognition for his son Humayun as his successor.

Humayun encountered serious difficulties, not only from rival kings, but from his own brothers. In 946/1539, he was defeated by Shershah Suri (948-964/1540-1556) an Afghan commander who declared himself sultan. Humayun was forced to seek refuge in Iran (ibid, p. 247). Sher Shah himself was an able ruler and brought radical reform in government and the economy. But his successors were not so good. Humayun recaptured the sultanate of Delhi from them in 1555. However he did not live long after that event. In 963/1556 he fell from the ladder of his library and died. (ibid, p. 248).

Upon the death of his father Humayun, Akbar succeeded to Delhi's throne at the age of 13, and ruled India for the next half century. 'Bayram Khan, a close friend of Humayun and an experienced commander was

appointed his guardian. The territory he inherited was not very large; and what was more, there were many problems needing his attention'. (ibid., p. 248). The early uprisings he settled down under the guardianship of Bayram Khan. Within a few years Akbar took the full control of the state affairs. He established a stable sultanate after defeating his some enemies, making friendship with some others and establishing marital relations with local Hindus. He extended his rule to Bengal in the East. Gujarat in the West, Kabul and Kashmir in the North and Ahmadnagar in the South. For the first time a ruler united such a big area of the country under one rule.

Akbar was undoubtedly one of the greatest rulers of India. In the lineage of Timur – an uncompromising warrior – it is really amusing for many to see a person like Akbar, not only a conqueror but an intellectual and compromising politician. 'His was a systematic and deliberate policy of promoting literature, architecture, painting, music, dancing, calligraphy, poetry and other fine arts which made considerable progress under his patronage' (Jaffar, 1974, p. 178). To please his Hindu subjects and win their hearts he established with them marital relations, abolished *jizyah*, forbade slaughter of cows, and finally prepared a mixture of religions called *Din-i Ilahi* (the Divine religion). He appointed nobles and officials without any religious prejudice. Akbar's religious innovations and policies, and deviation from Islamic dogma, have been a source of debate and controversy. No doubt, under these policies he successfully ruled India for half a century. But most of his policies discontinued after him. Especially his new cocktail religion died along with his death. Thus, his death in 1014/1605 marked the end of an era.

2.5 Other Muslim States

To get full picture of Muslim political organizations in the sixteenth century, it would be worthwhile to have, at least, a passing view of other Muslim states of the period under study.

Arab States. we have already noted that with the fall of Mamluk government to Ottomans, states ruled by the Mamluk – Egypt, Syria, Hijaz and part of Iraq came under Ottoman rule. Hearing the defeat of Qansawh al-Ghawri, the Sharif of Makkah who used to govern on behalf

of Egyptian Sultan, changed his allegiance to the Ottoman Sultan and sent his son to pledge loyalty to Salim. The Mamluk troops in Yemen also recognized sovereignty of Salim and the Mamluk governor of Yemen mentioned the name of Ottoman Sultan in his Friday speech. But unrest, rebellion and rise and fall of new governments continued in Yemen for most part of sixteenth century (Stripling, 1977, pp. 98-100). On the contrary, Egypt and Syria never challenged the sovereignty of Ottomans throughout their rule except in early years of their suzerainty. In the year 929/1523 Ahmad Pasha was assigned the governorship of Egypt. He revolted against the Ottoman Sultan and declared himself the ruler of Egypt. He ordered that his name should be mentioned in Friday sermon and coins to be issued in his name. This was at the behest of Qadi Zadah al-Ardabili who persuaded him to embrace the faith of Isma'il Shah and convert to Imamiyah cult. He extolled money from judges and nobles. Finally Sultan Sulayman sent an army which crushed his rebellion in 930/1524. Ahmad Pasha was killed and people in Egypt felt relief (al-Ghazzi, 1945, Vol. 1, p. 159).

Another governor who revolted against Ottoman Sultan was Jan Birdi al-Ghazali of Syria, who had earlier betrayed the Mamluk Sultan Qansawh al-Ghawri in favour of Salim. As a reward the latter appointed him governor of Syria. But after Salim's death in 926/1520, he declared himself as Sultan. Sulayman dispatched an army of 60,000 to crush this rebellion. Most of the supporters of al-Ghazali deserted him. After a short confrontation at the outskirts of Damascus, al-Ghazali and his men were killed and Syria was restored to Ottoman Sultan (ibid. p. 170).

Ottoman Empire was mainly divided into two parts: territories under the direct control of the central administration and territories paying tributes. The *khanate* of the Crimea, three regencies of North Africa – Algeria, Tunis and Tripoli – and Hijaz that housed the Holy Places of Islam, presented a different case. They acknowledged the suzerainty of the Sultan who confirmed them in their rule. The Ottomans could not conquer Morocco, where 'under the leadership of a family of Sharifs, the Moroccans rallied their forces to repel the Portuguese from their coasts -- and incidentally to rebuff Ottoman attempts at rounding out their own hegemony' (Hodgson, 1974, pp. 18-19). They expanded Moroccan power over West Africa.

The region of Central Asia was ruled by a number of Turk Khanate, such as the Khanate of Qazan (840-931/1437-1525), the Khanate of Qasim (849-1092/1445-1681), The Khanate of Astrakhan (870-962/1466-1556), The Khanate of Nogay (908-1006/1502-1597); Khanate of Sibir (Siberia) (End of 15th Century – 1007/1598), The Khanate of Crinoa (847-1196/1442-1783); The Khanate of Uzbeks (831-1007/1428-1599); Khanate of Khiwa (918-1290/1512-1673), Khanate of Kasghar (Beginning of 15th to 1877). Some of them grew too strong to be ignored by the contemporary big governments. For example, Uzbek power rose to great heights under Abdullah Khan Uzbek. It was due to the threat posed by him that Akbar the emperor of India was obliged to remain encamped at Lahore for almost eighteen years.

In India. At the commencement of the sixteenth century Lodi dynasty was ruling Delhi. Sikandar Lody (894-923/1488-1517) was a successful sultan and he made great contribution to develop the sultanate in the field of economy, literacy and education. But his successor Ibrahim Lodi (923-932/1517-1526) was incapable ruler from whom Babur snatched the sultanate of Delhi as noted above.

In the first half of the sixteenth century Gujarat, in the Western part of India, had an independent sultanate. It was also the time when Portuguese started increasing their influence in coastal areas of India and control on sea trade. 'In 1508, the Mamluks and Gujaratis had together defeated the Portuguese; but in 1509, at Diu in Gujarat, the allied fleet was destroyed. By 1511 the Portuguese were established with their own fortified trading posts in Hormuz (at the mouth of Persian Gulf), Goa (on the west coast of Deccan), and Malacca, at the straits leading into the South China Sea. In 1538 an Ottoman-Gujarati Coalition broke up too soon to prevent another Portuguese victory, which confirmed the Portuguese position' (Hodgson, 1974, 3: p. 21). By 1573 Akbar had incorporated the powerful Muslim Kingdom of Gujarat into the great Mughal Empire.

In Deccan, the southern part of India, five rival dynasties replaced the Bahmanids (748-934/1347-1527). Although they sometimes had to admit the superior greatness of one of the major empires, at least some of them were as strong as most Occidental powers (ibid. p. 47).

The Far East. As far the Far East is concerned, Sultan Ali Mughayat Shah (d. 936/1530) established the powerful Atjeh or Atchin (Acheh) Kingdom in North Sumatra. His son `Ala al-Din Shah (d. 977/1571) increase the importance of the new kingdom. He had contacts with the Ottoman Sultan and asked his help against the Portuguese. In Jakarta Islam spread with the efforts of Mawlana Hidayat-Allah (d. 976/1570), known in Indonesia as 'Sonangsti', in early sixteenth century. He reformed the native people and fought against Portuguese. He defended the city by guns locally manufactured. Later on the inhabitants of Jakarta selected his son as their sultan (Musa, 1995, 2: 902-903).

Another important sultanate in the region was that of Malacca, a town situated on the west coast of the Malay peninsula (now called Melaka). In early 9th/15th century, its Hindu ruler Paramesvara embraced Islam and established the Malacca Sultanate, which in time controlled most of the Malay Peninsula, eastern Sumatra, and the islands between, including Singapura. The Malacca Sultanate played a key role in the expansion of Islam through the Archipelago. When the Portuguese captured Malacca in 917/1511, the dynasty ruled from capitols in the Riau archipelago and peninsular Johor. During the period under study, Malacca emerged as an entrepot. Commerce was its life blood. 'It grew important as an exchange center in the international trading network which by the 10th/16th century reached China through India and the Middle East to Europe' (Andaya, 1991, E: I. 6: 208)

2.6 The Triangle Diplomacy

For the past two centuries and first fifteen years of the sixteenth century the major power in the heartland of Islam was Mamluk sultanate (Slave^s dynasty). These imported slaves (*al-mamalik al-Julban*) used to be, after their training and education, the major source of army personnel. During the last years of Mamluk rule in Egypt, they took the form of unruly flock. Ibn Iyas notes their frequent demand for increasing expenses and allowances. The incidence of looting markets and ransacking shops by them that adversely affected the economy was also common. (Ibn Iyas, Vol. 4, p. 235, 95, 311, 357, 368-369, 400, 427-28, 484, 486).

During the Mamluk rule, due to strategic position of their sultanate, all the important governments of the time exchanged their embassies. Ibn Iyas (Vol. 4, pp. 268-69) notes that within a month about twenty envoys were received by Qansawh, for example, ambassadors of Iran, Turkey, India, France, Morocco, Venice, etc. Of course, Portuguese were never at good terms with Egyptian government. With the spirit of crusades, they attacked Egyptian interest in Mediterranean Sea, Red Sea and in and around Arabian Sea. Sultan Qansawh sent many expeditions to check their piracy and nuisance. In 1508, at the request of Mahmud Shah, Sultan of Gujarat, he sent an expedition to help him fight Portuguese who had established their hegemony in the Indian Sea and established their trading Center at Hormuz and stopped trade goods reaching Egypt. In the year 918/1512, the Mamluk *amir* Hasan was defeated by Portuguese in the Indian sea (Ibn Iyas, 4: p. 286). After the murder of Gujarat king Mahmud Shah in 918/1512, his successor Muzaffar shah sent his envoy to Egypt to get permission of sovereignty from the Abbasid caliph (ibid., p. 287).

Qansawh was always afraid of ambitions of Isma'il Shah. In the year 916/1510 a group of people were arrested who were carrying letter from Isma'il Shah to some European Kings asking them to help him against Egyptian Sultan. He suggested them to come through sea; he would be attacking through land (Ibn Iyas, 4: 191). In 917/1511 the *hajj* from Syria was cancelled because of Isma'il Sufi's terror (Ibn Tulun, p. 291). In 917/1511 Isma'il Shah defeated Uzbek King and sent his head to Qansawh as gift. (Ibn Iyas, 4:219). This was a clear threat to him. People of Egypt replied this war gift with their poetic contribution. Hundreds of poets presented their creative poetry. Ibn Iyas gives a selection of it (ibid, pp. 222-27).

Before Salim attacked and broke the power of Shah Isma'il, the latter had already 'joined the rank of the Portuguese and indicated to an embassy headed by one Ruy Gomez that he was willing to attack Mecca' (Stripling, p. 35).

On the other hand, Qansawh had very good relations with the father of Salim, the Ottoman Sultan Bayazid II. They exchanged embassies and gifts. Bayazid helped the Mamluk Sultan with warships, weapons and

other materials in his war against Portuguese (Ibn Iyas, 4: 184, 201). When the former died, Qansawh wept and mourned and performed funeral prayer in absentia (ibid, pp. 269-70). Relations between the two governments strained after succession of Salim who wanted that Qansawh should be openly on his side in his war against Isma'il Shah but the Mamluk Sultan adopted the policy of wait and watch (ibid, p. 376). It is also reported that he had secret dealings with the Iranian King (Ibn Tulun, 1998, p. 333). This made Salim furious. Moreover, some of the defectors informed Salim about the unjust treatment of the subject at the hands of Qansawh, excessive taxation, worsening economy, weak army, and moral decay (Ibn Iyas, p. 471). Salim was convinced that it was right time to take over Egypt and Syria. Had Salim not broken the increasing power of Isma'il Shah on the one hand and captured the worsening government of Mamluks on the other, the history of the heartland of Islam must have been very different – one can easily imagine in the light of events that were taking place at that time.

To Armajani (1970, p. 157), 'Islam owes a great deal to these soldiers and it is difficult to imagine what would have happened to the faith, had the Turks not appeared on the scene'. In earlier centuries 'the Saljuq Turks saved Abbasids from Shi'a Fatimids and the Christian Crusaders'. The Ottoman Turks stopped the European onslaught after fall of Spain and checked the ambitions of Isma'il Shah of Iran. 'They were first to establish Islam in Asia Minor and it was they who advanced the banner of Islam as far as the gates of Vienna'.

Ottomans played very important role in European politics. 'The French-Ottoman alliance became an integral part of the European state system and a factor in the balance of power. ... 'Support for France and the Protestants, as well as for other anti-Hapsburg elements, such as Muslims and Jews from Spain, was cornerstone of Ottoman policy in Europe at this time' (Itzkowitz, 1980, p. 34). 'In 1552, there were even joint French and Turkish operations against Spanish ports, which receive a passing mention in some but not all of the Ottoman histories' (Lewis, 1982, p. 45).

As the Iranian rulers were opposed to Ottoman Sultans, their diplomacy generally reflected this antagonism. 'The Safavids separated

Iran from the rest of Muslim world and courted the friendship of Europe' (Armajani, p. 172). The aim to destroy Ottoman power provided a common platform to Europe and Safawid Iran. Politically motivated, Shah Abbas brought the Armenian Christians to Isfahan and gave them commercial and religious privileges. While Portuguese, English, Dutch and Russian merchants carried business in Iran all over the time, merchants of Ottoman Empire could do it during peace periods only. There was also economic justification for Safawid's preferential treatment of Europeans because trade routes to Europe had shifted from Mediterranean to the Cape of Good Hope bypassing the overland trade of the Levant. There was exchange of embassies between Safawids and Governments of many European countries, all of them trying to win support against Ottoman rulers (ibid., pp. 172-75).

2.7 Rule of Shariah and Development of *Qanunnamah*⁹

Ottoman Sultans believed that in a vast Empire of multi ethnic people with many regional difference the only uniting force will be the Shari`ah. So they implemented the Shari`ah rules in all Muslim territories they conquered. No doubt, they were successful in their objectives. In a letter dispatched by the Ottoman Sultan in the year 985/1580 to the governor and Qadi of the West Algeria, it was emphatically stated that: "It is obligatory to follow orders of the Almighty and the Prophet's Shari`ah and to be obedient to the ruler. Rather it is individually obligatory duty of every Muslim (*fard `ayn*). Injustice and wrong doing with any person is against the Shari`ah and *Qanun* under our court of justice. We will never tolerate it (Ibn Hamush, 2000, p.121). However, side by side they enforced their own legislations termed as *Qanunnamah* (the book of law).

The Ottoman laws were first collected together by Muhammad the Conqueror. He divided the *qanun* into two separate sets or laws. The first set dealt with the organization of government and the military, and the second set dealt with the taxation and treatment of the peasantry. There had always been some amendments and improvements in Ottoman *qanun*. It was crystallized into its final form in 1501. Sulayman the legislator (*qanuni*), for his part, got it revised thoroughly under the supervision of famous Hanafite *alim* and *qadi* Abu'l-Su`ud (d.

982/1574), who had also presented a commentary on the Qur'an. Suleyman's governor to Egypt Ibrahim Pasha (d. 972/1565) introduced such *qanun* in Egypt known as *Qanunnamah Misr* (The Egyptian code of laws). These laws are also referred as *Qanun-i 'Osmani*, or the "Ottoman laws".

2.8 The Ottoman Administration

The Ottomans inherited a rich mixture of political traditions from vastly diverse ethnic groups: Turks, Franks, Persians, Mongols, Mesopotamian and Arabs. The Ottoman state, like the Turkish, Mongol, and Mesopotamian states, rested on a principle of absolute authority of the monarch.

Commenting on the Ottoman administration Lane-Pool (1888, p. 324) observes, "Supreme head alike of Church and State, the Ottoman Sultan has always been an absolute and irresponsible sovereign, free to act as he pleases so long as he observes the commandments of the Koran.¹⁰ To aid him in the government of the Empire, he delegates his authority to two great offices; the Grand *Vezir*, who is his lieutenant in all that pertains to the temporal administration, and the *Mufti*, who is his representative in those matters connected with the religion and the law." He further says: "The functionaries of the State were divided into three great classes: those of the Pen, those of the Sword, and those of the Law. The first two of these were under the Grand *Vezir*, the third was under the *Mufti*. At the head of the third great class of State functionaries, that of the Ulema or Doctors of the Law, stood the *Sheykh-ul-Islam* or Elder of Islam, the most important of whose duties was to interpret the sacred Law by declaring whether any proposed action was in accordance with the precepts of the Koran. No war could be begun, no peace could be concluded, no public matter of any kind could be gone on with until the *Sheykh-ul-Islam* had been consulted and had pronounced the projected undertaking lawful" (ibid., pp. 327, 333-34). The *Shaykh al-Islam*, was assisted by two great legal officers called the *Qadi-al-Askars* of Rumelia (of Europe) and Anatolia (of Asia Minor). It may be noted that the term *Qadi al-Askar*, means Judge of the army as originally he used to be (Armajani, p. 153). A decree issued by *Shaykh al-Islam* had national

importance. On all matters, representing the Shari`ah, he had veto power over the decision of the Sultan.

2.9 Justice

The Ottoman rulers gave the highest importance to the establishment of justice among their subjects. Justice involved protecting the lowest members of society, the peasantry, from unfair taxation, corrupt magistracy, and inequitable courts. In Ottoman rule this was the primary task of the Sultan. He personally protected his subject from the excesses of government officials, such as predatory taxation and other corrupt practices. The corrupt officials and those public agents and officials who abused their power were subjected to severe punishments imposed by the Sultan. There was no way out, no cash compensation could take the place of the corporeal or, more often, capital punishments swiftly and severely meted out to corrupt officials.

Bayazid II appreciated Jalal al-Din al-Dawani's (d. 907/1502) theory that 'every righteous ruler who governs with justice and enforces the Shariah is entitled to the style and the prerogative of the Caliphate'. It is reported that the former sent a complimentary letter and gift to the latter (Gibb and Bowen, 1969, Vol. 2, p. 34). The Ottomans believed that no conquest could stand without the goodwill of the general population of the conquered, so military campaigns were remarkably fair and easy on the average person. 'The Turks did not bring the Fertile Crescent and Egypt under the direct administration of Istanbul. Under Salim who conquered the area and subsequent sultans, local *amir* continued to rule and paid tribute to the Sublime Porte'¹¹. The Ottomans were content to send a governor general just to keep an eye on the affairs' (ibid, p. 156). 'A large proportions of the vast literature produced in Europe on the Turkish menace is concerned with the merits of the Turkish order, and the wisdom of imitating it' (Lewis, 1996, p. 201).

2.10 Divisional Administration

For administration purposes Arab lands were divided into provinces governed by beylerbeys (*amir al-umara*' or governor), each of whom had several *sanjak-beys* (commissioners) under him. For the administration of

the province each beylerbey had a supporting staff consisting of a judge, a recording secretary, a treasurer and a group of clerks for various jobs. Each *sanjak-bey* had similar set up on a lower scale. *Timars* (fiefs) were granted to officers to provide for incomes to spend on himself and his supporting staff. The market was supervised by special officer called *muhtasib* who had his own staff to check economic and moral abuses in people's daily public life.

2.11 *Ahl al-Dhimmah* (People of the Pledge, Christians and Jews)

All communities of Jews and Christians had freedom in Ottoman Empire to practice their religion, and their matters were decided according to their personal laws. According to Armajani (1970, p. 155), 'Each *millet*¹² whether it be Armenian, Syrian, Greek, or Serbian Orthodox, or Jewish, was under the jurisdiction of its own religious organization and subject to its laws. This had two effects. One was that those religious communities under this system were freer than under most Christian rules. Secondly, members of the top echelons of these *millets*, who had privileged positions, became as reactionary as the *ulama* and they also were against change in the empire'. As their co-religions in Europe, 'the Christians and Jews were left with the more lucrative tasks of conducting the domestic and foreign commerce of the empire' (ibid, p. 157). More often than not, as noted above, they were appointed to the position of mint directors. 'By the sixteenth century, Jewish physicians, most of them of Spanish, Portuguese and Italian origin, were common in the Ottoman empire' (Lewis, 1982, p. 227).

Amnan Cohen strictly rejects the theory of prejudice against *ahl al-dhimmah*. In his research paper entitled "On the Realities of *Millet* System: Jerusalem in the Sixteenth Century", he states: "Contrary to certain prevailing prejudices, which this writer shared prior to the present study, there seems to be hardly any definite evidence to that effect" (Cohen, 1982, 2: 11). He criticizes Gibb and Bowen for propagating that 'the Ottoman government, by leaving the task of social unification to the religious institution, condemned the non-Moslem and heterodox Moslem groups under its control to exclusion from effective incorporation in the Ottoman structure of Society' (ibid. He cites Gibb and Bowen part 2, p. 79). Rather the Ottoman government has been praised by many Western

writers as it 'did not persecute or attempt to exterminate its Christian or Jewish subjects, and did not interfere with their worship in the fifteenth and sixteenth centuries, which as is widely known were horrible days in Europe for heterodox people' (Stripling p. 106). 'The Venetian merchants, the Jews and Christians were all treated well by Selim; in fact, he gave an annual stipend of five hundred *ducats* to the Franciscan brothers of the Holy Sepulchre in Jerusalem, and lowered the visa fee of pilgrims from thirteen *ducats* to five *aspers*. These fees had been the occasion for vigorous complaints' (ibid. p. 51). According to Lewis (1996, pp. 200-01), 'The Ottoman Empire, besides being a dangerous enemy, also exercised a powerful fascination. The disaffected and the ambitious were attracted by Ottoman opportunity and tolerance, downtrodden peasants looked hopefully to the enemies of their masters – even Martin Luther, in his 'Admonitions to prayer against the Turk', published in 1541, gives warning that the poor, oppressed by greedy princes, landlords and burghers, might well prefer to live under the Turks rather than under Christians as such as these'.

In economic activities too *ahl al-dhimmah* had full freedom to do business or enter into contract with Muslim brethren. Examples of Christian—Muslim economic relations are very common in historical sources (Bakhit, 1982 2:28). We have instances that Christians borrowed money from Muslims, even from military corps or the government treasury (ibid., p. 27). They had right to establish endowment provided that they registered it with the office of the chief judge (ibid. p. 51).

Endnotes:

1. "The last period of the Mamluk sultanate, which opened with the usurpation of al-Zahir Khushqadam in 865/1461 and ended with the Ottoman conquest by Salim I, a little over half a century later, was a time of increasing political instability, military inefficiency, and economic impoverishment" (Holt, 1986, p. 192).
2. Ottoman Rulers from Othman the founder of the dynasty up to the end of sixteenth century:

Othman 1299—1326, Orhan 1326-1362, Murad First 1362-1389, Bayazid First 1389-1402 (1403 his death in captivity), The Interregnum 1402-1413, Muhammad First 1413-1421, Murad II 1421-1451, Muhammad II (the Conqueror) 1451-1481, Bayazid II 1481-1512, Salim First 918-926/1512-1520, Sulayman First 926-974/1520-1566, Salim II 974-982/1566-1574, Murad III 982-1004/1574-1595, Muhammad III 1004-1012/1595-1603.

3. “*Imam `adil*” is a reference to the famous *hadith* in which it is stated that the just ruler will be among those seven fortunate persons who shall enjoy the shade on the Day of Judgment when there shall be no shade except the shade of the throne of Allah.
4. Ottoman term for the periodical levy of Christian children for training to fill the ranks of the Janissaries and to occupy posts in the Palace service and in the administration.
5. It is said that at an occasion when the Prophet (peace be upon him) returned from a war he said: We have returned from the ‘*jihad asghar*’ (small struggle) to the ‘*jihad akbar*’ (big struggle) (al-Bayhaqi). The Ottoman history provides a clear interpretation of this saying if it is true. The armed combat against the present enemy is really a short run winning. The greatest battle field is normal daily life in which a nation has to be alert and make continuous struggle to improve its people’s moral and morale, education and training, economic development, acquisition of latest war techniques and finally, to use modern terminology, make arrangement for research and development and struggle for sustainable growth. This is what the Ottomans could not realize while their rival Europeans did.
6. Safawid Kings up to the end of 16th century:
Isma`il First 1502–1524, Tahmasp 1524–1576, Isma`il II 1576–1577, Mohammad 1577–1587, Abbas I, The Great 1587–1629.
7. Mughal Kings in the sixteenth century India
Babur (1526-1530)
Humayun (1530-1540) (1555-1556)
Akbar (1556-1605)
8. ‘Slave master’ a term in contradiction and non-existent in other systems has been reality among Muslims at different stages of time and places. Of course, those slaves used to be set free before acquiring that high position.
9. *Qununnamah* does not mean that it represented a secular law, though some writers thought so. Actually it applied to a sphere where Shari`ah was silent or left the matter to be decided by those who confronted the issue keeping in view the spirit of Shari`ah. Such legislation had Shari`ah sanction under the term of *al-masalih al-mursalah* or *al-siyasat al-shar`iyh*. These rulings were supposed to be not in conflict with Shari`ah objectives. The *Qanunnamh* of Sulayman the Magnificent claimed that it was in full agreement with the holy Shari`ah (Gibb and Bowen, 1969, p. 23n). The *qanun* refers to situational decision that is not covered by the Shari`ah. Even though the Shari`ah provides all necessary laws, it is recognized that some situations fall outside their parameters. In Islamic tradition, if a case fell outside the parameters of the Shari`ah, then a judgment or rule in the case could be arrived at through analogy with rules or cases that are covered by the Shari`ah . ‘The law of the Sultan (*Qanun*) had to conform to the principles of the religious

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law (Shari`ah), and the latter had to be enforced in the cases where it applied' (Shaw, 1964, pp.6-7).

10. If a ruler observes commandments of the Qur'an, he cannot act as an absolute and irresponsible sovereign. Even the Shaykh al-Islam could put certain limitations on the authority of the Sultan.
11. 'The Sublime Porte' or the Turkish term *bab-i`ali* (Arabic *al-bab al-`ali*) was originally applied to the house of the Sultan's prime minister. The Sublime Porte or simply 'Porte' came to be synonymous, for Europeans, with the Ottoman Government.
12. 'Turk referred to the non-Muslim religious communities as *millet*, and the whole practice became known as the *millet* system'. (Armajani, p.155)



CHAPTER THREE

THE SIXTEENTH CENTURY INTELLECTUAL ATMOSPHERE AND SCHOLARSHIP

3.1 Traditional Education

Mamluk rulers paid much attention to the literacy. They established *madrasahs* and dedicated endowments to meet the expenses of teachers and taught. But the education system and curricula followed were the same that they inherited since centuries. Stripling quotes a traveler of Mamluk Egypt who saw that "most of the college students studied law, that very few studied liberal arts and sciences". And albeit their colleges are continually full of students, yet few of them attain unto perfection' (Stripling, 1977, p. 105). The situation, after arrival of Turks, remained more or less the same. According to Brockelmann (1959, p. 312), 'The scholastic life of the Osmanlis almost entirely devoid of originality and moved in the fixed channels of traditions. Science for the Muslim did not means the acquisition of new information but the most comprehensive mastery possible of the material elaborated by preceding generations, .. Not boldness or depth of thought but a retentive memory of patient industriousness are the virtues of the Osmanli scholars'.

The establishment of Caliphate in Istanbul by Ottomans increased the number of cultural centres of Islam but did not decrease the importance of Cairo as the intellectual hub of Islamic world. As the Ottomans, after abolishing the Mamluk sultanate, left intact their administrative setup, so they retained the academic and cultural life of

the region. As an endorsement to educational activities, Sultan Salim performed prayer at al-Azhar during his campaign in Egypt and donated handsome amount for its development (Ibn Iyas, Vol. 5, p. 205). According to Behrens-Abouseif (1994, p. 91) al-Azhar's *awqaf* regularly increased and 'the mosques with its various teaching institutions was promoted by Ottoman governors and even directly from Istanbul'.

3.2 Importance of Arabic Language

During the sixteenth century Ottoman rule, Arabic did not lose its importance. Arabic being the language of the Qur'an and the *hadith*, Ottomans respected it and used it as the medium of religious and juridical expression. No one was considered *alim* (scholar) without the knowledge of Arabic. It was the medium of instruction in the educational institutions. According to Armajani (1970, p. 147), 'Throughout the fifteenth and sixteenth centuries, Arabic was the language of religion, Persian the language of Poetry and decreasingly that of communication, and Turkish the lingua franca and the language of military command'. Muhammad II, Bayazid II and Sulayman I established large number of mosques and *madrasahs* foundations to promote education but the system was based on traditional lines. The curricula of such schools (i.e. *Madrasahs*) consisted of subjects on Islamic religion, Islamic education, and more importantly, Islamic law. Out of these schools came the future preachers, mosque scribes, muezzins, dervishes, teachers in both lower and higher schools, readers of the Koran, *qadis*, and *muftis*' (ibid. p. 153).

Mainly Persian was used in other fields like medicine, Philosophy, mysticism, historiography, poetry, etc. Occupation of the heartland of Islam opened the door for enrichment of Turkish language. Sultan Salim ordered the translation of Mamluk historical literature into Turkish (Behrens-Abouseif, 1994, p. 138). In this way he provided an opportunity for Turkish Muslims to get acquaintance with Arab people.

3.3 Rational Sciences

From the rational sciences, geography and medicine received favour due to their use for navigation and treatment of sick respectively. The

foundation of hospitals had long ranked among laudable good works. However, soon they were left behind by their contemporary Europe in these two areas too. Even in traditional sciences original thinking stopped. According to Gibb and Bowen (1969, 2:150) 'from the second half of the sixteenth century not only did the teaching given in *medreses* (Arabic = *madrasahs*) become almost wholly restricted to the law and theology, but its quality deteriorated'. The wrath of the traditional scholars was easily aroused against unfamiliar investigations. The first Ottoman observatory erected during the reign of Murad III was 'destroyed with all its contents at the instance of the then *Shaykh al-Islam* on the pretext that astronomical observations were unlucky (ibid. p. 148. They refer to Adnan 1939, pp. 78-79). However, on a website on Ottomans, we found some details on scientific literature of the period especially in Turkish language. Because of its importance we reproduce here this information.

'A noteworthy scholar of the Bayezid II period (1481-1512) was Molla Lûtfî. He wrote a treatise about the classification of sciences titled *Mawdu'at-`Ulum* (Subjects of the Sciences) in Arabic and compiled a book on geometry titled *Tad'if al-Muhaddab* (Duplication of Cube) which was partly translated from Greek. Mîrîm Çelebi (d. 1525) who was a well known astronomer and mathematician of this period and the grandson of Ali Kuşçu and Kadizâde-i Rûmî, contributed to the establishment of the scientific traditions of mathematics and astronomy and was renowned for the commentary he wrote on the *Zij* of Uluğ Bey.

'Scientific literature developed considerably in the period of Sultan Süleymân the Magnificent. We find two major mathematical books in Turkish entitled *Jamal al-Kuttâb wa Kamal al-Hussab* (Beauty of Scribes and Perfection of Accountants) and *'Umdat al-Hisab* (Treatise on arithmetic) by Nasuh al-Silahi al-Matraki (d. 971/1564). His book in Turkish entitled *Beyân-ı Menâzil-i Sefer-i Irakeyn* (Description of the Stopping Places of the Campaign to the Two Iraqs), related to geography should also be mentioned. Musa b. Hamun (d. 1554), one of the famous Jewish physicians from Andalusian descent, was appointed as Sultan Süleymân's physician and wrote the first Turkish and one of the earliest independent works on dentistry which is based on Greek, Islamic, and Uighur Turkish medical sources and in particular Sabuncuoğlu Ceerefeddin's works. In the sixteenth century, important works on

astronomy were written by the representatives of the Egypt-Damascus tradition of astronomy-mathematics. The greatest astronomer of this period was Taki al-Din al-Rasid (d. 1585) who combined the Egyptian-Damascus and Samarkand traditions of astronomy and mathematics in his studies. He wrote more than thirty books in Arabic on the subjects of mathematics, astronomy, mechanics, and medicine'.¹

'From the sixteenth century onwards, noteworthy geographical works were produced by Pîrî Reis. In 1511, Pîrî Reis drew his first map. This map is part of the world map prepared on a large scale. It was drawn on the basis of his rich and detailed drafts and in addition, European maps including Columbus' map of America. This first Ottoman map which included preliminary information about the New World represents south western Europe, north western Africa, south eastern and Central America. It is a portolano, without latitude and longitude lines but with lines delineating coasts and islands. Pîrî Reis drew his second map and presented it to Süleymân the Magnificent in 1528. Only the part which contains the North Atlantic Ocean and the then newly discovered areas of Northern and Central America is extant. Pîrî Reis also wrote a book entitled *Kitâb-ı Bahriye* (Book of the Sea) (1521). In this work, Pîrî Reis presents drawings and maps of the cities on the Mediterranean and Aegean coasts, and gives extensive information about navigation and nautical astronomy. Admiral Seydî Ali Reis (d. 1562), who wrote the work in Turkish titled *al-Muhit* (The Ocean), was a notable figure of the period in maritime geography. This work contains astronomical and geographical information necessary for long sea voyages and his own observations about the Indian Ocean.

'Another work of the sixteenth century which contains information about the geographical discoveries and the New World is the book entitled *Târih-i Hind-i Garbî* (History of Western India). This work, whose author is unknown, was presented to Sultan Murâd III in 1583. It was based on Spanish and Italian geographical sources. It is important in showing that the geographical discoveries of the West were known to the Ottomans. The work has three parts; the third part which is the most important and which comprises two thirds of the whole book, relates the adventures of Columbus, Balboa, Magellan, Cretes, and Pizarro during the sixty years from the discovery of America in 1492 until 1552'.² However, the same tradition could not be continued and enhanced to

match the European level. In the opinion of Lewis (1982, p. 229), 'The leisurely pace and timeless framework of Ottoman scientific writing had already given rise to a serious time lag between Western and Ottoman science. It was to become much wider'. 'Occasional references to Western science are found but they did not think in terms of the progress of research, the transformation of ideas, the gradual growth of knowledge'.

3.4 Some Eminent Scholars of the Period

Ibn Iyas lists many great scholars of the Mamluk period such as Jalal al-Din al-Suyuti (d. 911/1505) an expert of the Qur'an, *hadith*, jurisprudence, literature and history, etc. He wrote about 500 books. It is said that he acquired all the tools of *ijtihad* but himself was a follower of Imam Shafi'i (Ibn Iyas 4:83). Some other names are:

Shams al-Din al-Qusuni (d. 917/1511) an expert physician and head of the professionals (ibid., p.218); Abd al-Qadir Shamma' (d.918/1512) expert of astronomy and astrology (ibid., p. 288); Amir Inal (d.918/1512) expert of engineering and architecture (ibid., p. 288); Zayn al-Din Abd al-Basit b. Khalil al-Hanafi (d.920/1514) expert of jurisprudence and medicine, authored many books such as *al-Rawd al-Basim* in history and *Nayl al-Amal* in medicine (ibid., 374). Ibn Iyas (d.930/1524) and Ibn Tulun (d. 953/1547) the two great historians of Mamluk period and early Ottoman period whose works we have cited frequently.

Here are some more names of scholars, especially from the Ottoman period: Ali b. Maymun (d.937/1531) the author of *Ghuarabat al Islam fi Misr wa'l-Sham*, Ibn Kamal Pasha (d.940/1534) who wrote a commentary on the Qur'an, Badr al-Din al-Ghazzi (d.996/1588) who has more than hundred works to his credit, Muhammad Abu al-Su'ud (d. 982/1574), Muhammad Jawizadah (d.995/1587), *etecetra*.

Yemen produced many scholars in the sixteenth century, especially in traditional sciences. For example: Muhammad b. Muhammed al-Maliki known as Ibn Suwayd (d. 919/1513), traveled to India and the king there addressed him as '*Malik al-Muhaddithin*' (the king of *hadith*

scholars); Ibrahim b. Ali al-Qalqashandi (d. 922/1516), famous in *hadith* studies; Ahmad al-Qastallani (d. 923/1517) who wrote commentary on *Sahih al-Bukhari* in many volumes; Kamal al-Din Musa b. Ahmad al-Raddad (d. 923/1517) an expert of jurisprudence and *fatawa*; Ibn al-Dayba' (d. 944/1537); Abd Allah Ba-Makhramah (d. 947/1540), a historian and Abd-Allah b. Umar Ba-Makhramah (d. 972/1564) who authored treatises on mathematical sciences and measurement.

The sixteenth century Morocco, kept the intellectual tradition of Andalusia alive. Abu Sa'id al-Muzaklidi wrote treatise on *al-Hisbah*; Abu Su'ud al-Fasi on '*al-Imamat al-Uzma*' (the great governance); Abu Zayd al-Fasi on weight and custom duties; on the same topic wrote Sidi Muhammad b. Abd-Allah; and a group of scholars wrote on Zakah and Public Treasury (al-Abbadi, 1999, pp. 60-61). Ahmad b. Yahya al-Wansharisi (d. 914/1508) authored many books. He presented in twelve volumes collection of earlier *fatawa* as well as some of his own treatises entitled *al-Mi'yar al-Mu'rib*. In addition to juridical accounts, the book is a good source on the social and historical account of his time. It has rich contents of economic interest such as coinage and exchange of money, the issue of pollution, protection of nature, duties of the state, etc. This collection contains texts of many works whose original is now lost. Al-Mujaylidi (d. 1094/1682) prepared its abridged form in two volumes.

Many Indian scholars had academic relation with the *ulama* of the heartland of Islam. Even some of them settled there. Here are a few names: Abu'l-Fat'h al-Makki (d. 953/1546), Ahmad b. Muhammad al-Nahrawali (d. 949/1542), Muhammad Tahir Pattani (d. 986/1578), Ibrahim Sarhindi (d.994/1585), Muhammad b. Ahmad al-Fakihi (d.992/1583), al-Murtada al-Zabidi the author of famous Arabic dictionary *Taj al-'Urus*. Most of these scholars benefited from Ibn Hajar al-Haytami (d. 973/1566) in Makkah. During the reign of Ahmad Shah of Gujarat a number of Arab and Persian scholars migrated to the kingdom of Gujarat such as Nur al-Din al-Shirazi, Wajih al-Din al-Maliki, Ibn al-Damamini. They popularized *hadith* studies in India. The sixteenth century saw many great scholars of *hadith* who made lasting contribution in this field. For example, Abd al-Awwal b. Ali al-Husayni (d.968/1560), Abd-Allah b. Sa'd-Allah al-Sindi (d. 984/1575), Abd a-Nabi b. Ahmad (d. 991/1582), Abd-Allah b. Shams al-Din al-Sultanpuri (d. 991/1582), Rahmat-Allah b. Abd-Allah al-Sindi (d. 994/1585) to name a few.

3.5 An Age of Imitation, Commentary and Repetition

There is no doubt that the sixteenth century produced a number of great scholars. However, the over all environment was that of imitation and repetition. Writing a commentary or commentary over commentary, on an earlier work, was considered a great achievement. There was dearth of original writing. Commenting on the period after fifteenth century Siddiqi (1992, p. 23) observes: “The decline in independent thinking has already yielded to stagnation The jurists in this period were, generally speaking, content with writing footnotes to the works of their predecessors and issuing *fatawa* in the light of the standard rules of their respective schools”. In the opinion of this author the ninth/fifteenth century was the peak of Muslim intellectual scholarship that generated Ibn Khaldun (d. 808/1406), al-Maqrizi (d. 845/1442), al-Asadi (9th/15th century), Ibn al-Azraq (d. 896/1489) and al-Dawani (d. 907/1502). In the sixteenth century we could not find a work on socio-economic problems that could be matched with the works produced by scholars mentioned above. This may be one of the reasons why the sixteenth century could not attract the attention of researchers.³

Many new practices (*bid'at*) developed which had no basis in the original sources of Islam. For example, there was a ritual of *Khatm Bukhari* (celebration at the completion of the course *Sahih al-Bukhari*). It was held at the fort under the auspices of the Mamluk Sultan and all the four *qadis* had to attend it (Ibn Iyas, 4:198, 286, 339, and 478). Similarly there was a custom to celebrate Birth day of the Prophet (ibid. p.218). Superstition and ignorance sometimes took its toll. In 908/1502 a rumour spread in Damascus that a certain water spring gives cure from various diseases if bath was taken therein. Men and women rushed there to take bath in cold water and naked. This resulted a lot of harm to their health (Ibn Tulun, p. 214).

3.6 Opposition to Printing Press

An important invention of the period that brought revolution in development of education, spread of knowledge and exchange of ideas was the printing press. The early printers could turn out three hundred pages a day. By the end of the sixteenth century this figure had risen to

over a thousand for larger scale high-quality work (Kellenbenz, 1977, p. 181). One can imagine how efficient and fast communication was possible in Europe at a time when students in Muslim world spent hours and hours in tedious work of copying texts. Printing made it possible to reproduce the maps in quantity. This also promoted voyages in Europe towards the end of fifteenth century and later periods. In Europe as Sella (1977, p. 381) states: "The printing industry, for its part, effectively contributed to making more books available and accessible to its public by parting cost, expanding output, and improving marketing practices and methods." But in the Muslim world *ulama* as well as rulers forbade the use of printing press. Here is an example of their opposition to printing press. As early as 1481, in the reign of Bayezid II, the Jewish refugees from Spain wanted to set up a printing press but were refused permission. The *Shaykh al-Islam* ruled against it for fear that the Qur'an might be printed. It was not until 1721 that the Sultan allowed anything to be printed in Turkish. Even though the Persians were liberal in such matters than the Ottomans, there was also not much to show in this regard. Both Turkey and Iran remained intellectually impervious to the West. It may be noted that invention of the printing press is considered by many writers as one of the important reasons for economic transformation in early modern Europe (Sella, 1977, p. 382). While discussing various 'changes which led from the particularist, feudalist economy to the growth of commerce between large, wealthy, and powerful nation-states' Eric Roll (1974, p. 55) observes that 'the invention of printing created new possibilities of intellectual intercourse'. Opposition to printing narrowed, if not closed, the doors of scientific institutions and intellectual development of Muslim mind. Lewis (1982, p. 224), says that the saying of the Prophet (p.b.u.h), "whoever imitates a people become one of them" was sometimes used to block such westernizing innovations as technology, printing, and even European style medicine.

3.7 Emphasis on Poetry, Art and Historiography

To Lane-Poole (1888, p. 302), 'The literature of the Ottomans was, like their civilization, borrowed from the Persians through Seljuks; and it is natural that we should find a close resemblance between their writings and those of their Persian masters'. 'Ottoman literature is very extensive, writers of every kind, but especially poets, having been at all times both

numerous and prolific' (ibid. p. 304). Selim I was the greatest of the Ottoman Sultans; high as were his military and administrative talents, they were hardly more remarkable than his poetic genius. He wrote poetry in three languages Turkish, Persian and Arabic (al-Ghazzi, vol. 1, pp. 208-9) 'Of the four and thirty monarchs who have occupied the throne of Osman, twenty-one have left verses, and of these twenty-one Selim the First is unquestionably the truest poet' (Lane-Pool, p. 310). Another area of attraction in the period was history. According to Brockelmann (1959, p. 313), 'After the sixteenth century the Porte itself took a hand in the writing of history by appointing official historians; the first of them was Sa'ad al-Din, the prince-trainer, army judge, and *mufti* who died in 1599'.

3.8 Intellectual Interaction with Europe

Confronted first with the great florescence of the Renaissance in Italy just across the Adriatic, but especially later with the transformations of the Technical Age in the Occident generally, as Hodgson (1974, p. 121) observes: 'It seems to be true that the Ottomans, for all their proximity, showed no more alertness to what was happening in the Occident, and possibly even less, than the Timuris of India'. Some of the reasons for this apathy may be the rigid imitation (*taqlid*), sense of superiority complex, and hatred to everything that was coming from the West. Such a phenomenon is still not rare among the traditionally trained students in the present day situation. Little attention was paid to the development of natural sciences.⁴ In the sixteenth century Ottoman Empire, teaching of science was mainly based on translation from Arabic and Persian into Ottoman Turkic'. In the medical colleges, established by Sulayman, a high level of medical learning was maintained. Its physicians adopted some of the Occidental medical innovations of the time. But in the sixteenth and even seventeenth centuries they did not go 'far enough beyond the Greco-Arab tradition to make al-Razi and Ibn Sina wholly out of date even in the Occident' (ibid.).

Like medicine, in the field of geography there was some interchange of information between Muslims and the West. But that was also seemingly, a compulsion of circumstances to check the piracy of Portuguese and Spanish invaders. A number of works have been reported

on the subject in the historical sources. To Brockelmann (1959, p. 313), 'It was only in the field of Geography that Occidental learning made any headway among the Osmanlis'. Commenting on Muslims' apathy towards intellectual and scientific researches, Armajani (1970, p. 177) rightly observes: "It is significant to note that two centuries of contact with Europe had not created much intellectual reaction either in Iran or in the Ottoman Empire. Both the Turks and Persians copied from the West the technique of making cannons and mortars, but that seems to be about all".

3.9 Intellectual and Cultural relations with Iran and India

Ottomans and Safawids, in spite of closely related together in terms of their culture, language and origin, people of the two governments were in most cases at war and antagonistic to each other. Iranian scholars had more close relations with Indian sultanates. We have names of many poets, historians, scholars, physicians who visited Indian rulers and were awarded great honor and positions. Especially Mughals were indebted to Iran because of the help provided by Iranian kings to Babur and Humayun. Persian scholars not only influenced the Indians literarily and academically, but also religiously. Even they convinced some of the sultanates to convert to Shi'ism.⁵ Some known Iranian scholars of the period are: Fadl-Allah b. Ruzbihan al-Khunjī (d. after 918/1512), Ali b. Husayn al-Karaki (d. 940/1534), Fat'h-Allah al-Kashani (d. 988/1580), Ahmad b. Muhammad al-Ardabili (d. 993/1585), etc.

Though Akbar himself was an illiterate, he gathered around him learned scholars and able viziers. His reign was a period of renaissance of Persian literature. He was a great patron of literary works and scholars. His court had numerous scholars of the day who are well known as "*Naw ratn*" (nine jewels). His vizier Faizi [Faydi] (954-1004/1547-1595) wrote in Arabic a complete exegesis of the Qur'an entitled *Sawati` al-Ilham* (also called *tafsir-i be-nuqat*), without using any dotted letter. Faydi's brother Abu'l-Fazl [Abu al-Fadl] (958-1011/1551-1602) authored *A'in-i Akbari*. It gives the names of 59 great Persian poets of Akbar's court. Abu'l-Fazl's *Akbarnamah* and *Ain-i Akbari* were complementary works. A detailed account of the work will come below in Chapter Eleven at the time of discussion on works as *mirrors for princes* and *al-siyasah al-*

shar'iyah. History was the most important branch of Persian prose literature. At Akbar's court, translation into Persian was a significant activity. Works were translated from Turkish and Arabic and also from Indian languages, especially Sanskrit. It is said that his scholar court man Abu'l-Fazl had translated parts of the Bible.

Indian rulers and scholars had also close relations with Arab scholars during Mamluk period and later during Ottoman rule. There are a large number of scholars who used to visit Egypt and Hijaz and benefited from the knowledge of their scholars as well as contributed with their own writings. We have already mentioned some of the names above in section four.

Endnotes:

1. (http://www.theottomans.org/english/art_culture/science.asp).
Accessed on: 12.10.2005
2. (http://www.theottomans.org/english/art_culture/science.asp).
Accessed on: 12.10.2005
3. Two great scholars of the sixteenth century openly say that they have no right to use analogical reasoning (*qiyas*) or make any independent opinion or creative thinking (*ijtihad*). Allamah Ibn Nujaym (d. 970/1563) says that the door of analogical reasoning is closed in his age. The *ulama*'s role is only to report the opinions of the past scholars of their school of thought (Ibn Nujaym, 1980[b], p.87). Allamah Ibn Hajar al-Haytami (d. 973/1566) says, "It is not permissible to any one to pronounce a judgment against his school of jurisprudence. If he does, it is void because the capability of *ijtihad* is missing from the people of this age" (al-Haytami, n.d., 2: 213).
4. The closure of 'the gate of *ijtihad*' required no further exercise of independent judgment. To the Muslim of later centuries, all that was needed was to follow and obey past judgments. 'One is tempted to seek a parallel in the development of Muslim science, where the exercise of independent judgment in early days produced a rich flowering of scientific activity and discovery but where, too, the gate of *ijtihad* was subsequently closed and a long period followed during which Muslim science consisted almost entirely of compilation and repetitions' (Lewis, 1982, p. 230).
5. Some of the Shi'ah *ulama* who migrated from Iran to India, even influenced governments and made them converted to Shi'ism (al-Hasani, 1999, 4: 49-50, 226-227).

CHAPTER FOUR

ECONOMIC INSTITUTIONS AND PRACTICES

In this chapter an effort has been made to provide basic information on economic institutions and practices during the sixteenth century in different sectors of the economy so that it may form a ground for understanding economic ideas of the period.

4.1 Institution of *Iqta`*

Iqta` or land grants took many forms in the Ottoman system. It was granted to various categories of soldiery to maintain themselves and their men to perform military services in time of war. These grants were known by various names according to the size and functions of holding, such as *timar*, *zia`mah*, *khass (hass)*, etc. (Gibb and Bowen, 1969, Vol. 1, pp. 46-47). This arrangement differed from European fief as no permanency was attached to it. It also differed from Islamic waqf in purpose and permanency.

It was an essential part of Ottoman administration to carry out cadastral survey upon the conquest of a region, These surveys, known as *tahrirs*, contained various information such as names of villages, the number of households, names of adult males who worked on the land, type of crops, and their yields over the past several years and the amount of each crop collected as taxes, etc. Information contained in these surveys helped in management of land and taxes. When Sultan

Salim conquered Egypt and Syria, he ordered such cadastral surveys. He divided the land into *faddans*.¹ The *kharaj* was fixed on the land as a whole or by *faddan* in fixed amount from which the local duties and necessary expenses were deducted. The remainder went to tax farmer who had to ensure the payment of the land tax to the Treasury of the Sultan (Shaw, 1964, 52). He appointed *shahid* (witness or overseer) and *khawli* (village head) in each village. The former represented the tax farmer in the process of surveying and tax assessment while the latter represented the peasants (ibid., p. 147). This arrangement was aimed to ensure fairness with the farmers.

A *farman* (royal decree) issued in 985/1580 to the *Qadi* of West Algeria shows how strict the Sultan was in matter of land ownership, Shariah enforcement and justice. It was reported that the former *amir al-umara* Ramadan Pasha had sold some government lands (*miri*) which was of vital importance and necessity. The *qadi* was asked to inquire whether the land was a government land. If so, it should be taken back from the present owner and handed over to the existing *amir al-umara* Hasan Pasha to restore its status quo. Moreover, the price of land should be recovered from Ramadan Pasha in accordance to the teaching of Shari'ah and be returned to the purchasers. The Farman warned further, 'be utmost careful from any injustice or wrong doing in this matter' (Ibn Hamush, 2000, p.120).

Agricultural Relations. Egypt has been the major supplier of grains to the people of the region during the period of shortage. Its agriculture has been traditionally based on rise of the Nile. Whenever it was delayed, a famine-like situation arose. Ibn Iyas never fails to report the level of its rise each season and its consequences on economic life. There was no technique to manage and utilize the rain water. Whenever, it rained heavily it caused more damage than benefit. Historians of the period note many such occasions when rain created havoc, closure of markets and destruction of crops (Ibn Iyas, 4: 193, 198, 199, 206; Ibn Tulun, p. 348).

There is no information in the relevant sources of the period whether agriculture made any change over the years in Egypt or for that purpose anywhere in the Muslim ruled countries. Perhaps it remained the most conservative branch of economic life, the one that hardly responded to

change. It may be recalled that it was the period when agriculture in Europe was becoming dominantly capitalistic. The enclosure movement in England exemplifies this trend. Taming and grazing camels and sheep had been one of the traditional occupations in the Arab land but no stimulating change was seen because there was no abnormal increase in demand for wool, domestic or foreign, as Europe experienced at that time. Of course it also accompanied adverse effects on life of a common man such as dislocation caused by enclosures because fewer men were required to take care of sheep than were needed for raising crops, and, therefore, enclosures forced many peasants off the land and made them vagabonds, sometimes criminals. It brought forth the protest of Thomas More in the Utopia about 'lands in which sheep eat men'. It would be futile to guess what would have happened if similar movements were started in Egypt or in Arabia.

Peasants. There is general complaint that Muslim scholars and rulers paid little attention to the lot of peasant (Stripling, p. 108; Gibb and Bowen, Vol. 1, p. 5). But study of a few provision of the *Qanunnamah* of Egypt would show that the Ottoman rules were aware of their importance and they cared for their welfare. For example, Ibrahim Pasha assigned the Bedouin shaykhs certain definite duties towards peasants and their villages, such as:

- 1) They were to supervise the re-establishment in their districts of ruined villages, and to see that the lands were cultivated. *Fellahs* were to be induced by gentle, wise means of the sheikhs to settle in these lands.
- 2) They were to sow the lands in their districts that were irrigable by the Nile.
- 3) They were to take care of the canals. (Stripling, p. 72).

According to Huseyn Efendi, "a tax farmer cannot remove a peasant from his plot except in case of manifest misdeeds, either failure to pay the land tax or if he leaves the land barren, whether intentionally or by obvious deceit" (Shaw, 1964, 61)

4.2 Institution of Guild and Industrial Relations

Arabic and Turkish writers have used the terms *hirfah*, *ta'ifah*, *sinf*, etc. for guild, but these terms are not very precise. They mean many other things in addition to 'profession and professional organization'. Therefore, some writers on economic history of Middle East prefer the use of "guild" itself which signifies that 'all the people occupied in a branch of the urban economy within a definite area constitute a unit which fulfils at once and the same time various functions, such as economically restrictive practices, fiscal, administrative or social functions' with a condition that a framework of officers exists which is headed by a chosen member of that unit (Baer, 1970, p. 12). Until the fifteenth century the guild history remained obscure. But a clearer picture of the existence of guild is noticeable in Ottoman cities in the subsequent period (ibid. p. 17).

In the towns the class of small shopkeepers and craftsmen organized into guilds. Each craft guild regulated a particular branch of economic life in the town. It was a protective organization. In this way, on the one hand, it protected its members from outside competition by strictly regulating the conditions under which goods or their makers could come in from other towns. It protected the public also by enforcing standards of workmanship on its members.

Each guild had a council of control, consisting six officials of various rank. 'The principal duties of this council were to ensure that regulations concerning the quality and prices of manufactured goods were enforced, to carry out the examinations for promotion from apprentice (*sagird*) [Persian = *shagird*] to journeyman (*kalifa*) [from *khalifah*] and from journeyman to master, to issue license (*icaze*) [*ijazah*], to investigate and settle disputes and malpractices in the guild, to represent the guild in dealings with the government, and most important of all to prevent competition and underhand practices in the employment of workmen and in the buying of stocks' (Inalcik, 1970, p 216). 'The disputes in a guild or between guilds or malpractices and deviations from the rules often made the government interfere in the affairs of the guilds.The government's control of a guild was carried

on through various agents such as the local *kadi* [*qadi*], the *muhtesib* [*muhtasib*] and various *emins* [*amin*], agents of the Sultan'. (ibid)

One can imagine the importance of *sarraḥ* (money-exchanger) and *Jahbadhah* (coin expert) in an Empire which had influx of hundreds of different coins from its own suzerainties and from various countries of Europe, with different weights, sizes, alloys and values. In Egypt, as in the rest of the Ottoman Empire this function was mostly performed by Jews. 'These money-changers were organized into a guild under the direction of the Chief Money Changer who supervised membership and standards and kept persons who were unqualified or not members of the guild from practicing this trade' (Shaw, 1964, pp.115-116).

Industry. At a time when Europe was heading towards industrial revolution, very little changes compared with the tenth to 13th centuries, were seen in the traditional set up of industries. Commenting on the situation, in satirical tone Gibb and Bowen (1969, 1:281) observe: "Of all the social institutions of the Islamic East that of industry remained, until well into the nineteenth century, the most faithful to its traditional organization and usages". Muslims rulers did not care the industrialization movement in the West. Being the closest neighbour, the Ottomans could at least see the importance of Western technology. No doubt, in that respect, they were far better placed than other Islamic states. However, compulsion of the circumstances forced Ottomans to keep pace of development of war industry with Europe during sixteenth century. But no significant competitive effort was visible in case of other industries.

Adoption of gunpowder and firearms from Christianity was okeyed on the principle of 'opposing like with like (*al-muqabalah bi'l-mithl*)' (Lewis, 1982, p. 224). 'The sultans had the power and the means to hire technologists from abroad; they did not have the power to produce their own technologists from the *ulema*-dominated educational system' (Lewis, 1982, p. 225). 'In the great centuries, the Ottomans were not only able to keep up with the most advanced European weapons, but at times even to improve on them through inventions and innovations of their own' (ibid).

The method of forcible settlement was used by Salim I who drove to Istanbul about 1,500 merchants, artisans from Cairo and Tabriz (Inalcik, 1970, p. 107). But he did not realize that forced migration was never useful to organize production and develop the market. He should have provided certain incentive and the state patronage to carry on the work.

Urban labour. According to Inalcik (1995, p. 158): ‘In the sixteenth century there was an average increase of 80 per cent in the urban population of the Ottoman Empire and, consequently, the market for guild products expanded’. Apprentices, wage-earners and slaves constituted the main workforce of the guilds. Child labour was also not uncommon. Some guilds employed women. ‘In Ottoman towns, silk-winding and cotton-spinning were usually left to women and children. And in this way poor urban women could earn a living. Cotton-weaving guilds from time to time tried to make the government prevent merchants buying up cotton in the markets, leaving the women unemployed’ (ibid, p. 160).

Qahwah controversy. A significant product invented and developed in the period is *qahwah* or Yemeni coffee. It was discovered, developed and introduced by Abu Bakr Abd-Allah al-‘Aydarus (d. around 910/1504). In the beginning it faced lot of opposition from *ulama* because of people’s increasing interest in the product and the rush at coffee houses and resulting undesirable activities because of it (al-Ghazzi, vol.1, pp. 12-14). For example, Shahab al-Din al-Sanbati (d. 950/1545) and Sharaf al-Din al-‘Ithawi (d. 977/1572) pronounced its prohibition and wrote treatises in support of their stand. In 967/1562 an order from Porte imposed ban on coffee houses, and sale and purchase of *qahwah* (al-Jaziri, p.1018). Al-Jaziri reports that the prohibition of *qahwah* was more strict than that of the wine which was permitted to some sections to enhance the government revenue (ibid. p.1019). Al-Jaziri believed in permissibility of *qahwah* and authored a work in its support (ibid. p. 1022). A consensus was arrived at the permissibility of *qahwah* in later years (al-Ghazzi, vol.1, pp. 13-14).

4.3 Money

Mamluk reign is full of incidences of monetary crises and mismanagement of money that always affected the price and actors of market. One such situation led the Mamluk historian al-Maqrizi (d. 845/1441) to author his famous treatise *Ighathat al-Ummah bi Kashf al-Ghummah* in the fifteenth century in which he bitterly criticized the Mamluk monetary system.

We have already noted that mostly Jews and Christians were appointed at mint (ibid., p. 283, 332; Salmon, 1981, pp.52, 60) because of their skill in checking the purity of precious metals and their knowledge of various currencies at that time. Historians report several cases of their breach of trust and mal-appropriation of the treasury (Ibn Iyas, 4:481, Ibn Tulun, p. 327). In Damascus also the director of mint house was a Jew. Ibn Tulun, while describing the events of 922/1516, says that on Muharram 27th the enemy of Allah, His Prophet and Muslims, the Jew director of mint retired who destroyed the two kinds of money (Ibn Tulun, p. 318).

The Ottoman rule in Egypt and Syria saw rather a stable monetary system, at least in its early period. After defeat of Mamluk, it was announced that within five days new coins would be minted as it was one of the symbols of sovereignty (Ibn Tulun, p. 361).

In Egypt, Ibrahim Pasha's *qanunnamah* laid down that 'only sixteen per cent alloy was to be put in coins. One hundred *drachmas*, were declared equal to twenty-five *paras*.² Gold was to be bought at the current price, and not below it, by the superintendents of the mint at Cairo. Coins were to be of the same weight and name as those minted at Constantinople; that is, each *sequin sultani*³ was to weigh eighteen and one-half carats. Ten *sequins* of every one hundred *mithqals* of gold converted into specie were to be deposited in the treasury. One hundred and thirty *sequins*, instead of one hundred and twenty nine, were to be minted from every one hundred *mithqals* of gold. Gold delivered to the mint to be transformed into coins was to be promptly returned in coin form. If a delay beyond five days occurred, the Pasha was to be required to return the gold himself' (Stripling, 1977, p. 74). According to

Sahillioglu, "The holdings of the Internal Treasury of the Ottoman Sultans continue to show a low proportionate holding of indigenous *Sultaniyye* coins throughout the 15th century. Ottoman coins in this vault approach one-third of the total only under Bayezid the First. Instead, *ducats* from Europe retain a predominant place in treasury - rising to as high as three-quarters in the early years of the 16th century" (Sahillioglu, 1999, p. 34).

Another monetary unit that got wide circulation in the Ottoman territory was named *gurus*.⁴ 'The *gurus*, first gaining wide usage in Budin in 1554 and subsequently in the Bulkan Peninsula, attained official recognition by the Ottoman Treasury in 1570. The silver coins became the accepted currency throughout the Empire in the last three decades of 16th century. Nevertheless the silver *gurus* did not occupy a major place in the Ottoman currency until 1584' (Sahillioglu, p. 41) Sometimes a particular province or region suffered from scarcity of a widely circulated currency in other areas. 'In the Balkan, in provinces near the border, tax collectors encountered difficulties in finding *akces*'⁵.

They complained that the people did not have any money but the *penz* and the *gurus*. The level of demand for silver on the part of the Iranian merchants coming to Aleppo in 1576 was extremely high. They collected all the *gurus* they could find at a rate 6-7 *akce* higher than the going rate and smuggled them in large quantities out of the country to Iran'. For example, the ratio of the price of gold to silver in Europe was in the neighborhood of 1/35, but had reached a value of 1/10 in the near East. This resulted export of *gurus* from Europe to the Ottoman lands (Sahillioglu, 1999, p. 42).

Ottoman Empire frequently faced the problem of exporting the coins of higher purity and re-importing the mixed ones, or even the pure coins were melted for use in jewelry – a phenomenon known as Gresham's law, or sometimes clipping and shedding coins. 'Clipping silver from the edges of the coins after the devaluation of 1586 became a great industry. The money changers while visiting inns and soup kitchens (*imaret*), were buying pure and heavy *akces*, 50 to 55 of them for a gold coin, and sold 70 for a gold coin after clipping, meanwhile the official rate was 60 *akces* for a gold coin' (Sahillioglu, p.45ff).

‘In order to prevent the flight of precious metals the Ottoman authorities instituted strict regulations enforced by check points installed in the Dardenelles and the Bosphorus to prevent passage of silver ore or coins. These measures had a deleterious effect on the flow of trade In addition to these commercial shifts the Ottoman Empire suffered other unwelcome effects from the increase in production of the American silver mines. As a result of the new discoveries in America, many Ottoman mines producing both silver and gold no longer profitable were closed, together with the mints which were attached to them’ (Sahillioglu, P.43). This was especially seen during the last quarter of sixteenth century. For example, under Murad III (1574-1595) 42 mints and under Mehmed III (1595-1603) 25 mints only operated intermittently (ibid. P. 43ff)

Price rise. Like currency in Mamluk regime, prices were also highly unstable and naturally so. Historians like Ibn Tulun, Ibn Iyas and al-Jaziri rarely fail to mention the price changes in Damascus, Cairo and Makkah respectively. In 916/1510, onion was sold one *qintar* at 22 *nisfs* (Ibn Iyas 4:184). In 917/1511, wheat was one *ardabb* at an *ashrafi* while earlier rate was two *ardabb* at an *ashrafi*. It means 100% increase in price. The reason was low rise of Nile and destruction of crops by rats. (ibid. p. 217). After a few months there was further rise in prices: wheat was sold one *ardabb* at 5 *ashrafi*. The end of year 916/1510 saw best crops and low prices (ibid., p. 295).

In 917/1511 in Syria cow disease spread. People sold their cows, and beef became very cheap, one *ratl* a dirham, because people avoided eating it. At the end of the year at *Id al-Adha* there was shortage of sheep. Meat was priced at 8 dirham a *ratl* and beef at 6 dirham. People suffered also because of high price of wheat that resulted due to scanty rain and failure of crops (Ibn Tulun, p. 291). The same happened also in the year 921/1516 (Ibn Tulun, p. 308). In early 919/1513, illegal taxes were cancelled in Egypt, and sales taxes were abolished by the *muhtasib*. This resulted in decrease of prices. People prayed for the king (Ibn Iyas, vol.4, p. 304). The reason for this was that plague broke out in Egypt. The Sultan himself had eye disease. At this occasion, he declared amnesty and cancelled many taxes. Thus, he won the subjects’ hearts and received their prayers. But after his recovery he re-imposed those taxes (ibid., p. 329). By the end of the year, at the time of *Id al-Ad’ha*, the

sheep and cow became very expensive because the imported slaves looted them from sellers. Even the price of salt was too high, one *ardabb* for 800 dirhams, never so high in the past (Ibn Iyas, 4:357). In 920/1514 imported slaves looted shops and destroyed the market (Ibn Iyas, 4:369). Al-Zayni Barakat who was most of the time the *muhtasib* of Cairo, once when he was suspended, he offered 30,000 *dinars* as bribe but the Sultan turned down and rebuked him (Ibn Iyas, 4:378). The high price was not always due to natural causes; in many cases it was because of mismanagement of money and malpractices of authorities.

Lending and borrowing. Borrowing for business purposes has been a current practice in all ages. Instances are available that Christians borrowed money from the Treasury. They also borrowed from their Muslim brethren (Bakhit, 1982, 2:28). There are reasons to believe that Muslims too borrowed from them and from their own people. However, we could not trace any institutional arrangement for this purpose during our study period. It may be noted that this was the period when foundations for modern banking was being laid down in Europe along with the maritime trading companies. It is no surprise if, like foreign monopoly trading companies, this institution too was ignored by Muslim world.

4.4 Institution of *Ihtisab* or Market Supervision

It was the institution of *ihtisab* or *al-hisbah* that supervised the market and manufacturing in general. The *muhtasib*'s (official in charge of *al-hisbah*) functions included prevention and punishment on all sort of fraudulent and dishonest dealings and control over the guilds and lodges of the artisans and other classes of town men (Gibb and Bowen, 1965, vol. 1, 2:80). In Mamluk period its scope was widened and collection of certain duties was included in its functions. With the corruptions seeping in the government and in its institutions, the *hisbah* also became a profit earning office for the *muhtasib*. Instances are reported when a person offered bribery to obtain the position of *muhtasib* or accepted bribery to ignore his duty of price checking (Ibn Iyas, 4:378, Ibn Tulun, p. 216).

Like other departments, Ottomans made this institution also clean and effective. 'The strict regulation and close control of domestic trade

and industry was dictated by the government's major concern to meet the needs of the population at normal prices. Under the Islamic *hisba* rules the community was to be protected from unjust practices in the market. Especially in a city like Istanbul where a shortage or abnormally high prices of basic goods might rouse the military and the common people against the government all this was of vital importance with far-reaching political implications' (Inalcik, 1970, 217).

In Egypt where situation generally changed according to the governor's policy, *hisbah* also saw mixed changes. Al-Jaziri (p. 1035) reports that in the year 968/1563, the sellers took the *hisbah* in their own hands by offering bribery. They played with prices and weights as they liked. The result was very high prices. A good example of another governor is that he took care of even the animals. He ordered that the bullocks should be put to work in the day time only. In the nights they should be left free to take rest (ibid. p.1144).

Price control. We also find instances of price control of essential commodities in Mamluk period. For example, in 909/1503 the deputy governor of Damascus announced that the special size bread would be soled at 1.75 dirham, a smaller one at 1.25 dirham and still smaller at one dirham each. But the bakers ignored the order and kept on selling at high price because they bribed the *muhtasib* (market supervisor) (Ibn Tulun, p. 216).

In 919/1513 the Sultan al-Ghawri wrote to al-Zayni Barakat b. Musa, the *muhtasib* of Cairo to announce the price fixation as follows:

The bag of flour at 7 *nisfs*

Sheep meat one *ratl* at 9 *nuqrah*

Beef one *ratl* at 6 *nuqrah*

Rate of cheese, liquid sugar, oil, etc each at *nisf fiddah* or 12 *dirhams* (Ibn Iyas, 4:339).

Ottomans gave high priority to restoration of normalcy in market after conquest of a territory because of its importance in people's life. Ibn Tulun states that after Salim's occupation of Syria, he visited the market of Damascus city and he was surprised to see the changes. He exclaimed: how quickly it had developed! 'Name anything and you would find it there. The market moved with him (Salim) from his country. Fifteen types of meat shops, same number of cooks, physicians, surgeons, pharmacists, blacksmiths, fodder sellers, it is a guess. I think the actual number may be more than that' (Ibn Tulun, p. 339).

4.5 Institution of *Commenda* or Partnership Venture

At a time when our scholars still limited the scope of partnership to trading only and generally a single voyage, Europe of the sixteenth century innovated its use for a comprehensive corporation. 'Joint-stock companies often attracted large number of shareholders, in a marked contrast to the earlier forms of commercial organization, which seldom comprised more than three or four partners. The Muscovy Company brought together 201 shareholders in 1555, while the East India Company began its long history in 1600 with 281 shareholders' (Flinn, 1965, p.62). While the industrial partnership was not very common, joint ownership of large, ocean-going vessel was well-known during the period under study in the Mediterranean seaports. Ownership in severalty also worked as an insurance as it was a very high risk investment at that time. According to Sella, (1977, p. 411): "The decisive role played by the partnership in channeling investment into what was unquestionably one of fastest growing industries in early modern times seems to be beyond doubt." Unfortunately, the Ottoman economic mind could not perceive this and lost a vast opportunity that was lying beforehand. The sixteenth century saw the establishment of monopoly trading companies and formal banking institution, but hardly such a move is traceable on the part of Muslim world.

Domestic trade. In promotion of commercial activities and provision of employment the voluntary institutions such as *waqf* and *zawiyah* (zaviye) played significant role. Generally they had complex called *imarah* (*imaret*). 'An *imaret* consisted of religious and charitable institutions such as mosque, *medrese*, *mekteb*, hospice and hospital on the

one hand and mercantile establishments such as *bedestan* (*bezzazistan*), *caravansera'i*, *han*, covered bazaars, market places on the other. The latter group was designed to provide for the expenses of the former' (Inalcik, 1970, p. 208).

Foreign trade. 'Until the early sixteenth century the foundation of Arab prosperity was the trade from India to Europe which passed mostly through their hands and yielded to the Mamluk Empire, including Egypt, Syria and the Hijaz, much revenue from customs duties alone. But by the early years of the sixteenth century the trade route to India had shifted away from the Arab lands to Portugal, via the Cape of Good Hope' (Stripling, p. 15). This had not only affected the rulers but various sections of the society who were directly or indirectly related to that trade such as merchants, their supporting staffs on sea or on land, transporters and retailers. To compensate income various kind of taxes were imposed that had further deteriorating effect. Frequent changes in monetary units and debasement of currency causing depreciation of the value of money was also one of the phenomena of the falling income from international trade. (ibid. pp. 15-16)

In its heyday 'the Mamluk Empire was perhaps the most cultured land in all the world. Even Venice, the most powerful commercial and cultural center in Italy, owed much of its culture to the Arab world, and most of its prosperity to trade with the Mameluke Empire' (ibid. p. 19). Merchandises were sent through Makkah from India to Alexandria and thence to Europe. Al-Jaziri in his account of Hajj events notes at several occasions arrival of Indian goods to Makkah that had moderating effect on prices (al-Jaziri, pp. 85, 1100, 1115, 1154). Whenever their arrival was delayed or became a prey of Portuguese piracy, prices soared (ibid. pp. 1009, 1128).

In the Ottoman era long before the sixteenth century, Bursa assumed the position of center for international trade. The silk industry in Europe obtained raw silk from Bursa. Every year numerous silk caravans arrived in Bursa from Iran. The city has its own manufacturing centres. It is said that about a thousand silk looms in Bursa consumed five fardelli (about 150 kgr.) of silk a day and an average caravan brought about two hundred fardelli of silk. It was an important source of revenue for the government.

However, the war between Ottomans and Safawids caused tremendous decline in the volume of Iranian silk traded in Bursa (Inalcik, 1970, p. 210).

In addition to Iranian silk, goods like Musk, Chinese porcelain, spices, etc were also traded at Bursa. About half of the spices reaching Cairo and Damascus were carried to the Turkish markets, especially to Bursa and Istanbul, and from these cities it was re-exported to the Balkans and to the northern frontiers via Akkerman, Kilia and Caffa (ibid., p. 212). Traders coming from China and Central Asia, Iran and India took back with them European woolen products, precious brocades and velvets, gold and silver specie.

Portuguese Blockade of Maritime Trade. The Portuguese reached India in 1498 through the Cape of Good Hope and within a decade they monopolized all the sea trade from India. The new all water route saved much of the expense which the routes through Arab land entailed, such as loading and unloading at various places and payment of custom duties at each point. These cost savings put the Portuguese traders at advantageous position over those coming through the difficult and expensive trade routes of the Levant and it became difficult for Muslim traders to compete Portuguese in European markets. In addition, the latter imposed trade blockade in Arabian Sea to prevent merchandise from reaching Arab land, though it never fully succeeded. It was not only trade rivalry that created feeling of hatred and enmity between the two nations. There were many historical factors also behind it. Portuguese were proceeding with crusading spirit and objectives. According to Moreland (1974, p.25), by adopting the sea route through the Cape of Good Hope the Portuguese did not only aim at enriching themselves and striking 'a heavy blow at the prosperity of Moslem States, which were still regarded as the enemy of the Christendom, but at the same time they hoped to secure a position whence the Christian religion could be propagated, and thus their enterprise was at once commercial and missionary in its nature'.

In 911/1505 Portuguese came up to Jeddah, the Port of Makkah. It was a matter of great anxiety for Muslims as a whole and for Mamluk government in particular. Immediately al-Ghawri declared high alert and ordered building a fleet and fighting the invaders. This was, no doubt, an

example of planning to act after its time had gone. Thus, in the meantime Portuguese captured many ports at the mouth of Red Sea. In this way they blocked the Red Sea and deprived Arab traders from earning their livelihood and their governments from revenue through custom duties – a heavy blow to their economy. According to Stripling: “Without doubt, the real cause of the recession of the culture and prosperity of the Arabs is to be found in the activities of the Portuguese, and not in the conquest by the Turks of the Mameluke Empire over ten years later”⁶ (Stripling, 1977, p. 31).

During the sixteenth century, 'occurred the conquest of the Arab lands by the Turks and also the decline of the Arabs. Because these two events happened at about the same time, it has been commonly believed that the Turks were responsible for the decline of Arab civilization. That belief, however, is contradicted by careful study of the available sources' (ibid. p. 7).

The Portuguese commander Albuquerque's plan was to divert the source of the Nile in Abyssinia to starve out Egypt. He also decided to capture the port of Yanbu and 'by a quick rush to seize treasures at Mecca and Mohammed's body at Medina' (*al-Iyadhu bi'llah*). He had to abandon these plans due to lack of competent engineers and artisans as on the one hand and difficulty of traveling in deserts as well as apprehension of the sturdy opposition of the Arabs (ibid. p. 34). “By the end of the first quarter of the sixteenth century”, Stripling continues, “the fate of the eastern half of the Mediterranean was sealed – the best markets of Europe were supplied by Portugal. Spain, France, Provence, Burgundy, Flanders, England, Scotland, and Ireland, as well as the larger part of Germany and Holland, all received their Indian wares from Portugal” (ibid. pp. 35-36). Commenting on the new arising situation, Stripling further observes: “The Turks entered the Arab lands when a great economic change was taking place. The shifting of the route from India around the Cape of Good Hope had removed the foundation of Arab Prosperity. The discovery of America, with its mines of gold, its raw products, and above all its capacity for creating other products and ultimately consuming European wares, gradually so withdrew the trade route from the Mediterranean that the Levant became an economically unimportant district indeed, in comparison with the lands facing the new markets. Portugal, the Netherlands, France, and England all grew

rich from trade with the Indies. They grew so wealthy that they began to outstrip the Turkish Empire, which at the beginning of the sixteenth century seems to have equaled if not surpassed Europe in wealth and culture. But the cheaper route made possible a far greater volume of trade than had passed through the Levant in the heyday of the latter. This larger volume naturally made those sections of Europe which engaged in the Indian trade richer and therefore Europe began to surpass its former peer” (ibid. pp. 104-05). In the words of Glamann, (1977, p. 427), ‘There is scarcely any period in the history of Europe when trade plays so central a role as in the years from 1500 to 1750. Some historians call this the early capitalist age or the age of merchant capitalism, while others term it the mercantile or mercantilist era’ ‘Trade was the great wheel driving the whole engine of society’. The development of sea-route in the sixteenth century is considered most remarkable and revolutionary which established for the first time an international trade of regular character (ibid. p. 429). While the main concern of major European countries was ‘how to acquire the largest share of what was commonly seen as a more or less fixed volume of international trade and how to obtain a favourable balance of trade and a net import of bullions and precious metals’, the Ottomans were content with the war booty, tributes, government domain and taxes. They were also handicapped by non-availability of the sufficient material for ship building for trading purposes. Later about the year 1586, they made serious attempt to procure timber and other material from the nearby East Africa and the farthest Pegu and Sumatra. But by that time Portuguese became so strong that they did not allow Ottoman design to succeed. In the opinion of Moreland (1974, p. 169), ‘the history of India might have been materially different had the Turks been able to build a fleet sufficiently powerful to ensure the success of their ambitions’.

However, Ottomans did their best to protect the maritime trading interests of their domain and repair any damage inflicted by the enemy. As a document shows in the year 985/1580, the Sultan took prompt action when people from Tunis approached him to rebuild their seaport. The coastal city Halq al-Wad had one of the most active ports where commercial ships used to come from all over the world. But the pirate’s ships chased the trade ships, captured the port and destroyed it and its tower. Recognizing the importance of this port for Tunis and the whole country and need for renewal of foreign trade where ships may come

from all over the world and especially from the Islamic world, the order was issued by the Ottoman Sultan to the governor of Tunis requiring him to rebuild the tower according to the inhabitant's demarcation (Ibn Hamush, 2000, p.129).

4.6 Institution of *Bayt al-Mal*

Sources of public revenue. In the sixteenth century, imperial domain, poll tax on non-Muslims, one-fifth of all war spoils, tributes from dependent Christian states, the yield of the customs, and the produce of mines, salt-works, and rice fields constituted the main sources of revenue for the Ottoman government. These sources were considered as Shari'ah sanctioned. There were sometimes additional taxes in case of need by virtue of sultan's *urfi* or monarchical authority. In later times, such taxes were called as *awarid diwaniyah* (court levies) as they were imposed with the sultan's consent, by decision of the *Divan* (Gibb and Bowen, 1965, vol.1, 2:2). These imposts, if related market and town, were collected by *muhtasib* and his assistants (ibid. pp. 7-8). The treasury also received fixed contributions – called '*irsaliyat*'-from the Arab provinces after their conquest by Salim I. Apparently it looks like tribute paid by dependent European states; it differed in the sense that it was partly or wholly reimbursed on the remitting state itself if urgency so required (ibid. 37).

In Mamluk regime, tyrannical methods were used to collect *kharaj* which adversely affected the production (Ibn Iyas, 4: 262). In the year 918/1512, one-third of *iqta* produce - a heavy burden -- was charged as *kharaj* (ibid., p. 291). There are instances of exploitation of farmers and land tillers. One of the *iqta* holders Jani Bec used to collect rent/*kharaj* even before the land was irrigated, although he was punished because of his tyranny (ibid. 4:380). In 920/1514, when danger of Salim's attack was ahead, 124000 dinars were imposed on the people of Nablus, Aleppo and other cities to spend on the armed forces. The elite class shifted the burden of tax to villagers. This caused ruin of the people and the economy and ultimately the army itself. (Ibn Iyas, 4:408, 448). The economic condition of Alexandria was very bad; traders and foreign merchants avoided it because of the tyranny of authorities and excessive custom duties (Ibn Iyas, 4:424). Appointments to various posts were

made on payment of certain amount. Even judges were appointed on offering bribery. Ibn Iyas notes that in the year 921/1515 the Hanafi *qadi* offered 1000 dinar while the Maliki *qadi* offered 2000 dinars to obtain the post (Ibn Iyas, 4:477).

After the conquest, Sultan Salim reformed the fiscal condition of Egypt and checked the malpractices. Ibrahim Pasha restored the tax-registers according to the old rules of Qa'it Ba'i (d. 901/1496), the last popular Mamluk Sultan of Egypt. 'The Defterdar Hamrawi's estimate of eight hundred thousand *ducats* was accepted as the amount to be sent to Constantinople, after all expenses were met in Egypt, but there is evidence that this sum rarely was sent' (Stripling, 1977, p.71) Sulayman's *Qanunnamah* laid down definite rules regarding imposition and collection of taxes. The yawning gap between income and expenditure was bridged. According to Armajani (1970, pp. 150-51), Sulayman's income was far more than that of his European contemporaries. 'His source of revenue was regulated by religions law and it was composed of the tithe from the Muslims, poll tax from non-Muslims, and tax on conquered territories. These taxes were augmented by import and export duties, levies on mines and markets, and fines and confiscation of property.'

In contrast to the Mamluks' inaction and mismanagement of their relatively smaller territory, the Ottoman Sultans always took immediate action on any complaint from the citizens, even from far away places. In 985/1580, a delegation of newly settled people from al-Mahdiyah region under Tunis had arrived Istanbul who complained misbehaviour of the local residents, and dislocation as a result of the destruction of al-Mahdiyah. Hearing their grievances, the Sultan dispatched a letter to the governor of Tunis in which he ordered immediate action in this matter and required that the settlers there should be exempted from any tax for three years so that they revive and rehabilitate it. It was also required to report the actions taken in this regard (Ibn Hamush, 2000, p.124). Thus, the official letter not only emphasized on removal of their grievances but ordered that a three years tax relief should be given to them so that they restore their tax paying ability.

A similar case was reported that some *ri'aya* migrated to other part of the country and left their places to avoid the taxes due upon them. The order was sent to the *amir al-umara* and Qadi of Algeria asking them to investigate into the matter. If it is found true, all those upon whose migration less than 10 years have passed must be rehabilitated in their region and they should be required to pay taxes and other dues according to the law and customs of that particular region. Those upon whose migration passed more than ten years, they are not allowed to return (to their previous region), they must pay the taxes and dues in the region where they are living, be it city or otherwise. Date 13th Rabi' al-Awwal 985 (Ibn Hamush, 2000, p.128).

Jizyah. *Ahl al-dhimmah* had to pay *jizyah* the amount of which varied from sixty to ninety *akce* per head, at various times and places. In many cases collection from specific places was earmarked as part of the income of certain *awqaf* (Bakhit, 1982, 2:49). There is no clear proof that the priests were exempted from payment of *jizyah*. Rather the sources indicate contrary to this (ibid. pp.20, 21).

Toll tax. Christians and Jews coming from abroad and passing through Nablus, to their holy places, had to pay toll tax. Its amount reached 20,000 *akces* in 940/1533, and 23,000 *akces* in 1005/1596 (ibid. p.47). A pilgrim tax was collected from Christians and Jews at the rate of eight *aspers* and six *aspers* respectively when they visited Jerusalem. A three time in collection accrued from the year 934/1527 to 970/1562 which was mainly due to an increase in traffic of pilgrims (ibid. p.48).

Marriage and divorce taxes. Fees were also charged on marriages and divorces. The *qadi* and his deputies were paid from funds collected in this way (Behrens-Abouseif, 1994, p. 74). Thus there must have been marriage and divorce register to keep such accounts. The contemporary historian Ibn Iyas (Vol. 5, p. 452) criticized the Egyptian jurists who dare not oppose these illegal taxes. In his opinion they were afraid of losing their jobs in case they opposed them.

Public expenditure. Ottomans did not ignore the development of the region from where a tax was collected. Thus, a great portion of the collections of the Treasury from Egypt was reimbursed in Egypt itself for

purchase of foodstuffs for the Empire's consumption in general and particularly 'to provide the supplies and provisions which the pious and indigent inhabitants of the Holy Cities needed for survival while pursuing their noble activities' (Shaw, 1964. p. 6). A considerable part of collection from Egypt was spent on management and safe performance of hajj. Huseyn Efendi notes the treasury expenditure of Egypt as established by Sultan Salim as follows:

Wages and salaries	50,735,299 <i>paras</i>
The cash grants for the people of the Holy Cities	15,981,220 <i>paras</i>
Expenditure for the Holy cities for the Holy Cities	14,903,475 <i>paras</i>
Other Expenditure for Egypt	7, 618,634 <i>paras</i>
The Remittance sent to the Sultan after the fixed expenditures were paid	
	28,375,815 <i>paras</i>
Total	117,614,443 <i>paras</i>

(Source: Shaw, 1964, p. 55)

Sultan Bayazid II fixed 10,000 *Uthmani* for the grand *mufti* and his assistants per year. And others got smaller amount according to their ranks. The Sultan used to send annually 10,000 gold dinars to the poor residing around the Two Holy Places – Makkah and Madinah (al-Ghazzi, Vol. I, pp. 122-124). But a major expenditure on these heads was met from *awqaf* endowed specifically for those purposes.

It is interesting to note that in the Ottoman rule, dual calendars were used – 'the solar year was more functional for revenue collecting, the lunar year for expenditure'. Due to difference of eleven days in the two years, many problems were faced and a very complex procedure was used to resolve them (Sahillioglu, 1970, pp. 230-238).

4.7 Waqf

The Mamluk sultans established great *awqaf* (singular = *waqf*) for mosques, schools, libraries, hospitals and other charitable purposes. But the examples of interference in *waqf* affairs, sales and replacement of *waqf* property are also common, especially in their declining period. As a

farman of Sultan Salim shows, he confirmed the awqaf of al-Ghawri through a decree issued on 24th Rabi al-Akhir 923/1517. He forbade strictly inflicting any harm to endowments for mosques, schools, *zawiyahs*, *ribats*, worship houses, and other charitable purposes (Afifi, 1991, pp. 255-256).

Sultan Salim wanted to demolish some of the shops and houses near the Damascus fort for security reasons and asked the experts to tell him which were belonging to awqaf and what would be their value, so that he could compensate them. When it was told to him that their value would reach 150,000 dinars, he changed his mind and said: "I did not come for destruction. Rather I came here to develop" (Ibn Tulun, p. 345).

Endowment of agricultural land by the ruler for charitable purposes became widespread termed as *irsad*. It is also known as *al-rizaq al-ihbasiyah*. It differed from the waqf land in the sense that waqf land was originally in the ownership of the endowment maker, while *al-rizaq al-ihbasiyah* originally owned by *bayt al-mal* (public treasury) which was dedicated by the head of state or his governors to certain good cause. It is counted as waqf because, like waqf, it could not be sold. In addition to *al-rizaq al-ihbasiyah*, *al-rizaq al-jayshiyah* was also provided defined as agricultural land dedicated by the Sultan to his retired commanders (Afifi, 1991, p. 18).

Although the exact size of waqf land in the sixteenth century is not known, certain estimates show that 40% of agricultural land in Egypt was under awqaf. Some other sources say that various waqfs constituted two-third and remaining one-third was domain land (Afifi, 1991, p. 27). The waqf land was not subject to *kharaj* like *miri* land or *kharaji* land. But Salim's governor Khayer Bay, in spite of his allegiance to Sultan Salim, imposed taxes on *rizaq* and waqf lands. The irregularities regarding *awqaf* continued after departure of Sultan Salim from Egypt in 923/1517 till the implementation of the *Qanun Namah Misr* in 931/1525 at the hand of new governor of Egypt Ibrahim Pasha (Afifi, 1991, p. 27).

Since awqaf and similar other voluntary institutions shared the government responsibility and proved economically helpful, 'the state encouraged such foundations, especially by granting property rights on

the lands which were to be made *waqf* for them. It should be noted that in most cases such land was *mawat*, waste or abandoned land, and the founder of the '*imaret* undertook to bring it under cultivation. The usual procedure was as follows: the founder came to the Porte with a project, saying that if such and such lands with property rights were granted, he would revive them by settling there people who were sometimes the founder's slaves and by building dams and digging canals; and the revenues of the land were to be assigned as *waqf* for the upkeep of the '*imaret*. Thus, such projects gave rise to commercial centres and to the creation of new farm lands and villages in the countryside' (Inalcik, 1970, p. 208).

Zawiyahs provided sheltering to travelers in the cities and on the trading routes. Due to this facility, many villages developed around such *zawiyahs* (ibid., p. 209).

Accountancy departments. The Ottoman government had four accountancy departments called Bash (Chief), Anadolu (Anatolia), *Jizyah* (Poll-tax) and *Kucuk Evkaf* (small endowments). With the conquest of Egypt, Syria and Hijaz a fifth accountancy department called Haramayn was added as endowment for the two holy mosques constituted a major portion of the entire *waqf* property (Gibb and Bowen, 1969, Vol. 1, p. 131).

As we have seen above, ottomans were lenient in collection of taxes from displaced persons. But they were very strict if someone tried to inflict harm to the Treasury by tax evasion. According to a document of 984/1579, it was reported that the government revenue was outstanding with Muhammad al-Fasi the secretary of Qayrawan. At this, a letter was dispatched asking the financial administrator of Tunis to present the said secretary in the Shari'ah count and investigate the matter minutely and realize every due that is found against them, and deposit in the Treasury. Dated 2nd Rajab 984 (Ibn Hamush, 2000, p.117)

4.8 Institution of *Zakah* and Measures for Removal of Poverty

The Ottoman Sultans assigned higher priority to improving the lot of the poor, rehabilitate the homeless, check the exploitation of laborers and

remove poverty. As we have seen above, at any complain they took immediate action. In 981/1576 the poor Andalusian migrants to Algeria made a representation to the sultan requesting him to help them as their majority is very poor and working class; they have no occupation to earn their livelihood. At this the sultan ordered the governor of Algeria to distribute among them the government land if available and help them

The official letter further stated: “They also complained that the local authorities demanded fees and various duties. They have been employed as *forced laborers* and even their wages are not paid them properly”. Hearing this, a letter was sent to the governor of Algeria, asking him to investigate the matter and recover the goods, clothes, wages, and their other belonging usurped from them. None is allowed to confiscate their belonging and deprive them of their wages. These poor people must be exempted from all kind of levies for three years. Rehabilitate them and protect them so that they regain their strength and become able to pay all duties like others, according to the current rule prevalent there. Absolutely it is not permitted to oppress them which is against the Shari‘ah rule and government law. (Ibn Hamush, 2000, pp.114-115)

A major portion of awqaf was dedicated to the poor. However, it is not known how Ottomans managed zakah which is dominantly for the poor. The *ushr* or tithes on land was one of the sources of public revenue in the sixteenth century. But historical sources, available to us, are silent about collection and expenditure of zakah by the state. It remains to be explored whether the Ottomans left it to individuals and non-government organizations to take care of it because we find that many individuals voluntarily worked for the care of the poor and widows through collection of zakah and voluntary donations. For example, Ibn al-Najjar al-Dimyati (845-928/1441-1522) used to collect zakah and disburse it on its beneficiaries (al-Ghazzi, Vol. 1, p. 33). Abu Bakr al-Hadidi (d. 925/1519) used to collect donations for this purpose (ibid. p. 119). Similarly al-Habbar al-Rahibi was also taking care of orphans and widows. People preferred to pay him their zakah and charity amounts as they trusted him and knew that he would distribute the collection most appropriately (Ibid. pp. 180-181). Ibrahim al-Rahbi (d. 954/15) collected money, clothes and food to distribute among the poor (ibid., Vol. 2, p. 86).

4.9 A Note on Economic Conditions in Iran and India

Before we end the account of Muslim economic institutions, it is better to have a brief overview of the economic conditions of two other big governments of the time - Safawid Iran and Mughal India.

In the early sixteenth century, the Portuguese Admiral Albuquerque captured Hormuz in the Persian Gulf and set up trading port in Hormuz, Bahrain and Muscat. Initially Shah Isma'il opposed the capture of Hormoz by the Portuguese, but finally made a treaty with Albuquerque and recognized the Portuguese establishment. In return 'they offered to help Iran in the occupation of Bahrain, and in subduing piracy on the shores of Baluchestan and Mokran. They also agreed to help each other against the Ottomans' (Armajani, p. 173).

Shah Abbas I paid much attention to revival of the economy and did a number of things to develop commerce and industry, for example, building carvanserais and guest houses all along the trade routes (Armajani, p. 167). Iran reached its zenith of power politically, economically and culturally under his reign. Trade with the west and industry expanded, communications improved; the capital, Isfahan, became the center of Safawid architectural achievement." "Under Shah Abbas I, Iran prospered; he also transplanted a colony of industrious and commercially astute Armenians from Jolfa in Azerbaijan to a new Jolfa next to Isfahan. Shah Abbas encouraged international trade and the production of silks, carpets, ceramics and metal ware for sale to Europeans. He founded a carpet factory in Isfahan. Royal patronage and the influence of court designers assured that Persian carpets reached their zenith in elegance during the Safawid period. He advanced trade by building and safeguarding roads. He welcomed tradesmen from Britain, the Netherlands and elsewhere to Iran. His governmental monopoly over the silk trade enhanced state revenues. Merchants of the English East India Company established trading houses in Shiraz and Isfahan. After Shah Abbas ousted the Portuguese from the island of Hormuz at the entrance to the Persian Gulf in 1622, Bandar Abbas (Port of Abbas) became the center of the East India Company's trade. But Later the Dutch East India Company received trade capitulations from Shah Abbas. The Dutch soon gained supremacy in the European trade with

Iran, outdistancing British competitors. They established a spice-trading center at Bandar Abbas.

The Safawid Empire's geographical position was ideal. They were near the major overland trade routes between East and West and were beginning to prosper from the growing economy. They were able to trade with Mesopotamia and India, which were technological civilizations at the time. Iran provided overland routes so they could trade ideas and goods. Despite periodic wars between Iran and the Ottoman Empire, they maintained an extensive trade, especially in the highly prized Iranian silk, which large quantities of silk were shipped from Iran to commercial centers such as Aleppo and Bursa and from there re-exported to Marseilles, London, and Venice.

In India, the reorganization of the land revenues system is considered the crowning achievement of Akbar as an administrator but the credit does not go to him exclusively. In fact it was Sher Shah Suri 'who made a systematic survey of the land under cultivation and laid the foundation on which Akbar raised the super-structure'. After a careful survey, land was classified in four categories based on its fertility and cultivability and revenue was fixed accordingly. The arrangement benefited the state as well as the peasantry. The fixed land tax provided certainty of revenue and prevented any fraud on the part of the revenue officers.

According to Lane-Pool (1903, pp. 261, 263), 'The land tax was always the main source of revenue in India, and it had become almost the sole universal burden since Akbar had abolished not only the Poll-tax and pilgrims' dues but over fifty minor duties The basis of the land revenues was the recognition that the agriculturist was the owner of the soil, the state being entitled to the surplus produce. In some cases *iqta`* or land grant was also adopted. An equal rate was demanded from both Muslim and non-Muslim subjects. This was a complete departure from the Islamic principle of *ushr* or *kharaj*. He aimed at securing to the peasant the power of enjoying his property and profiting by the prints of his labours, ... The very successful land revenue system of British India is little more than a modification of these principles' (ibid. p. 264).

Akbar also introduced a new and fairer system of taxation based on carefully estimated tables of crop yields. Tax collectors had their own district tables and used them to work out how much grain the farmers should contribute. This contribution was then converted into its cash value, district by district, because food prices varied in different parts of the empire.

Industry was also very developed in this period. After citing various sources that give an account of Indian industry in the sixteenth century, Moreland (1975) remarked in 1920: "Making every allowance for these sources of error, it is still to my mind indisputable that in the matter of industry India was more advanced relatively to Western Europe than she is today". 'A considerable amount of trade was carried on by overland route through the two Indian gateways, Qandahar and Kabul, with Balkh and Khurasan, Khwarizm and Persia, Turkey and Arabia, and even Tibet and China' (Yasin, 1971, 24). But it is not known whether Indian traders had any concern to maintain favourable balance of trade as the European mercantilists strived for it in this period. The Indian maritime trade was confined to the costal areas only because of the Portuguese piracy. To quote Moreland (1975, p. 5) again, 'in the closing years of the sixteenth century the Portuguese were indisputably masters of the Indian seas, not so much from their own strength as from the failure of the Asiatic nations to realize the nature of the sea power'.

Endnotes:

1. *Faddan*, a measure of land divided into *qasbahs* which were measured in term of *dhira* (or feet). The size of these units varied according to the nature of the transaction, and the fertility of cultivation of the land in question. The Ottoman *faddan* was slightly smaller than the Mamluk one (Shaw, 1964, pp.170-71).
2. In Persian 'parah' means piece or mercury] (Gibb and Bowen, 2:39n). [akce or full name 'akcei osmani' means Ottoman little silver piece or 'little white', 'ak' being a word for white in Turkish and 'ce' a Persian diminutive. European authors refer on this account to the *akce* as an 'aspre' from the equivalent Greek word for white, (ibid, 2:49).
3. In modern Arabic, *qurush*, singular *qirsh*.
4. '*florin*' Gold pieces, bearing a flower on the reverse (whence – from *florino* – the name) were minted in Florence in 1252. Venice followed suit with a gold coin of the same weight in 1284. This at first known as a 'ducat' (i.e. ducal or doge's coin) was subsequently called a *zecchino* or sequin (apparently from the Arabic *sikka*, 'a

coin') Gibb and Bowen, 2:50ff. Coming to 15th century, due to trading relations, the coin was in common use of Arabs also as al-Bulqini mentions in his *fatawa* noted by al-Suyuti.

5. "In theory, *akce* were minted only from pure silver whereas in the gurus coins weighing 9.5 dirhams, a portion of 1 dirham was composed of copper" (Sahillioglu, p.44). Sahillioglu notes that dirham was equal to 3.072 grams.
6. "The myth generally circulated by modern Arabs to the effect that 400 years of Ottoman rule suffocated Arab progress cannot be maintained by evidence" (Armajani, p. 156).



CHAPTER FIVE

PERCEPTION OF MARKET AND PRICING

Market is mainly a subject of economics but at the same time it has been one of the most neglected economic themes. Barber says: “The history of economic thought shows surprisingly a small amount of attention given to the idea of market” (Barber, 1977, p. 18). In his opinion, ‘the notion of market is so much a part of the economist’s world view that little attention is paid to it as just one of the ways in which individuals can enter into exchange relationship with one another. Like the fish who ignores the water that surrounds it, the economist does not isolate the market for specific study’¹ (Dworkin, Gerald *et al.*, 1977, p. 3). Barber’s conclusion is based on survey of a number of important works on economic ideas. He does not find ‘a single general article on the idea of the market’ (ibid.) ‘Even the great figures had said relatively little about the market as such ...’ (ibid., p. 19). The same is situation with works written by socialist authors. For example, Sweezy (1942) has ‘nothing on the market’. Adam Smith’s long tome, *An Inquiry into the Nature and Causes of the Wealth of Nations*, mentions the market in one chapter, entitled “that the Division of Labour is Limited by the Extent of the Market”. Even in Joseph Schumpeter’s enormously detailed and immensely scholarly work *History of Economic Analysis*, with 1200 pages, there is no section on “the market” and the “market” is not even indexed in a subject index that is 30 pages long (ibid, p. 20). If this has been the state of affairs in the modern history of economic thought, one may not be very hopeful and ambitious to find a clear treatment of market as a social institution in the writing of earlier scholars.

5.1 Before the Sixteenth Century

Surprisingly we find substantial discussion on market, pricing and imperfections in the writings of Muslim scholars up to fifteenth century. It is worth while to have a look over the past before we examine the situation during our study period.

Starting from the first century *Hijrah*, (7th century CE), we find a chain of works that addressed the functioning of market. First, during the time of the Prophet himself the question of interference in market arose when prices increased. But reasons, as Ibn Taymiyah (1976, pp. 41-42) argued, were economic, and not any imperfection created by non-market agents, so the Prophet refused to fix the price administratively. Thus, he approved and encouraged the role of a free-market. This tradition provided a note of precaution and need for twice thinking before recommending any interference in the market functioning. As early as 3rd/9th century Abu Bakr Yahya b. Umar al-Kinani (213-289/828-901), an Andalusian Maliki jurist, authored *Kitab Ahkam al-Suq* (A Book on Rules of the Market). It is perhaps the first work exclusively dealing with issues related to market problems, price, demand and supply, competition, monopoly, etc. Scholars like al-Shafi'i, (d. 205/820), Abu Yusuf (d. 182/798), Ibn al-Muqaffa' (d. 139/756), al-Jahiz (d. 295/869), Qadi Abd al-Jabbar (d. 415/1023), al-Juwayni (d. 478/1085), al-Ghazali (d. 505/1111), Ibn Taymiyah (d. 728/1328), Ibn Khaldun (d. 808/1406) and many others have dealt with the issue of the price and market.² Especially the last two scholars took the discussion to the level on which the latter Muslim scholars could have constructed a scientific theory of market.³ Although there was relatively advanced thinking on market and pricing in Islamic tradition, scholars who came later did not care to improve upon it. The lead was taken by European scholars as we shall see below.

5.2 Understanding of Price Fluctuations and Market Forces

The sixteenth century saw a great number of fluctuations in prices. This must have attracted the attentions of thinkers of the period to find out the reason behind such fluctuations, and they really did address it. The historians who report such incidences of price variations also point

out the reasons behind them. They were fully aware that it is demand for and supply of a good that determine the price and changes in these two market forces result in price fluctuations. However, these scholars were more worried about supply and less bothered about demand. But they knew that, *ceteris paribus*, a decrease in demand would result a fall in price while an increase in demand would result an increase in the price. For example, Ibn Tulun (d. 953/1546) notes that in the year 923/1520 prices increased because of the influx of Turkish people and their settlement in Damascus (1998, p. 376) causing an increase in demand. Similarly it was observed that the arrival of pilgrims generally caused an increase in prices in Makkah if provisions of required quantity of goods were not made (al-Jaziri, n.d., pp. 807, 927, 1008 etc.). Al-Jaziri notes that prices decreased in 969/1565 in Hijaz because death of a large number of people resulted a decrease in demand (ibid. p. 1038). Or the price of beef declined when people refrained from its consumption due to a certain disease of cow (Ibn Tulun, 1998, p. 291).

As noted above the sixteenth century scholars paid more attention to the element of supply and the various factors that affected supply and eventually the price. There have been two major sources of supply – domestic product and import. There was active trading with other countries and barter exchange was a major portion of it. Even foreign traders preferred to buy local goods at time of return to their countries to profit in two-way trading. The reason for that there was no complaint against foreign traders may be because people realized the mutual benefits of foreign trade.

The scholars of the period report that the factors that mainly affected the domestic supply included non-flooding of the Nile and scanty rainfall (Ibn Iyas, 1960, vol.4, p. 217, 241, Ibn Tulun, 1988, p. 298, Al-Jaziri, n.d., pp. 1163-1164). Imposition of heavy taxes, (Ibn Iyas, 1960, vol.4, pp. 329, 357), deteriorating law and order situation and rioting by unruly elements (ibid. pp. 295, 353, 369, 408, 427, 463-64, 486) were some other reasons that affected the domestic supply. On the other hand, the timely flooding of the Nile, sufficient rains (ibid. p. 295), cut in taxes, and peace and security boosted supply (ibid., p.304). Domestic supply was also affected by hoarding, middlemanship, and monopolization. Speculation exerted its two-way effects on expansion and contraction of supply (Ibn Iyas, p. 295, al-Jaziri, pp. 966, 973, 1151).

The import was a very important source of supply during the period under study. Al-Jaziri does not miss to report the arrival, delay or non-arrival of Indian goods in the Makkan market and accordingly their effects on the prices (al-Jaziri, p. 1009, 1055, 1128, etc.). When ship laden with merchandise arrived, prices decreased; when delayed or failed to reach, prices soared. The main reason that affected the supply through import was the existence of Portuguese piracy (al-Jaziri, p. 1155). Import was also affected by frequent changes and debasement of the currency. Increase of duties on foreign traders (Ibn Iyas, 1960, vol. 4, p. 424) and sometimes monopolization of spice trade by the Sultan discouraged supply of goods through maritime trade (al-Jaziri, p. 966). Some other factors that disturbed supply were acts of forestalling, middlemanship and speculations (ibid, pp. 973, Ibn Iyas, 1960, vol.4, p.355). Muslim scholars were in favour of free competitive market. They criticized trading by the Sultan and his monopolization of certain trades. They stressed that if the Kings began trading, the ordinary persons could not survive because the latter had no power to compete the former (al-Jaziri, pp. 975, 1081). They were also against hoarding and profiteering by some officials or big traders (ibid, pp. 966, 972, 999). Thus, they were quite familiar with the pattern of monopoly, on which they bestowed an impulsive hatred, and with competition, which they conceived to be the normal pattern without bothering to define it.

5.3 Administrative Price Fixation

Price control and administrative fixation has been a controversial matter in the history of Islamic economic thought. A comprehensive treatment of the subject is found with Ibn Taymiyah⁴ (1976, pp.24-51) and Ibn al-Qayyim (d.751/1350) (1953, pp. 24-44, 247, 258). The issue did not attract enough attention of the subsequent scholars and hardly any noticeable improvement was made on this topic in the sixteenth century. But one may find instances of price regulations in this period. Recognizing responsibilities towards need fulfillment of the citizens, especially the price of necessary goods were fixed (Ibn Tulun, pp. 216, 364, Ibn Iyas, 4:338) and there existed the *hisbah* institution to supervise the market. But the enforcement of price control was not always very strict. Especially during the Mamluk period when the official machinery weakened and the government control loosened, corruption entered the *hisbah* institution. The post of *muhtasib* was secured through offering

money and the sellers violated price regulations by offering bribery to the *muhtasib* (Ibn Tulun, p. 216, al-Jaziri, pp.1000, 1144). Whenever an honest market officer was appointed the situation improved and objective was achieved. Otherwise, it defeated the purpose. Examples are also found when price control resulted in black marketing or further shortage (al-Jaziri, p. 978). Subsidy and rationing was adopted to solve the problem of shortage arising out of authoritative fixation of the price (ibid. p. 1164).

In the Ottoman Turkish the term *narkh*⁵ was used for the prices fixed by officials for various commodities. To ensure fair price fixation, the *qadi* was also involved in determination of the price. Proposals were sought from those who were involved in production and procurement of the goods. Then he used to decide the price in the light of their proposals as well as opinions of knowledgeable persons and the suggestions of the *muhtasib*. In this connection cost of production was taken into consideration and a profit of 10-12 percent was ensured. A strict vigilance was carried out to ensure full compliance to the fixed prices (Kutukoglu, 1993, E I, 7: 964).

During the thirteenth and fourteenth century, the concept of just price with the Muslim scholars and their view about its determination was far superior and clearer than their contemporary Western Scholastics. Since it is out of the scope of our study, we just present a single example. It is stated that regarding the determination of just market price, the fifteenth century German Dominican John Nider (d. 1438) stated that ‘.. by as much as a greater number of men have need of a commodity and desire to possess it, whereas the available supply of it less, by so much it is more likely to be estimated and sold at a higher price’ (Gordon, 1975, p. 232). A century prior to him, the Muslim scholar Ibn Taymiyah (d. 728/1328) described the same idea in more clear words. He says: “Rise and fall in prices is not always due to wrong practice (*zulm*) of certain individuals. Sometimes the reason for it is deficiency in production or decline in import of the goods in demand. Thus, if desire for the good increases while its availability decreases, its price rises. On the other hand, if availability of the good increases and desire for it decreases, the price comes down. This scarcity or abundance may not be caused by the action of any individuals; it may be due to a cause not involving any injustice, or sometimes, it may have a cause that

does involve injustice” (Ibn Taymiyah, Vol. 8, p. 583). At another occasion he said: “If people are dealing their goods in the normal ways, without any injustice on their part and the price rises either due to shortage of the goods (i.e. decrease in supply) or due to increase in population (i.e. increase in demand, then it is from Allah. In such cases, to force the sellers to sell their goods at a particular price is a wrongful pressure” (Ibn Taymiyah, 1976, p. 24).

Even the sixteenth century European scholars could hardly add anything to what already was mentioned by Ibn Taymiyah, Ibn Khaldun and some other Muslim scholars in earlier centuries. A few examples from the sixteenth century will be in order:

5.4 Examples from the Sixteenth Century

We hardly find views of the Western scholars of the sixteenth century on market and price in books dealing with the early modern period. Only Gordon (1975) has given opinions of a few such scholars. It will be interesting to compare them with those already found with the Muslim scholars of earlier centuries. In the sixteenth century Cardinal Cajetan⁶ further strengthened the idea of just price and in his comments on St. Thomas Aquinas (1224-74), he claims that in Aquinas’ views a just price is one, which at a given time, can be obtained from the buyers, assuming common knowledge and in the absence of all fraud and coercion’ (Gordon, 1975, p. 236). Elsewhere we have shown that Ibn Taymiyah’s concept of just price referred to a price determined in a free competitive market by forces of demand and supply with full knowledge of the market actors and without any fraud (Islahi, 1988, pp. 83-84).

A follower of Cardinal Cajetan, Domingo de Soto⁷ suggested that the price is to be set ‘by the opinion of prudent and fair-minded men’, in the light of prevailing market conditions in a given area (Gordon, p. 237). This is reminiscent of the committee idea that was suggested by an early scholar Ibn Habib (d. 238/852). According to him, the authority should call a meeting comprising the representatives of the market and some other experts. And in the light of their cost and other expenses and consideration of the interests of all parties, he should fix a price that is just and fair. It must bear a reasonable profit to the sellers and it is not

burdensome to the buyers (al-Baji, 1332H., Vol. 5, p. 19). As noted above in the period under study Ottomans applied similar method to fix prices of essential commodities.

From among the sixteenth century Western scholars Martin de Azpilcueta Navarro⁸ (Navarrus) was an opponent of a statutory price fixation, arguing that when goods were abundant it was quite unnecessary, and that when they were scarce the system might do the welfare of the community more harm than good (Gordon, p. 239). Such a line of thinking was not uncommon among the earlier Muslim scholars. Ibn Qudamah (d. 682/1283), an opponent of price control analyzed the authoritarian price fixation and pointed out the disadvantages of this type of price control. According to him, price fixing will bring about a result exactly opposite of what it intends. It is obvious that price fixing must lead to expensiveness. This is so because when outside traders hear about price control they will not bring their goods into that area where they would be forced to sell at a price against their will. And local traders who have the stocks will conceal them. The needy consumers will demand the goods and having their demand unsatisfied will bid the price up. The price will thus increase and both parties will suffer – the sellers will suffer as they have been restricted from the sale of their goods and the buyers will suffer as their wants have been left unfulfilled. (Ibn Qudamah, 1972 Vol. 4, pp. 44-45).

British theologian John Major⁹ (1478-1548) and the Spanish scholars Luis Molina¹⁰ (1536-1600) gave more weight to cost of production in setting the just price of merchandise (Gordan, 1975, pp. 240-241). It may be noted that about two hundred years prior to Molina, the famous scholar of Muslim Spain and North Africa Ibn Khaldun (d. 808/1406) noted that supply of goods and the price is affected by the production and procurement costs such as cost of rent, wages, duties, taxes on profits, risks attached to storage (Ibn Khaldun, 1967, pp. 339-40, 341).

The readers will notice that we juxtaposed contributions of Western scholars of sixteenth century with those of Muslim scholars that lived in previous centuries. It is true, and that is the sad aspect of our story, that in spite of willingness to compare with the scholars of the same period and draw a parallel between West and East on the subject of market and

price, we failed to do so because we could not find such analyses in works of sixteenth century Muslim scholars. No doubt, they had the perception of factors affecting supply and demand as we noted above and they must have been aware of the contribution of their predecessors on the subject but they could not develop it. This is clear from their treatment of the just price or price of the equivalent – an important concept in Islamic tradition that could have proved to be a foundation for building a clear theory on market and pricing.

5.5 A Word on the Just Price

In the Islamic tradition, as well as in the Western scholastics, ‘the just price’ was a dominating theme in medieval period. Early Islamic scholars’ remarks on the just price or the price of the equivalent were made against a background of stable economic situation, growth and prosperity. As we discussed elsewhere, their contention was that the just price was the prevailing free-market price (Islahi, 1988, p. 83). But the price and market situation became very disturbed during the period under study due to unrestricted money supply, bad domestic production and decline in import because of other local and international factors. Especially, range of price fluctuation during the first quarter of the sixteenth century greatly widened. For example the price of wheat in a normal year was half an *ashrafi* per *ardabb*, but in 917/1511 it was sold at one *ashrafi* per *ardabb* – a one hundred percent increase (Ibn Iyas, 1960, p. 217); then it reached five *ashrafi* per *ardabb* (ibid, p. 241). These circumstances were demanding for a fresh look at the concept of just pricing and an advanced analysis of the forces determining the price. But in a situation when doors of *ijtihad* (creative thinking and independent decision making) were closed, this could not be realized. Some great scholars of the sixteenth century like al-Suyuti (1996, Vol. 2, pp. 79-80) and Ibn Nujaym (1980[a], p. 362) seem to be having the feeling that in pricing one may face abnormal situations but they pass with brief remarks and quotations of the opinions of past scholars.

In the end it may be noted that early scholars generally discussed their ideas on market and pricing mechanism in works on *al-hisbah*. As we shall see below in Chapter eleven that very few such works appeared in the sixteenth century and had no significant discussion on the market.

This is a proof that a kind of stagnation in economic thinking was fast taking into its grip the minds of scholars of the period. Our best minds were concerned mainly with orderly and systematic presentation of the thought of their forebears mainly in traditional sciences. They could demonstrate an encyclopedic command of earlier thought but they did not try to make an addition or innovation. This is what we find with respect to market and pricing.

Endnotes

1. About the pricing mechanism which is key to the market economy, Schumpeter says: "As regard the theory of mechanism of pricing, there is very little to report before the middle of the eighteenth century. The contributions of even the brightest lights, such as Barbon, Petty, Locke, do not amount to much, and the vast majority of the Consultant Administrators and Pamphleteers of the seventeenth century were content with the kind of theory they found or could have found in Pufendorf. They attended to practical problems of regulative policy, but the analytic side they took largely for granted and were slow to realize the need for rigorous conceptualization and proof (Schumpeter, 1997, P. 305).
2. For a survey of the opinions of these scholars one may refer to Islahi, 2005, pp. 27-30.
3. For a detailed discussion on Ibn Taymiyah's concept of pricing mechanism refer to Islahi, 1986, pp. 55-66 and for a brief comparison between his ideas and those of Ibn Khaldun on market forces see pp. 246-47.
4. For detailed analysis of Ibn Taymiyah's views on price regulation refer to Islahi, 1988, pp. 93-101.
5. 'narkh' a Persian equivalent of Arabic *si'r* = rate, price.
6. Thomas de Vio, Cardinal Cajetan (1468-1534) was one of the leading figures who revived Thomastic ideas who belonged to Italian Dominican Order and was elected General of this Order in 1508.
7. Domingo de Soto (1494/1560), a Spanish Dominican and one of those who laid the foundation for the intellectual pre-eminence of the University of Salamanca.
8. Martin de Azpilcueta Navarro (Navarrus) was sometime professor at Toulouse, Cahors, Salamanca and Coimbra. He acted as counselor to the King of Portugal and later of Philip II of Spain.
9. John Major (1478-1548) was a British theologian.
10. Luis Molina (1536-1600) was a Spanish scholar.

CHAPTER SIX

MERCANTILISM AND MUSLIMS OF THE SIXTEENTH CENTURY

6.1 Mercantilism in the Sixteenth Century

The body of economic thought known in the history of economic thought as 'mercantilism' was prevailing current of economic thought in the sixteenth century, although some economic historians date it still earlier (Whittaker, 1960, p. 31). It also dominated next one and half a century (Oser and Blanchfield, 1975, p. 8). Development of mercantilist doctrine was so different from all the past stages of the evolution of economic thought, and so harmonious and closely related to ideas that came after it, that many historians of economic thought start the history of the subject with mercantilism. It differs from the past tradition in the sense that earlier economic thoughts were expressed by religious scholars, moral philosophers, social thinkers, academics, etc. But mercantilist ideas came from those who were basically merchants or men of affairs (Lekachman, 1959, p. 49). However, generally mercantilist writers did not contribute to a single economic ideology. Mercantilism as a whole cannot be considered a unified theory of economics. There were no mercantilist writers presenting an overarching scheme for the ideal economy, as Adam Smith would later do for classical economics. Rather, each mercantilist writer tended to focus on a single area of the economy (Landreth and Colander, 2002. p. 44).

Attainment of 'economic power' assumed form of a movement that spread in many countries at the same time. It proved the starting point of modern capitalism and provided base for industrial revolution. It enriched the economic thought with a number of new concepts such as, 'nation-states', 'protectionism', 'balance of trade', 'fear of good', 'quantity theory of money', 'free trade', 'internationalization of the economy', 'self-reliance', etc. It has been subject of criticism starting from Physiocrats, and Adam Smith up to our own age. But still many ideas of mercantilism, openly or under disguise of certain institutions, are adopted.

It would be interesting to investigate what was the nature and essence of mercantilism? What factors were behind its birth and what factors helped it develop and widely spread among the major Western countries? Was there any such precedent on the part of Muslim world? Why mercantilism could not flourish in Muslim states. And what was the resultant loss in the material, intellectual and political spheres?

6.2 Essence of Mercantilism

Mercantilism refers to economic system of the major trading nations during the 16th, 17th, and 18th centuries, based on the premise that national wealth and power were best served by increasing exports and collecting bullion (precious metal) in return. In part, this focus on reserves of gold and silver was because of their importance during times of war. Armies, which often included mercenaries, were paid in bullion, and navies were funded by gold and silver. The complicated system of international alliances of the period also often required large payments from one state to another. Besides bullion, raw materials for domestic manufacturers were also sought, and duties were levied on the importation of such goods in order to provide revenue for the government. The state exercised much control over economic life, chiefly through corporations and trading companies. Production was carefully regulated with the object of securing goods of high quality and low cost, thus enabling the nation to hold its place in foreign markets. Treaties were made to obtain exclusive trading privileges. 'To promote their business interest, mercantilists believed in free trade within a country; that is, they were opposed to internal taxes, tolls, and other restrictions on

the movement of goods. However, they did not favour free internal trade in the sense of allowing anybody to engage in whatever trade he wished. On the contrary, mercantilists preferred monopoly grants and exclusive trading privileges whenever they could acquire them' (Oser and Blanchfield, 1975, p. 10). Apart from war with other countries, strong national governments were also necessary to achieve other goals such as, nationalism, protectionism, colonialism, and internal trade unhampered by tolls and excessive taxes (ibid. p. 11).

Under mercantilism it was believed that the economic health of a nation could be measured by the amount of precious metal, gold, or silver, which it possessed. Precious metals were considered as the source of prosperity, prestige, and strength. Bullionism required a favorable balance of trade. That is, for a nation to have gold on hand at the end of the year, it must export more than it imports. 'Mercantilist doctrine taught that export was the only desirable economic transaction and goods were exported to enemy countries even in war time' (Heckscher, 2: 42). Each nation tried to achieve economic self-sufficiency. Thriving agriculture should be carefully encouraged. Domestic production not only precluded imports of food, but farmers also provided a base for taxation. Regulated commerce could produce a favorable balance of trade. In general, tariffs should be high on imported manufactured goods and low on imported raw material. Sea power was necessary to control foreign markets. A powerful merchant fleet would obviate the necessity of using the ships of another nation and becoming dependent on foreign assistance. 'The merchant capitalists believed in dominating and exploiting colonies and in monopolizing colonial trade for their own benefit. They wanted to keep the colonies eternally dependent on and subservient to the mother country'¹ (Oser and Blanchfield, 1975, p. 10). The interests of the colonists were sacrificed to those of the mother country; and the natives were exploited without mercy. Colonies were to provide captive markets for manufactured goods, cheap labour and sources of raw material. Luxury items were to be avoided because they took money out of the economy unnecessarily. Mercantilism suggested that the government should advance these goals by playing an active, protectionist role in the economy, by encouraging exports and discouraging imports.

Early mercantilism, which was developed beginning around 1500, was most marked by its 'bullionism'. This period saw a vast inflow of

gold and silver from the Spanish colonies in the New World, and an overriding concern was "how the other states of Europe could be able to compete". The bullionists, such as Jean Bodin, Thomas Gresham and John Hales, felt that the wealth and power of a state was measured by the amount of bullion it possessed; and that to grow in power, meant increasing the amount of bullion at the expense of the other powers. The prosperity of a state was measured by the accumulated wealth of its government, with no concept of national income. One element mercantilists agreed upon was the economic oppression of the working population. Laborers and farmers were to live at the "margins of subsistence". The goal was to maximize production, with no concern for consumption. Extra money, free time, or education for the "lower classes" was seen to inevitably lead to 'vice' and 'laziness', and would result in 'harm' to the economy (Landreth and Colander, 2002, p. 43).

Merchants benefited greatly from the enforced monopolies, bans on foreign competition, and poverty of the workers. Governments benefited from the high tariffs and payments from the merchants. Whereas later economic ideas were often developed by academics and philosophers, almost all mercantilist writers were merchants or government officials (Ekelund and Hébert, 1997, p. 46).

6.3 An Amoral, Restrictive, Unjust, and Exploitative System

Though Mercantilism started as to serve Christianity and get hold of the Holy Places, in later period it developed opposition to religion and the church (Heckscher, 1955, 2:302, 303) because of latter's intolerance. 'The expulsion of Moors and Jews from Spain was exhibited as the pernicious result of intolerance' (ibid. p. 304). Mercantilism assumed form of a new religion and 'in deifying the state it opposed medieval religion, which had worshipped at quite other shrines' (ibid. 2:155). According to Lekachman (1959, p. 35), 'in its glory, mercantilism was a battle against hampering medieval thought and practice'. It was an amoral and exploitative system. 'The mercantilists were amoral in a two-fold sense, both in their aims as also in the means for the attainment of their ends. This two-fold amorality arose from their widespread indifference towards mankind, both in its capacity as a reasoning animal, as also in its attitude towards the eternal.' (ibid. p. 285). 'The interest in

human beings' was replaced by 'the interest in the state'. 'The welfare of the state was substituted in place of amelioration of the individual' (ibid). 'The individual's private economic interests were to be made serviceable for the end of the state' (p. 293). The freedom of trade 'meant to the mercantilist that one was free to do what one wished without prevention or compulsion by government regulation' (ibid, p. 296) 'As Oser and Blanchfield (1975, p. 9) observed: 'Mercantilistic nationalism of course meant militarism'. In England in 1549, people were forbidden by law to eat meat on certain days of the week in order to ensure a domestic market for fish brought by mercantilist seamen (ibid. p. 9). 'Mercantilists advocated the import of raw materials without tariffs if they could not be produced at home, protection for manufactured goods and raw materials that could be produced at home, and the restriction of the outward movement of raw materials. This emphasis on exports, this reluctance to import, has been called "the fear of goods". The interest of the merchants took precedence over those of the consumer' (Oser and Blanchfield, 1975, pp. 9-10). 'An act passed in 1565-66 during Queen Elizabeth's reign forbade export of live sheep. The penalties for violating this law were confiscation of property, a year in prison, and the cutting of the left hand. The death penalty was prescribed for a second offence' (Oser and Blanchfield, 1975, p. 10). These quotes which could be multiplied show how immoral, restrictive and exploitative the system of mercantilism was.

6.4 Mercantilism: A Reaction Against Muslim Powers: Revisited

In one of our recent works we expressed our view that Mercantilism was a reaction against Muslim powers and it was directed to defeating them² (Islahi, 1995, pp.81-84). Whenever we study the history of Mercantilism, certain questions come to our mind such as what was the reason behind the rise of mercantilists *per se*, what caused the change in their thinking and why they felt the need to strengthen the national state. This, of course, needs a thorough study of the background and circumstances in which 'mercantilism' developed. This writer has a considered opinion that behind the rise of mercantilism lies the motivation that the scholastic writers, and through them the mercantilist writers, received from the work of Muslim scholars. For Muslims, trading has been a praiseworthy commercial activity since the very beginning of Islam. European activists, defeated in Crusades, thought

that the trade was the major source of their strength. Thus, their attention was drawn to monopolize it. They might have arrived at the conclusion that for defeating Muslims, they must pay attention to unity and strengthen the national government. Heckscher has rightly assigned to the second part of his work the title “Mercantilism as a system of power”. According to Heckscher (1955), this power goal appeared under two guises: power *per se*, especially in a military sense, as well as the power to be achieved via national economic prosperity.

Examples of fund raising for this purpose are also not uncommon. ‘Portugal’s King Diniz sent an ambassador to Pope John XXII to solicit funds for the construction of fleet to be used against Muslims’ (Hamdani, 1994, p. 286).

Disappointed from the conquest at the battle field, mercantilists tried to block the Muslim power on economic front: “If one takes this trade of Malacca out of their [Mamluks’] hands, Cairo and Mecca will be entirely ruined, and to Venice no spices will be conveyed, except what her merchants go to buy in Portugal”. This was declared by Portuguese governor Alfonso de Albuquerque after conquering Goa and Malacca in 1511. (ibid., p. 288) ³.

We have found some additional evidences to support that the main objective before explorers and pioneers of mercantilism was to strengthen their governments to regain their holy places, defeat their enemy, check the expanding power of Muslim rivals and spread Christianity. According to George Kirk, Prince Henry the Navigator (1394-1460) on whose inspiration Portuguese seamen began to explore the Atlantic coast of Africa southwards, 'was evidently to carry on the Crusades by an attempt to outflank the Darul-Islam both strategically and commercially; to divert the trade in the gold and other products of West Africa from Muslim hands; to make contact south of Sahara with the Negus of Ethiopia ('Prester John') and jointly assail the Muslims from the south; and he may also have planned in his later life to win control for Portugal of the Indian trade which was now the main source of wealth of the Muslim world' (Kirk, 1964, pp. 63-64). Herbert Heaton, the famous economic historian writes: "Columbus talked of making converts, securing the gold, pearls and spices of the Orient and using part of this

fortune to equip an army that would free Jerusalem from the Turk" (Heaton, 1968, p. 238).

"Columbus' peer Vasco de Gama who sailed towards East and reached Indian coast, declared that he had come 'in search of Christians and spices' (ibid.). Heaton further writes: "the issue was not destined to be settled by economic factors alone, ... Portugal went east as crusader and trader, determined to get a monopoly of the westward flow of goods and also to wage the holy war on new battle fields" (ibid, p. 241). That the economic gain was not their main objective and that they aimed at defeating Muslims and destroying their lands and shrines, is clear from the fact that Albuquerque, initially commander of the Portuguese fleet and after 1509 governor general of the Portuguese Indies 'laid plans to capture Aden, establish a base inside the Red Sea, burn the Egyptian navy in harbor and destroy the Moslem holy city of Mecca. He even suggested that engineers be brought from Europe to divert the upper Niles from its course, thus turning Egypt into a desert' (ibid, p. 241). 'When Vasco da Gama arrived in Calicut, he explained that he came in search of Christians and spices. It was a fair summary of the motives that sent the Portuguese to Asia – as indeed also, suitably adjusted, of the *jihad* to which, in a sense, their voyages were a long-delayed reply. The sentiment of religious mission was very strong among the Portuguese who went to the East. The voyages of discovery were seen as a religious struggle – a continuation of the Reconquest and the Crusades, and against the same Islamic enemy, (Lewis, 1976, p. 203; 1982, pp. 33-34). It is obvious that the early explorers and mercantilists were motivated to foreign trade as an economic weapon against the Muslim powers.

War against Mamluks in early sixteenth century who had given a crushing defeat to the horrifying Mongol invaders at the turn of fourteenth century and the war against Ottomans (the custodian of holy places) in the later period required unity of forces, regional and states, and gold for war expenditure. The mercantile system emphasized, among other things, these two essential elements of winning a war. Professor W.R. Shepherd summed up all the motives for expansion neatly as the three Gs "Gospel, Glory and Gold". Of these only gold is, strictly speaking, an economic end (Clough and Cole, 1967, p. 99), but that was also to serve the first two objectives.

6.5 Crusading Movement Transformed

Certainly the crusading movement underwent great changes and so its organizers. During the thirteenth and fourteenth centuries it had as its chief emphasis the relief of the Holy Land. In the fifteenth century it took the form of boycott of Mamluk product and ban on trading with them. Then in the sixteenth century it transformed mainly to containment of the Ottoman Turks and then fighting for the economic interest. 'But it would be inaccurate to conclude from this that the ideal of recovering Jerusalem had ceased to play any role in crusading; for while the active planning of recovery crusades came to an end in 1370, the re-conquest of the Holy Land continued for centuries to exercise the imaginations of at least some Catholics' (Housley, 1992, 45). After citing a number of instances from the sixteenth century rulers, religious leaders, social thinkers and humanists who equally appealed or preached for recovery of Holy Lands, Housley writes: "These instances, which could easily be multiplied, illustrate what was clearly an important impulse to look beyond the crusade against the Turk (and occasionally the Moors of Granada or North Africa) towards the liberation of the Holy Land' (ibid. p. 47). He supports the view that 'although the crusade remained an inspirational ideal, commanding consistent interest and respect, it gradually ceased to be associated with military action' (ibid. p. 419). Thus, the exploration and commercial enterprises that started with the objective of financing crusades for recovery of Jerusalem and re-conquest of the Holy Lands ended up in apparently economic movement (Hamdani 1994, p. 289).

Since the world market was limited, the clash of interest incited the European countries to fight each other. Spain and Portugal were already in fray. But they went to different directions. England was late in joining the competition. It came in conflict with Spain. Portuguese, after dominating hundred years over the Arabian Sea and Indian Ocean, gave way to English and Dutch adventurers.

It may be said that as against the practices of Portuguese and Spanish invaders, the later phase of mercantilism was to avoid open confrontation with the 'host' country. Rather they tried to get capitulation⁴ and win 'friendship' of natives and then occupy them through creating confrontations among the rival factions and siding one of them or use the

policy of divide and rule. This proved a more effective and successful strategy. It enabled Britain to enslave a huge country like India and put an end to the Mughal rule erstwhile one of the greatest Muslim states in the history.

6.6 Kārimī⁵ Merchants

Commerce has been religiously and conventionally a preferred occupation among Muslims. But it is astonishing to note that there was hardly any move on the part of Muslim world to encounter European mercantilists with matching force. We find a limited parallel in Kārimī merchants who dominated the maritime trade at times when mercantilism was yet to begin. Kārimī merchants mainly operated in the Red Sea and the Indian Ocean. Their history is traced back to the period of Fatimid caliphs. For Salah al-Din al-Ayyubi (d. 532/1137) Kārimī merchants were a big asset as they helped him by paying heavy taxes and lending him large amounts. Mamluk rulers' policy towards Kārimī merchants was not always uniform and consistent. It varied according to the existing political and economic condition faced by a sultan. However, by and large, during the first Mamluk period they enjoyed goodwill and protection of the rulers and expanded their capital and areas of operations. In addition to Mamluk sultans, their borrowers included rulers of Yemen and Mali. 'The activities of the Kārimī merchants reached from the Maghrib to China. Some were as powerful and rich as 'kings', with their own armed caravans, and with guards, commissioners, partners, slaves and servants' (Labib, 1990, 4:641). Al-Maqrizi (1971, 3:1116) writes that in the year 806/1404 news came that some European ships have arrived to Alexandria. So Burhan al-Din Ibrahim, the chief of Kārimī traders was deputed to deal with them.

During the 9th/15th century decadence of Kārimī merchants set in when the Mamluk Sultan Barsbay (d. 842/1438) monopolized the pepper and spice trade, the main trading commodities of the area.⁶ Deteriorating political and economic conditions and increasing taxation were some other causes that badly affected not only Kārimī traders but the merchant class as a whole. Ibn Iyas (1960, Vol. 4, p. 443) reports that whenever a merchant grew very big, he was suppressed at various pretexts. Whenever the Treasury lacked sufficient fund to meet expenditure,

traders were taxed. Thus they faced a lot of trouble. Very frequently the imported slaves looted and misbehaved the traders. If they complained, the Sultan took no action. Rather the traders themselves were rebuked (ibid. p. 446). They lost their interest in domestic as well as in maritime trade and changed their jobs. The termination of the fifteenth century also brought an end to the Kārimī merchants such as in the sixteenth century sources they got hardly any mention.

Contrary to mercantilists, the Kārimī merchants were not writers. We are not aware of any written work by them. At practical level also they had not tried to forge unity in various Muslim rulers against crusaders. Nor did they have colonizing objectives. The initial researches done on Kārimī merchants do not show that they had distinct thought over different actors of the economy – population, labours, money, rent, balance of trade, etc. Kārimī merchants were not full replica of mercantilists but their long history shows that they would have matched their Western counterparts had they survived the fifteenth century disturbances and had they seen light in the sixteenth century.

One would surely wonder why mercantilism remained confined among the European nations, and not a single country from the East could adopt the system or contend them. Ottomans being the strongest of all the sixteenth century governments and being not only neighbour of the Western countries but also occupying a very large part of their territories, it was expected that they would have proved a successful rival in mercantilism or developed it among their own subjects. But that also did not happen. Thus, it would be interesting to compare between Christian West and Muslim East on the subject of mercantilism and try to find out answer to the question what factors helped in development of merchant system among the former and why it could not flourish among the latter.

6.7 Factors that Promoted Mercantilism in the Christian West and the Reasons why it did not find favor in the Muslim East

In our opinion the first and foremost factor in rise and development of mercantilism is that its pioneer practitioners started the search of bullion through foreign trade with *religious zeal*. ‘Gold, said Columbus,

'is a wonderful thing! Whoever possesses it is master of everything he desires. With gold, one can even get souls into paradise' (Roll, 1974, p. 65). We have noted above some other sayings of Columbus and Vasco de Gama that they were engaged in exploration to recover Holy Lands and preach Christianity. Perhaps Montgomery Watt also realizes this when he says, "When the advancement to Jerusalem through the Mediterranean or eastern Europe was proved to be impracticable, a few men began to wonder if the Saracens (Muslims) could be attacked in the rear.Certainly some of those who sponsored or participated in the exploring expeditions regarded these as Crusading enterprise, and the members of the expeditions bore the Crusaders' cross" (Watt, 1972, p. 57). Stripling is right when he declares that, 'The war of the Portuguese against the Mamluks has sometimes been regarded as merely a continuation of the crusade and only secondarily a trade war' (Stripling, 1977, p. 35).

No doubt trade has been a very noble occupation in Islam, and in every period Muslims have been engaged in this business. But it never occupied that importance and sanctity as crusaders awarded it in early sixteenth century. There have been clashes between Christian and Muslim traders but all these trade wars were fought in waters surrounding Muslim countries. Muslims fought defensive wars only. Maritime trade being a risky venture was generally discouraged.⁷

Custom duties and income from commerce was not a major source of revenue for Muslim governments to finance a war. In fact war like situation always affects trading activities and so the income from it. But the European crusaders found the maritime trade as a rich source for contribution to finance war. Muslim governments at that time were rich enough with their internal resources and tributes from their suzerainty, so they did not need to rely on foreign trade to meet their government expenditures.

True, some of the Muslim rulers engaged in trading or monopolized it for their personal gain but this had a discouraging effect on common traders. That is the reason that Muslim scholars always opposed trading by the ruler⁸. Opposite was the role of Western governments, they encouraged foreign trade, provided it protection, granted monopolies to

the native trading companies and supported them with a number of legislations.

Muslim East and Christian West had always been rival (in spite of the evidences of certain give and take) in intellectual and political spheres. Muslim political power surpassed its Western rivals but scientific and intellectual decay that started in previous centuries could not be recovered in the sixteenth century and for that matter until the present age. The scientific discoveries in Europe like compass, fifth wheel, printing press etc. helped the development of mercantilism in many ways. Discovery of new world provided them with new market, and a new all water route of European trade through the Cape of the Good Hope proved a blow to Mediterranean trade dominated by Muslim traders. The ship building industry of Muslim government could not match their Western rivals. In a book written in 1580, an Ottoman geographer suggested the sultan that 'let a channel be cut from the Mediterranean to Suez, and let a great fleet be prepared in the port of Suez; then with the capture of the ports of India and Sind, it will be easy to chase away the infidels and bring the precious wares of these places to our capital' (Lewis, 1982, p. 34). Had the sultan followed his proposal, this would have been a befitting reply to the Cape of Good Hope and the Western mercantilism may not have prospered in the East.⁹ Whatever navy force Ottomans had, they used it for war purposes. They could not spare it for navigations and explorations. They established strong governments but their rule was confirmed on the land only. The water was left for mercantile companies, Portuguese, Spanish, Dutch, French and English. As Prof. Lewis puts it, 'The Ottoman naval expeditions to the Indian Ocean in the sixteenth century failed against the superior ships and armament of the Portuguese' (Lewis, 1982, p. 38).

Another benefit of scientific discoveries, use of machines, and changes in production techniques and composition was rapid increase in production and availability of surplus product for trading purpose. 'A surplus of exports from a country was necessary if payments were to be received in hard money' (Oser and Blanchfield, 1975, p. 9). It is said that Muslim countries did not have surplus production to carry a large scale foreign trade (Cahen, 1970 p. 35). Not only on water, the Western governments obtained capitulation and thus enjoying special economic and social rights in Muslim states. We could not find any example that

Muslim states had secured such a capitulation within European countries where Muslim traders could enjoy similar rights.¹⁰ No Muslim state realized that these capitulations might be misused for political manipulations or even colonization of their lands.

In fact, the heyday of Ottoman political power was the last opportunity to turn the course of history through paying attention to scientific research, intellectual uplift and modernization of economy as Europeans were doing. Not only Ottomans, the stands of other great Muslim states, Safawids and Mughals – were also not different. They accepted, tacitly or explicitly European rule on water and remained satisfied with their sovereignty on land. Rather they awarded the European traders capitulations in their own territories but never exacted such rights in European countries for their own subjects.

6.8 Impact

Mercantilist nations were impressed by the fact that the precious metals, especially gold, were in universal demand as the ready means of obtaining other commodities; hence they tended to identify money with wealth. As the best means of acquiring bullion, foreign trade was favored above domestic trade, and manufacturing or processing, which provided the goods for foreign trade, was favored at the expense of the extractive industries (e.g., agriculture). State action, an essential feature of the mercantile system, was used to accomplish its purposes. There is no denying the fact that mercantilism caused a spur in the development of Europe in general and particularly 'the Portuguese, Spanish, Dutch, English and later also the French economies, underwent a growth shock. They benefited from internal and external economies by the ensuing scale effects' (Baeck, p. 192). Mercantilists helped create trade patterns such as the triangular trade in the North Atlantic, in which raw materials were imported to the metropolis and then processed and redistributed to other colonies. The importance placed on bullion was also a central target, even if many mercantilists had themselves begun to de-emphasize the importance of gold and silver. These European countries took over the torch of development, 'the centre of the European world was displaced from the Mediterranean and moved to the Atlantic. In

economic and political terms this Atlantic world took over the hegemony and would keep it 'for a long time' (Baeck p. 205).

The shift of paradigm. The greatest loss in development of mercantilism was shift of paradigm. Up to the early modern age economics was governed by religion and ethics. But new paradigm, strengthening state and economy at all costs, used by Mercantilists was adopted from Machiavelli (1469-1527) and Jean Bodin (1520-96) who freed politics from all moral and ethical considerations and held the state accountable to no one (Gray, and Thompson, 1980, p. 56). Baeck is correct when he says: "Looked at from the standpoint of intellectual history, the most important novelty of mercantilistic thought is that it marked the retreat of the moral economy. The evacuation of ethical principles and the differentiation of things economic from their normative context, truly distinguishes mercantilist writings from those of preceding Mediterranean tradition... The ethical paradigm that had reigned over the thinking about economics from the ancient Greeks to the school of Salamanca¹¹, was dethroned by the *Atlantization* of the modern world and its doctrines' (Baeck, p. 192). Surprisingly, 'Keynes in his celebrated work *General Theory* attempts to rehabilitate the mercantilist doctrine, though having a quite different social philosophy' (Heckscher, p. 340).

In the sixteenth century Ottoman Sultans had the guts and resources to meet the challenges of mercantilism. But their preoccupation with the management and control of their vast Empire prevented them to counteract and promote maritime trade to the level of Western monopoly trading companies. Their absence from this front left the mercantilism patronizing governments free to impoverish a larger part of the world by establishing colonies and exploiting them to their own benefit. The greatest loss of humanity was destruction of moral values that had been hitherto inseparable part of economic thinking and practices.

Endnotes:

1. Perhaps it would be ironical to call the exploiting country as 'mother' country because no mother would like to exploit her child and keep it always dependent?
2. A study not directly related to mercantilism would seem to support this writer's contention that mercantilism was a reaction against Muslims. In the rise of mercantilism, discovery of new world is considered a significant factor that was

done in search of gold or means for gold. But Hamdani (1994, p. 281) is clear enough when he says, "In Columbus' mind gold was important as a means of furthering his sovereigns crusade to capture Jerusalem". Discovery of new lands had no meaning for Columbus except as a stepping stone toward, the Christians of East and Emperor of Cathay (ibid., p. 285).

3. The establishment of powerful Ottoman empire and its custody of the holy places of Islam made the Crusaders forget Jerusalem (Hamdani, 1994, p. 289).
4. "The capitulations refer to a class of commercial treaties which Western power concluded with Asian and African states and under which Western nationals enjoyed extraterritorial privileges. European residents were thus subject to the laws of their home governments and immune from those of their home countries. Among the Near and Middle East lands the system developed most fully in the Ottoman Empire. In the sixteenth century Ottoman merchants imported from the East spices, Jewels, silks, and other wares for which the demand was brisk. But apparently they made little, if any, effort to organize trade within Europe itself. European merchants instead came to Ottoman commercial centers in the eastern Mediterranean to purchase these items as well as goods originating in the Ottoman Empire, exporting them to Europe in European vessels. In encouraging trade with the West, the early sultans thus did not have to seek equal treatment for their own subjects." (Hurewitz, J.C. (1987) *Diplomacy in the Near and Middle East: A Documentary Record 1535-1956*, Oxford, Archive Editions, first Published in 1956 by Von Nostrand Co. New York, Vol. I. P.1). Such a capitulation or Treaty of Amity and Commerce granted to France continued up to 1924 (ibid.).
 "Anthony Jenkinson, an enterprising English merchant, procured for himself and accredited representatives – in an audience of Aleppo with Sultan Suleyman I (1520-66) then preparing for battle against Persia – freedom to trade throughout the Ottoman Empire on the same basis as the French and the Venetians." (Hurewitz, P.5). "The creation of the Levant company in 1581 inaugurated English commerce with the Ottoman Empire on a sustained basis (ibid. p. 9,)
5. For etymology refer to *Encyclopaedia of Islam*, 4: 640. Kārimī is pronounced like Darimi or *Khariji*.
6. Long ago Ibn Khaldun (1967, 2:89) condemned the trading practices of rulers because of their adverse effect on merchants. A sixteenth century observer also said, "When kings engage in trading, the commoners die" (al-Jaziri, n.d., pp. 975, 1081).
7. Some scholars prohibited the guardian of an orphan to invest the latter's assets in a maritime trade. For example: Abd al-Rahman b. Ziyad al-Zabidi (957/1567) said: "It should not be ambiguous that a voyage on sea with the orphan's capital (for trading purpose) is not permitted and one who does so will be held responsible. Similarly it is not permitted to travel on sea with an orphan" (al-Zabidi, 1978, p.136). Also a *mudarib*'s use of fund will be considered as an offence if he had not got a permission for that. These are fuqaha's opinions; they have no clear supporting text.

8. Perhaps this is the reason that Ibn Khaldun (1967, 2: 343) says; “The character qualities of merchants are inferior to those of leading personalities and remote from manliness”.
9. It was left to a European company to open the Suez Canal in 1869 and serve European interests. The canal had an immediate and dramatic effect on world trade. It played an important role in increasing European penetration and colonization of Africa.
10. Had they had so, it might have paved way for spread of Islam through Muslim traders in Europe as it happened in coastal areas of India and many East Asian islands.
11. A group of Spanish theologians and Canonists formed the famous School of Salamanca. In the second quarter of the sixteenth century the University of Salamanca became the Centre of an important scholastic revival. It adapted the juridical and normal concepts of Thomistic theology to modern times and kept its metaphysical aspects in the background.



CHAPTER SEVEN

MONETARY THOUGHT

7.1 Monetary Thought of Early Muslim Scholars

Muslim leaders and scholars had the perception of token money as early as the 1st/7th Century, Umar (d. 23/644), the second caliph once intended to issue money of camel skin but he refrained because some of his close people expressed apprehension that this might adversely affect the growth of camel stocks (al-Baladhuri, 1983, p. 456). Perhaps based on this report, Imam Malik (d. 179/795) says that 'if people accept skins as money, he would not like their exchange for gold and silver with deferred delivery' as it may lead to usurious practices (Malik, 1978, pp. 90-91). Another great scholar Ahmad b. Hanbal (d. 241/855) is reported to have said that if people decide something as money (other than gold and silver), it is all quite and acceptable (Ibn Qudamah, 1972, 4:176). To Imam Abu Hanifah (d. 150/767), gold and silver are money by nature, while *fulus* (coins of other substance) are money by people's adoption and agreement, that is, a form of token money (al-Tumurtashi, 2001, p. 50). In the later period Muslim scholars discussed and analyzed various aspects of money. For example, al-Ghazali (d. 505/1111) (n.d. Vol. 4, pp. 114-15) dealt with the problems of barter exchange as well as the nature and functions of money. Ibn Taymiyah (d. 728/1328) noted the two main functions of money, measure of value and medium of exchange and advised the ruler not to disturb these functions by debasement of money and counterfeiting that may result outflow of good money of the country

and inflow of bad money from abroad – an idea that came to be known as Gresham's law in the 19th century. Ibn Khaldun's (d. 906/1408) statement on the money is limited to his distinction of money by nature – the two precious metals - and token money, the use of other metals. In his opinion, gold and silver are created to be used as money and perform the function of the medium of exchange, measure and store of value. 'All other things are subject to market fluctuations from which gold and silver are exempt. They are the basis of profit, property and treasure' (Ibn Khaldun, 1967, 2:313). His student al-Maqrizi (d. 845/1442) elaborated his teacher's ideas in his work *Ighathat al-Ummah bi Kashf al-Gummah* and discussed inflation resulting from the use of debased money. He also examines adverse effects of inflation on various sections of the society (al-Maqrizi 1994, pp. 71-72, 77-79).

Muslim philosophers like Miskawayh (d. 421/1030), Ibn Rushd, Latinized Averroes, (d. 595/1198), al-Dawani (d. 907/1501), etc. learned the Greek ideas on money and made substantial improvements over it (for a discussion of their monetary thought refer to Islahi, 2005, pp. 48-49). These scholars generally took the stock of changing monetary condition and expressed their juridical opinion over them. In many cases juristic stands were supported by economic reasoning and evidences. Such enlightenment is scarcely found among the *ulama* of our study period.

7.2 Western Monetary Thought of the Period

In the economic history, as a whole, the sixteenth century is distinguished by overemphasis on gold and silver as money and race for increasing stock of precious metals, specially in European West reflected in mercantilist writers. Usury and interest controversy entered the decisive stage in this period (Spiegel, 1971, pp. 82-83). John Hales (d. 1571) 'deplores the evils of debasement. In this connection, paper money is mentioned, albeit as an absurdity. Gresham's law, by then a common place, is stated. The prince or his subjects must accumulate treasure to have on hand in time of war or of death' (ibid, p. 85).

The Western historians of economic thought are of the view that the quantity theory of money was also discovered in the sixteenth century.

Credit for its discovery is usually given to Jean Bodin (1530-96) (Spiegel 1971, p. 89; Schumpeter 1954, pp. 311-312; Heckscher, 1955, 2:225).

However, as early as 1522, the great astronomer Copernicus observed that "money usually depreciates when it becomes too abundant" (Spiegel, 1971, p. 88). 'After Copernicus's rudimentary statement of the quantity theory in 1520s, it was not until the 1550s that related brief references appear again in the literature'. In 1550, Navarrus, a Dominican Priest, published 'a manual on moral theology with an appendix devoted to a discussion of usury'. In this work he states reasons for disparities of the value of money in two different countries in term of their relative scarcity. 'Navarrus thus developed the quantity theory of money in conjunction with a discussion of international prices (ibid, p. 89)

According to Spiegel (1971, p. 86), 'The emergence of the quantity theory of money in the second half of the sixteenth century constitutes an event of momentous importance in the history of economics'. This important discovery of the sixteenth century Europe was refined in various way and criticized as well in the course of time. Nevertheless its importance in doctrinal history cannot be denied. 'By implicitly involving the demand and supply apparatus it prepared the ground for the eventual emergence of demand and supply analysis as a general explanatory principle, a development that stretched over three centuries and culminated in the work of Alfred Marshall at the close of the nineteenth century' (ibid. pp. 86-87).

7.3 Quantity Theory of Money and Muslim Scholars.

Muslim scholars of earlier period had idea of embryonic quantity theory of money in term of debasement as the reason for undue expansion of money and eventually a rise in prices (Islahi, 1988, p.141). Al-Maqrizi argued that the return to gold and silver – the natural substance of money – would solve the problem (al-Maqrizi, 1994, pp. 80-81). No doubt they were right in their time. But in the sixteenth century, 'with the discovery of the New World, a never ending stream of treasure arrived in Spain and was diffused over the whole of Europe. Prices rose, and as the traditional explanation of changes in the price level, which had made much of the debasement of money as the principal cause, did not

seem to fit the changing circumstances as well as it had before, thoughtful people in many lands searched for a better reason' (Spiegel, 1971, p. 87). As noted above Muslim scholars discussed the problem in the same traditional framework of debasement of currency and deferred payment. They did not think afresh. Nor did they analyze the new trends in monetary sphere, although the effects of changing situations were felt in Ottoman Empire as well.

Muslim scholars of the sixteenth century also wrote on monetary issues. To know the nature of their thought we shall present two representative personalities, one from the early sixteenth century and the other from the end of it – Jalal al-Din al-Suyuti (d. 911/1506) and Muhammad bin Abd-Allah al-Tumurtashi (d. 1004/1599). The selection is not based on any choice as we could not find any other author who has discussed the monetary problem.

But let us first review the monetary system of their time as this will help us properly understand and evaluate their thought on the subject.

7.4 Monetary Problems of Sixteenth Century

Mamluk history is full of instances of monetary malpractices. As early as in eighth/fourteenth century Mamluk rulers used debasement and unrestricted money expansion to satisfy their lust of riches. The great scholar of the period Ibn Taymiyah (663-728/1261-1328) who witnessed the turmoil resulted due to debasement practiced by Mamluk rulers of his time suggested that, 'the authority should mint the coins (other than gold and silver) according to the just value of people's transactions without any injustice to them (Ibn Taymiyyah 1963, Vol. 29, p. 469). He advised the ruler, not to start business in money by purchasing copper and minting coins and thus doing business with them He should mint coins of real value without aiming at any profit by so doing (ibid.). Generally three kind of monetary units – *dinar* (gold), *dirham* (silver) and *fals* (copper coin, plural=*fulus*) circulated. While the *dinar* was very scarce, the *fals* was the predominant coin. Circulation of dirhams always fluctuated. At the beginning of the Mamluk era the dirham contained two-third of silver and one third of copper. But in the course of time the proportions were reversed (al-Qalqshandi, 1913, vol. 3, p.443).

Al-Maqrizi gave rather detailed account of debasement of currency and inflation in the later Mamluk period. While stating the unrestricted supply of token money in place of gold and silver coins in his time, he reiterates: “During the reign of al-Zahir Barquq (784-801/1382-99), the Ustadar Muhammad b. Ali was entrusted with the supervision of the royal treasury. He was greedy for profits and for accumulating wealth. Among his evil deeds was a large increase in the quantities of *fulus*; he dispatched his men to Europe to import copper and secured the mint for himself in exchange for a sum of money. Under his administration *fulus* were minted at the Cairo mint. He also opened a mint in Alexandria for the purpose of striking *fulus*. Extremely large quantity of *fulus* came into the hands of people and they circulated so widely that they became the dominant currency in the country. This caused a catastrophe that rendered money useless and foodstuffs scarce...” (al-Maqrizi, 1994, pp. 71-72, 77-79). Al-Maqrizi (1956, p. 71) notes two factors for that sad situation - the silver coins have disappeared either due to not minting them at all or melting them to make out of it ornaments. Lopez, Robert et al (1978, pp. 123-24) note: ‘Egypt's economic crisis was accompanied by a breakdown of its monetary system. Gold and silver currency became increasingly scarce, and copper coins predominated in internal circulation and on all levels of transaction. For Maqrizi, the deterioration of its monetary system was the simple most important cause of Egypt economic difficulties. As a panacea, he prescribed a return to the gold and silver standard and a relegation of copper coinage to the role that God and custom had ordained for it, viz. restricting it to petty transaction.’

Al-Suyuti the great scholar of later Mamluk period notes that during the year 821/1414, the *fulus* became expensive after being abundant and cheap. It became very difficult for those who were indebted to repay their loans in term of *fulus*. Earlier, the *fulus* had had an exchange rate of 8:1 or 9:1 to the *dirham*; it now had an exchange rate with the *aflori*¹ *dinar* of 260:1, with the *harjah* of 280:1, with the *nasiri* of 210:1, and with the *Egyptian qintar* of 600:1. After the *fulus* became expensive, its exchange rate to the *dirham* became 7:1. As far *dinar* is concerned, all kinds of it – *aflori*, *harjah*, *nasiri*, and *Egyptian qintar* - lost fifty *fulus* in exchange. That is, an exchange rate with the *aflori dinar* of 210:1, with the *harjah* of 230:1, with the *nasiri* of 160:1, and with the *Egyptian qintar* of 550:1. The situation was reversed at the end of the century when it was

announced that 30 *dirham* would be exchanged for one *ratl fulus*, while earlier 36 *dirhams* were exchanged for a *ratl fulus*. (al-Suyuti, 2000, p. 96). This led al-Suyuti to pen down his treatise “*Qat`al-mujadalah`ind tagh`ir al-mu`amalah*” (Deciding the controversy in the wake of changes in money matters). We shall return soon and examine its contents below.

During the rule of Qansawh al-Ghawri, the last Mamluk Sultan, monetary system further deteriorated. There were frequent changes of monetary units and exchange rates. The contemporary historian Ibn Iyas (1960, vol. 4, p. 251) reports that in 917/1511 a new exchange rate was announced: *Fulus*, new or old, one *ratl* equal 18 *nuqrah*. New *fulus* caused the trader thirty-three per cent loss. Just after a year, the *muhtasib* announced new coins by weight: 2 *nisfs* = 1 *ratl* coins (ibid., p. 295). Again the next year announcement was made that new coins will be exchanged by weight; earlier they were exchanged by number. This caused a great loss to people (ibid., p. 328). They complained the matter of new coins as for them they meant double price. At their complaint the Sultan announced that *fulus* would be exchanged at the rate of 2 *nisfs* = one *ratl*, the old exchange rate, after it was 3 *nisfs* a *ratl*. At this, people felt relief (ibid., p. 338). Ibn Iyas (4:339) also mentions that in the year 919/1513, new and old *fulus* were to be exchanged by weight—one *ratl fulus* equal two *nisfs*.

As far the monetary situation of the Ottoman government is concerned, the Egyptian *Qanunnamah* laid the rule that from every hundred dirhams of silver 250 *pare* (pieces) are to be struck. These pieces were locally called, not *akce* (as used in the *Qaunnamah*), but *mu`ayyidi*, colloquially pronounced *midi* and by the Europeans *medin*; and it appears that the Ottomans currently called them by the name of *para* (money) (Gibb and Bowen, 1965, vol. 2:39n). ‘All sources are in agreement in presenting the rates of exchange in the middle of the sixteenth century as being roughly 40 *akces* to the *kara kurus* (foreign silver), 50 to Austrian *ducat* (gold), and 60 to the Venetian *ducat* and Ottoman *serifi*’ (ibid, 2:51). “During periods when there was an abundance of gold in circulation, Ottoman gold and silver did not suffer a notable decline in value. Around 1565, the weight of the *akce* was adjusted downwards to a weight of 0.683 grams. Similarly the weight of

the gold coin was reduced to 3.544 grams in 1552 and to 3.517 grams in 1565. (a *ducat* weighed 3.426 grams in 1526)” (Sahillioglu, 1999, P. 40).

From the reign of Salim the First (1512-20) down to the beginning of the reign of Murad III (1574-95), the weight of *akce* remained stable at 10 grains or roughly 1/5 of a *dirham*. During the reign of Murad III (1574-95) financial crisis, caused by the influx of American silver, spread to the Ottoman territories. The silver contents of the *akce* and of the European *para* were in 1584 reduced by about half. Its value fell proportionally in term of *serifi*. (Gibb and Bowen, 2:51). According to Gibb and Bowen the *akce* never recovered from this slide. ‘ The Ottoman Treasury lacked the means by which the parallel difficulties were palliated in the Western countries, and the most that later competent *Vezirs* ever succeeded in achieving was its restoration to this level from still lower depths. To add to their troubles, a second scourge, spreading from the West in the reign of Mehmed III (1595-1603) and his successors, alternatively distracted and tempted the treasury. This was the plague of false and adulterated money which reduced the *akce* to a rate of 220 to the *serifi*’ (ibid. p. 52). Writing about the economic events of 986/1578, Sahillioglu notes (1999, p. 12), “The weight and standard of silver coins like the *akce*, *pare*, and *shahi* could not be preserved. Even the state mints engaged in issuing defective, lighter coins of lower metal content. A devaluation was carried out in 1584 by minting 800 *akces* from 100 *dirhems* of silver as opposed to the previous 450. This caused the price of gold coins to rise from 60 to 120 *akces*. Just as an attempt at stabilization was being made in 1586, the first and most spectacular janissary revolt in Ottoman history took place; in it the governor of Rumelia, the treasurer and the superintendent of the mints were murdered because the *ulufe* had been paid with *akces* of a lower standard”. Perhaps these were the circumstances that led al-Tumurtashi to write down his treatise “*Badhl al-majhud fi as’ilat taghayyur al-nuqud*” (efforts to solve the questions of changing currencies).²

Sahillioglu has rightly observed that: “The Ottoman Empire covered huge tract of territory. Within it were what might be called monetary areas, the *akce* area (Anatolia), the *pare* area (Egypt), the *sahi* area (Persia-Iraq) and the *penz* area (Balkan). In each area different factors and choices operated on the gold and silver market. For example, the same foreign coin was valued differently in each region. The conditions

of the silver market were also radically altered after the introduction of American silver into the market. Generalization made about the Ottoman monetary system, for this reason, may often be misleading” (ibid. P. 38). For example, ‘according to the day-book (*ruznamce*) of the treasury in 27 August 1569, 790 *sultaniyyes* (Ottoman gold coins) priced at 60 *akces* and another 100 priced at 59 *akces* with 282 *Efrensiyyes* (European gold coins) and 108 *gurus* (silver large coins)³ priced at 40 *akces* entered the treasury. A week later, a quantity of *gurus* valued at 40, 20 and 10 *akces* had also entered’ (Sahillioglu, 1999, p.41n) Until the end of the sixteenth century, the Ottomans did not distinguish between large silver coins of varying size and weight, be they of Western European or American origin. They identified all simply as *gurus*. For example, in the budget of 1582-1583, entries of *gurus* valued at 55, 48, 44, 40, and 39 *akces* appears without giving each kind a different name (Sahillioglu, p. 41).

7.5 Al-Suyuti and his Treatise on Money

Jalal al-Din Abd al-Rahman b. Kamal Abu Bakr al-Asyuti, (849-911/14 45-1506) a prolific writer who mastered in Qura’nic studies, tradition of the Prophet (pbuh), *fiqh*, grammar, literature, history, etc. Born in Egypt widely traveled Syria, Hijaz, Yemen, India, Morocco, and Tahrur. He memorized the Qur’an at the age of eight and learned and memorized many texts of various Shariah sciences and literature. However, he had allergy from mathematics and logic. He claims to have acquired all the instrumental sciences necessary for *ijtihad* (original thinking and pronouncement of decree on new issues). It is said that number of his works crossed five hundred. However, his writings are generally marked by compilation rather than original ideas. In his work *Husn al-Muhadarah* he gave his biography; till that year his works reached three hundred in number (al-Suyuti, 2000, p. 5).

The reason for writing his treatise, as al-Suyuti himself mentioned in its beginning, was that he was distressed by the increasing controversy over the amount and mode of payment in the wake of decreasing the value of copper coins (*fulus*) by about 17 percent during his time (ibid. p. 95). Thus, he mainly addressed this question, although he gave much useful information on the subject. As he notes at the commencement, similar question was asked from his teacher Alam al-Din al-Bulqini

about half a century ago but at that time the problem was faced due to revaluation and scarcity of copper *fulus*. Agreeing basically with his teacher's judgment that when *fulus* become rare or disappear altogether, one has to pay equivalent quantity of *fulus* or their value in term of gold and silver, al-Suyuti says that the reason behind this judgment is that *fulus* are *mithli* object (something that vanishes with use and replaceable with similar entity). And such object, if becomes rare or disappear, its equivalent value has to be accepted. According to him even pure and standardized gold and silver coins are *mithli*. The debased and mixed with alloy will be considered *qimiy* or *mutaqawwam* (treated according to value or something subject to valuation) (ibid. p. 96). As for the question whether repayment will be made according to the value of copper *fulus* on the due date (*yawm al-mutalabah*) or the date of transaction, al-Suyuti says that in valid transactions value of the due date will be considered while in case of invalid transactions, the date of possession (*yawm al-qabd*) will be taken into account (ibid. p. 97).

Thus, if someone has lent one *ratl fulus*, the borrower has to return one *ratl fulus* whether being cheaper or costlier and irrespective of their use by weight or counting. This is in case of controversy and when matter is legally to be enforced. Otherwise the two parties are permitted to agree on any term willingly. Al-Suyuti shows the wide application of this provision in cases of forward sale (*al-salam*), debt arising out of credit sale (ibid, pp. 97-98), due wages, dowry money (*al-sadaq*), compensation for usurpation, possession in invalid contract of sale, destruction caused to other's property, allocated portion or amount in an endowment (*waqf*), will (*wasiyah*), sustenance provided by a judge in a case of divorce, etc. (ibid. pp. 98-100). Although written in a legal and juridical tone, the treatise provides some interesting insights in economic areas as well.

Based on a famous tradition al-Suyuti considers it undesirable on the part of a ruler to cancel a legal currency except that there are enough reasons to do so. He is also against debasement and counterfeit. This is so because it is a kind of deception which is prohibited by the Prophet (pbuh). It corrupts the monetary system and inflicts harm to those who rightfully own them. It also causes inflation as the counterfeiting provides a way to unrestricted coinage. It also results into decline of imports as the importers will be discouraged when they will know that

they will get counterfeit money in return of their goods. Minting of money should be prerogative of the ruler. The other should not be allowed to mint coins as it is a symbol of sovereignty. Moreover, it will lead to corruption and deception (ibid. pp. 100-101). According to al-Suyuti when pure metals were used for minting coins, it was considered sinful to hold counterfeit money. He notes various opinions of scholars when debasement becomes the norm. Most of the scholars allowed acceptance of token money, when it became the dominating currency (ibid).

An important aspect of al-Suyuti's treatise is that it provides original source material for the history of money in Islam. On the authority of al-Khattabi (d. 386/998), he reports and gives an account of the monetary system during the Prophet's time when different types of silver coins and Roman gold coins were used by Muslims, till Abd al-Malik b. Marwan (d. 86/705) issued silver and gold coins applying the average weight of those coins which coincided the weight of Makkah dihrām standard in Islam (ibid). In this connection he gives further details from al-Mawardi (d. 450/1058). He gives another account of the development of money in early Islam from *al-Tamhid* of Ibn Abd al-Barr (d. 463/1070). A slightly different story of the monetary system of the Prophet's time has been provided on the authority of *qadi* 'Iyad (d. 544/1149) and al-Rafi'i (d. 623/1226). The same is supported by al-Nawawi (d. 676/1277) who provides more details on the subject with reference to Ibn Hazm (d. 445/1063) quoted by Abu Muhammad Abd al-Haqq in his work *Kitab al-Ahkam*. Information has been provided from two other historians – Ibn Sa'ad (d. 230/845) and Ibn 'Asakir (d. 571/1176) (ibid. pp. 102-103).

Brief accounts of monetary system in later centuries are also found in the treatise under review. Al-Suyuti notes that al-Dhahabi (d. 748/1348) has been quoted for monetary changes in the year 632/1334, Ibn Kathir (d. 774/1373) for 756/1355) and Ibn Hajar (d. 825/1449) for the year 776/1374) (ibid. pp. 103-104). Through literary sources, al-Suyuti proves that Arabs had been acquainted with the use of *fulus* since ancient days as the words *fals*, *fulus*, *iflas* existed in the original Arabic language. *Fulus* were in use even in the first century *Hijrah*, among Muslims as a number of reports exist on the question of exchange of *fulus* for *fulus* (ibid. p. 104). But what was *fals*' position as a monetary unit at the early period of Islam, al-Suyuti is silent on this question,

though his words betray that *fulus* were inferior and discarded type of commodity money at that time and they had not acquired that importance which they did later in Mamluk period.

7.6 Al-Tumurtashi on Changes in Currency

Muhammad b. Abd-Allah al-Tumurtashi (939-1004/1532-1598), the Hanfite scholar of late sixteenth century was born in Ghazzah (Palestine) and lived there, though he traveled in neighbouring countries for learning many times such as Aleppo, Hamah, Damascus and Cairo in his academic pursuits. In Cairo he studied under famous Hanafite scholar Ibn Nujaym (d. 970/1562). He authored around forty books, some of them remained incomplete. His famous works are *Tanwir al-Absar wa Jami' al-Bihar* in Hanafi jurisprudence, *al-Wusul ila Qawa'id al-Usul*, *Mu'in al-Mufti ala-Jawab al-Mustafti* and *Risalah fi'l-Nuqud* or more correctly *Badhl al-Majhud fi Tahrir As'ilat Taghayyur al-Nuqud*. This last one is focus of our attention in this section.

The monetary system by the end of sixteenth century was very much disturbed due to political and economic changes and influx of American silver in Europe and from there to Ottoman Empire. Generally four types of problems were faced: Either a monetary unit totally lost common acceptance or it was cancelled, or it was partially accepted, i.e. in some regions and not others or exchanged rate was changed making a particular monetary unit more expensive or cheaper. These changes, especially affected deferred payments or transactions in the process. These circumstances provided context for al-Tumurtashi to write his treatise on money as he himself stated it (al-Tumurtashi, 2001, p. 46). It may be noted that the problem arose in case of copper *fulus* or *dinar* and *dirham* with mixed alloy. Pure gold and silver were considered as natural money and they possessed full value even after cancellation and replacing them by new coins of same purity. The issues of cancellation or disappearance and fluctuation in value and acceptance of copper *fulus* and coins of mixed metals were also addressed in the second century *Hijrah*, by top Hanafi leaders – Imam Abu Hanifah (d. 150/767) and his two students *qadi* Abu Yusuf (d. 182/798) and Imam Muhammad (d. 189/805). Their opinions differed on the issue. While Imam Abu Hanifah holds that a sale contract will stand null and void in case the currency in

which the transaction took place disappears or is cancelled. The buyer has to return the sold object if it is intact in hand, or he has to return identical good, if has been used up. If the object were *qimi* (treated according to the value), he would be required to return its equivalent value (ibid. p.48). His two students hold that the sale transaction will be valid, but the buyer has to pay the value of the object (in term of new currency). Again they have differed on the question of the value date. Abu Yusuf says that it would be value of the object on the sale date, while Muhammad says the value on the day of demonetization or cancellation (ibid. p. 49).

Al-Tumurtashi based his opinion on the leaders of Hanafi School. He agrees with the decree of *qadi* Abu Yusuf in case the coins used in transaction disappear completely or lose acceptance (ibid. pp. 53, 56). But in case the coins are partially accepted, then the buyers will have option: either he should accept it or take the equivalent value. This is so, because the money has become defective because it is not accepted in certain regions, though it is still in circulation (ibid. p. 51). Lastly, in case the value of coins increases or decreases, Imam Abu Hanifah says that the payment will be made in equivalent amount of the same coins, not different ones (*Laisa alayhi ghayruha*). In the beginning Abu Yusuf also adopted this view but later he differed and said that the payment would be according to the value of coins on the day of sale and possession (*qimatuha min al-darahim yawm al-bay' wa'l-qabd*) (ibid. p. 53). Al-Tumurtashi also adopts this view and enforces it with traditional rules in Hanafi jurisprudence (ibid. pp. 54-56). He never advocates adoption of an opinion in the light of reason and temporal requirements. Rather he warns against any original thinking and deviation from imitation (*taqlid*) (ibid. pp. 58-60).

7.7 A Journey of Hundred Years

We have seen above two samples of works that tried to answer questions arising out of changes in monetary units and variation in the value of money. Both aimed to present juristic solution to those problems. Al-Suyuti gives his opinion in the light of Shafi'i stand on such an issue, while al-Tumurtashi offers solution based on rulings in Hanafi School. Al-Suyuti supports his view with analogical reasoning,

but al-Tumurtashi does not plead in such a logical way. The formers' treatise may prove to be a useful source of monetary history in earlier period of Islam but the latter's treatise is devoid of such information. This simply shows how creative thinking and application of reasoning declined with the time in the sixteenth century, specially regarding an important economic element, money. We could not find them to have discussed the causes of fluctuation in the value of money and resulting consequences on various section of society, in term of inflation and deflation or working of Gresham's law and similar ideas which were found in earlier Muslim scholars and those were attracting attention of Western scholars as we have pointed out in the preceding pages.

Finally we would like to make it clear again that we studied the two works of sixteenth century on money and exchange by al-Suyuti and al-Tumurtashi, not out of choice but out of necessity, because we could come across only these two works – both of juridical nature. Possibility cannot be ignored of the existence of work on this issue by socio-political thinkers of the time, lying in manuscript form. Thus they may not be taken as final words and scope of search and research is still demanding.

Endnotes:

1. 'Aflori' or 'florin' Gold pieces, bearing a flower on the reverse [whence – from florino – the name] were minted in Florence in 1252.
2. The treatise was edited and annotated by Husam al-Din b. Musa Alaffanah and published from al-Quds (Palestine), 2001. Ibn Abidin (d. 1258/1842), mentions its title as "*Badhl al-majhud fi mas'alat al-nuqud*" in his own treatise entitled "*Tanbih al-ruqud ala ahkam al-nuqud*" in which he incorporated the major portion of al-Tumurtashi's work.
3. 'The Ottomans gave the name of *gurus* (derived from the German *groschem*) to the large silver coins, weighing 9.5 *dirhams* (29.184 grams), which the Western European merchants imported in increasing numbers to the Empire. This unit, so far as we know, first appears in treasury accounts from Hungary. The treasury accounts from Budin reveal that a *gurus* was worth 100 *penz* or 50 Ottoman *akces* in 1554' (Sahillioglu, p.40).

CHAPTER EIGHT

***KHARAJ* AND LAND PROPRIETARY RIGHT: AN EXAMPLE OF LAW AND ECONOMICS**

Since the early period of the formation of Islamic jurisprudence, controversy existed over the status of *kharaj* payers and their relations with the land.

There is also widely accepted paradigm that ‘no thoroughgoing changes occurred in Islamic law after the tenth century’ (Johansen, 1988, p. 1). But Baber Johansen in his work *The Islamic Law on Land Tax and Rent* demonstrates with special reference to the development of Hanafite law in Mamluk and Ottoman periods that changes in the legal doctrine were not restricted to civil transactions, as generally it is understood, ‘but also concerned the public law.’ (ibid. p. 2) To him, ‘interrelated key concepts of the Hanafite law such as property, rent, and the taxation of arable lands underwent thoroughgoing changes in the Mamluk and Ottoman periods’ (ibid).

The word *kharaj* in its current usage denotes tax collected on proprietorship of land in its various forms. ‘Kharaj lands were the full property of their owners, and therefore they had right to sell them as they liked; when the owner of the land died, it was divided between his heirs. If the non-Muslim owner of *kharaji* land abandoned his land and fled, then his land was rented out and its *kharaj* was taken from its produce’ (Orhanlu, 1990, E I, 4:1054)

Kharaj has two main forms: *muqasamah* and *muwazzaf* or *wazifah*. *Kharaj muqasamah* is defined as an impost levied in a certain proportion of the produce, such as one-fifth, one-fourth, one-third etc. It was leviable only when the land was cultivated. *Kharaj muwazzaf* was fixed on land according to producing capability of land and was due whether the land was cultivated or not.

As the frontiers of Islamic state expanded from Arabia, the laws of land taxation, land holding and cultivation, the legal position of non-Muslim citizens of Islamic state and related matters attracted the attention. The major portions of the heartland of Islam being always regions of agricultural economy, these issues have always been of special interest. By comparing the legal doctrine of the pre-classical and classical periods with the legal opinions of the Ottoman jurists Johansen shows what structural changes have occurred between the tenth and sixteenth centuries (ibid). In his opinion, 'Tax and rent are interrelated key concepts of the Hanafite law that cannot be studied independently of each other. The system of taxation largely determines the margin that is left for the appropriation of rent. The doctrine on tax and rent largely determines the conception of landed property. In the Hanafite doctrine on tax and rent, changes of individual legal ordinances and structural changes in the relationship between the tax and rent occurred in the period between the tenth and sixteenth centuries. These changes led to a redefinition of the concept of landed property' (ibid. p. 3). Johansen argues that 'in its early classical periods, Hanafite law was a factor that protected peasant ownership of landed property against the state's claim to ownership of the peasants' landed property – but not against exploitation through tax and rent' (p. 4). Legal Ordinances developed under the early Hanafite law were equally applicable to all forms of landed property. 'It is only after the tenth century that new conceptions of tax and rent were developed that clearly differentiated between peasant holdings on the one hand and the landed property of the wealthy and powerful class of rentiers on the other hand' (p. 4). Johansen thinks that in order to protect the economic interest of this class of rentiers, new forms of law were developed and that of the 'old jurists' (*al-mutaqaddimun*) were dismissed in favour of the 'choice of the modern jurists' (*ikhtiyar al-muta'akhhirin*) (ibid).

8.1 Lands Subject to *Kharaj*

In principle ‘all lands that are conquered by force (*‘anwah*) and not divided among the victorious army but left to the original owners are subject to imposition of *kharaj*. Exception is provided in the case of Makkah. According to the Malikites (al-Khurashi, vol. 3, p. 129) lands conquered by force of arms by that very fact become *waqf* but are nevertheless left in the hands of their former owners in order that they may better be able to pay the *jizyah*. These lands are subject to *kharaj*, which in reality is a rental, and being *waqf* lands, they may revert to the state, upon the death of their holders.

The Shafi’ite view is that the ownership of lands conquered by force returns to all Muslims. These lands become immobilized (*waqf*) in the general interest of Muslims and are subject to *kharaj* which is really a rental collected from them perpetually (al-Shafi’i, n.d., Vol. IV, pp. 103-193).

The most clear report of Hanbalites is that the ruler is left to do whatever better he thinks in the interest of Muslims – to distribute or to retain in the hands of their previous owners at a rental in the form of permanent *kharaj*. The land will be *ushri-kharaji* land (Ibn al-Qayyim, n.d., 2: 173).

The Hanafites' stand is that the ruler is authorized to distribute the land among the fighters or leave them (with the previous infidel land owners) and impose *jizyah* on their heads and *kharaj* on the lands (al-Sarakhsi, 1978, 10: 15, 37; Ibn al-Humam, 1316 AH, 4: 303). There had been divergence of legal opinions on the question of the status of such lands subjected to *kharaj* payment. The same is also stated in the Hanafite School. But a survey of works on Hanafite jurisprudence would show that *kharaj* payment on a land refers to ownership right to such a land (Johansen, 1988, pp. 8-11). The most prominent Hanafite scholar of Ottoman period Ibn Nujaym writes ‘The Hanafite *imams* are unanimous that when the leader conquers a country and retains its people on it and imposes *kharaj* on their lands, in this case the inhabitants enjoy property right over those lands. All forms by which they dispose of them such as sale, gift, bequest, leasing, lending, transformation into endowment are

valid, regardless of whether the disposing person remains an infidel or embraces Islam (Ibn Nujaym 1980[b], pp. 52-53). However, lands granted as *iqta'* do not represent ownership. Similar is the case of *ard al-hawz* (the sequestered land). *Ard al-hawz* refers to the land that is taken over by the ruler either because the *kharaj* paying owner of the land has fled away from the village, from paying taxes, from his inability to cultivate the land or he is dead without legal heirs. Thus the *imam* (ruler) will take care of the cultivation of *ard al-hawz* by an arrangement of share-cropping, tenancy or wage-earning cultivators. In all four cases of *ard al-hawz*, the former proprietors retain property rights except the last case when no survivor is left. In this case state takes the full ownership of the land (ibid. p. 53).

The basic legal principle that governs the Hanafite position on taxation is summarized in the following sentence ascribed to Abu Hanifah: "In contrast to all other commodities the productive lands in our territory are never exempted from taxation. This taxation consists either of *kharaj* or of '*ushr*'" (al-Sarakhsi (1978), Vol. 3. p. 6, quoted by Johansen, 1988, p. 7).

Developments of Hanafite rule and reasoning on agrarian relations are best summarized by Johansen (1988, pp. 122-124) in his work "*the Islamic law and land Tax and Rent*". The knowledge of those developments will be helpful to understand Ibn Nujaym's idea who took stock of problems connected with the changes in land tenure, tax and rent in the middle of 10th/16th century. Here is the gist: During the formation period of Hanafite system of legal reasoning the payment of land taxes was considered 'as a proof of proprietary rights with regards to arable lands'. Later on, to facilitate the land owners' appropriation of rent from their tenants, Hanafite jurists developed the idea that through contract of tenancy or share-cropping the productive use of land is transformed into a commodity. This commodity may be rented out through a contract – something that differentiates between tax and rent. The payment of the land tax became a privilege that proved the rentier classe's proprietary rights to their lands and guaranteed their right to collect rent from the peasants who tilled those lands. In further development, 'the legal status of rent yielding landed property is assimilated to that of state lands in that the rent paid for its use falls due in the way of taxes. With regard to rent-yielding landed property, the contract is no longer considered to be

necessary condition for the obligation to pay rent'. In other words, 'the relationship between the rentier and his peasants is no longer based mainly on contract and consent.'

8.2 How Egypt Transforms from *Kharaj* Paying Country to Rent Paying

During 9th/15th century frequent epidemic caused heavy toll of Egyptian population especially in rural areas. Due to the death of peasant proprietors with no heirs, their lands fell to the government, that was generally granted as *iqta*' or directly cultivated by farmers who paid rent to the *iqta*' holders or to the government. Historically Egypt has been a *kharaj*-paying country (*ard al-kharaj*). But the fifteenth century existing conditions showed just opposite. At this the famous Hanafite scholar of the period Ibn al-Humam remarked: "What is collected now-a-days is payment of rent and not *kharaj*. Can't you see that the land is not the property of the cultivators? This is so in spite of what we said about the land of Egypt being *kharaji* lands. Allah knows best, it is as if the proprietors died one after another without heirs so that the land fell to the public treasury (Ibn al-Humam (n.d.), 4:362; Ibn Nujaym 1980[b], p. 52). In this way Ibn al-Humam explains and legalizes the tenant status of peasants and the fact that they no longer enjoyed property rights with regard to their lands in spite of their paying levies to the *iqta*' holder or the ruler (Johansen, p. 85).

8.3 Ibn Nujaym's Treatise on Land Tenure in Egypt¹

In 959/1552 Ibn Nujaym wrote his important treatise on land tenure in Egypt, entitled *al-Tuhfah al-Mardiyah fi'l-Aradd al-Misriyah*.² This was in response to a controversy arose at that time about the legal validity of *bayt al-mal*'s sale of state lands to private persons (Ibn Nujaym, 1980[b], p. 50; (n.d.), 5:115). 'It is a jurist's defence of the fiscal and legal privileges of the land owning rentier class against the Ottoman attempt to turn their lands back into state property' (Johansen 1988, p. 87) Ibn Nujaym answers three questions in this treatise: Why is it legal that no *kharaj* is paid on many awqaf and much private landed property that was bought from the *bayt al-mal*? Why is it legitimate to constitute *waqf* from private landed property that had formerly belonged

to the public domain? And how can the *bayt al-mal*'s documents be used as proof for the claim that lands bought from the *bayt al-mal* are tax exempt?

After reiterating that basically Egypt is a *kharaj*-paying country, Ibn Nujaym discusses the way how *bayt al-mal* will react in case the *kharaj* payer is unable to cultivate the land and pay the *kharaj* or absconds. In this case the *sultan* (ruler) shall sequesterate the land and act as the proxy of the peasant proprietors. After that he can get it cultivated on payment of the cost from *bayt al-mal* or farm it out or sell it on their behalf. 'The *kharaj* owed to the public treasury should then be deducted from the yield of the crop or from the rent or the price of the land and the surplus should be given to the former owners'. This has been the opinion of Imam al-Walwaliji (d. after 540/1145) and authors of *al-Nihayah*, *al-Muhit* and others (Ibn Nujaym, 1980[b], p. 53). 'It is obvious that in the first two cases (that is, cultivated by the *bayt al-mal* or farmed out) a vague and precarious right of ownership is retained by the former *kharaj* payers. If the ruler sells the land, *kharaj* is deducted from the price and handed over to the public treasury. The surplus of the price will be given to the former owners. The public treasury does not lose its claim to *kharaj*, because the ruler acts only as a proxy of the former owners and the land does not change its status through the sale'.

On the other hand when the peasant proprietor dies with no heirs, the land reverts to *bayt al-mal* and 'the ruler is entitled to lease it and have its rent paid to the public treasury. He may also buy it himself, in which case he must first have it sold to a third person from whom he then buys it'. This is to avoid blame of taking any undue concession (ibid, p. 54). 'The ruler is entitled to sell these lands to private proprietors on the grounds that public interest requires it, that the public treasury is in need of money or simply because he wants to exercise his absolute or unquestionable rights to sell state lands' (ibid, p. 51). Land bought by private proprietors in this way is a privileged property and exempt from taxation'. The reason for this fiscal privilege is that *kharaj* is considered a personal obligation. Once the *kharaj* paying proprietor dies, the obligation ceases to exist. There is another technical reason. 'The ruler is entitled to sell either a thing itself or its use. If he receives a price for the land itself and hands that price over to the public treasury, he is no longer entitled to require an extra payment for the use of the land' (ibid, p. 54).

Consequently, the land ceases to be subject to *kharaj*. According to Johansen (1988, p. 89): ‘This reasoning clearly contradicts the classical Hanafite position on taxation according to which the payment of taxes proves the existence and continuity of proprietary rights. But both ways of reasoning were accepted by the Hanafite jurists of the Ottoman period and are quoted in legal compendia of the seventeenth century’. Johansen considers it ‘a legal basis for the fiscal privileges of the landed property of the rentier’ (ibid).

To Johansen, Ibn Nujaym’s definition of the legal consequences of “the death of the *kharaj* payer” makes the ruler the most important seller of arable lands and fiscal privileges, because it entitles him to sequester peasant property, to inherit the lands of those proprietors who die without heirs and to dispose of lands so acquired at his own discretion. Buying lands from the public treasury apparently was in many cases a means of acquiring fiscal privileges. Ibn Nujaym says that when the ruler sells arable lands he may either accord the buyer the fiscal privileges of exemption from taxes, an arrangement legitimized through the notion of the “death of the *kharaj* payer,” or he may treat the lands sold as taxable landed property on the basis that they were derived through the sequestration of the land of bankrupt peasant proprietors’ (ibid, pp. 89-90).

As for the question how to distinguish these two types of sale, Ibn Nujaym answers: “If the price is low this indicates that [the sale was effected] because of the proprietor’s inability [to till the soil or pay the *kharaj*] and if the price is high this indicates that [the sale resulted] from the death of the proprietors. Because in this case, the buyer becomes an exclusive proprietor of the land and he is not a share-cropper or a peasant. Therefore, he desires to purchase it at a higher price. This is obvious and an established fact. It is generally known that the *emirs* in the past used to be glad and proud if they bought land from the public treasury. No body reports that the sultan ever asked them to pay *kharaj* after the sale or that the religious scholars demanded the payment of the *kharaj* from them or on the lands that were transformed into waqf” (Ibn Nujaym, 1980 [b], p. 60).

After analysing Ibn Nujaym's writings on the sixteenth century controversy over the *kharaj* and proprietary rights relationship, Johansen (1988, p. 98) remarks: 'Ibn Nujaym's writing constitute an important attempt to take stock of the problems connected with the changes in land tenure, tax and rent in the middle of the sixteenth century. He knew that he could not solve the problems he faced merely by continuing the old Hanafite legal tradition in dealing with them. The immense authority which his writings enjoyed in later centuries not only in Egypt but also in Syria and Palestine shows that his solutions were widely accepted. He was certainly not always the author of the legal opinions which he integrated into his solutions. In many aspects his writings reflect the cumulative effects of a process of slow and cautious reformation of the Hanafite legal tradition that had been going on since the tenth century and that had worked its way from Central Asia to Egypt and Syria during the Mamluk period.' The skill with which he tackled the problem is a proof that 'Ibn Nujaym was a capable synthesizer who could integrate new notions and ordinances serving the interest of the rentier class. He shares with other Hanafite jurists of the Ottoman period the practical insights and economic and social interest that made the workable solution of new problems possible' (ibid).

In the preceding pages it has been seen that substantial changes took place in Hanafite law regarding land possession and payment for it. As against the early Hanafite jurists, 'the productive use of the land was commodified' through the contract of tenancy or *ijarah*. However, only contract is not enough to make it liable to pay rent. The contracted person has to be given time to use the land. It is the time during which it is possible for the tenant to use the land that determines the size of the commodity for which the tenant has to pay rent (Johansen, p. 31). According to Johansen (ibid, p. 32), 'The calculation of time as an economic factor which determines the amount of the salary and the rent enters into the political economy of Islamic law through the contract of *ijarah*'. He further says: 'the concept of rent as developed in the pre-classical and classical period of Hanafite law clearly works in favour of the emancipation of the peasants and against all attempts to view them as serf and to regards their rent as a kind of menial due. In addition, the Hanafite jurists clearly view the contract of tenancy as an instrument for the furthering of social and economic integration of various states of the rural society. The tenant obtains the right to use the rented property, a

right which is constructed as being a form of a property (ibid, p. 38). This makes the tenant entitled to sublease and further subleasing - a kind of social and economic integration. Tenants and lessors are thought of as proprietors and for that reason both of them may become lessors and renters (ibid).

The early Hanafite jurists are almost unanimous that the unauthorized use (*ghasb*) of arable lands does not engender the obligation to pay rent because a contract is obligatory to pay any rent. However, unauthorized user of landed property has to make compensation for the diminution of the value of the land arising from his cultivation of it.

Following his teacher, the twelfth century trasoxanian Hanafite scholar Qadi Khan (d. 592/1196) classifies lands as those which are 'held by their owners for the sole purpose of cultivating them through a share-cropping relationships and other lands that are not held for this purpose'. For the first kind of land contract is not obligatory if a custom exists regarding the shares of the two parties. This is not applicable to the other kind of land (Qadi Khan, 1282 AH, 3: 168-69). This differentiation has far reaching consequences on rentier and tenant relationship. It gives rentier class a privileged position.³ This was exploited by the jurists of the following centuries. Especially it was done by propounding the notion of the death of *kharaj* payer proprietors without heirs. As we have seen above, Ibn al-Humam gave an explanation how Egypt, a historically *kharaj* paying country, turned into a majority of rent paying population. His notion of the "death of the *kharaj* payer" was most skilfully and systematically used by the sixteenth century famous Hanafite scholar Ibn Nujaym.⁴

8.4 Law and Economics

Ibn Nujaym, in spite of being a great scholar, is not an original thinker (*mujtahid*). Nor would he like, perhaps, to be associated with *ijtihad* as he himself declares that the door of analogical reasoning (*al-qiyas*), the basic of *ijtihad*, is closed in his time (Ibn Nujaym, 1980[b], p. 87). However, he examines the development on the subject of rent, *kharaj* and land proprietary rights in the Hanafite tradition of Islamic

jurisprudence and analyses them. Finally he uses them as the building blocks for presenting a case that protects the rentier class in general and *awqaf* in particular. Those two institutions were at the risk of annihilation in the wake of Ottomans' efforts to increase the area under *miri* (the government-owned) land to enhance the revenue of government. They already succeeded in this effort.⁵ Shaw writes: 'The end result of the land law of 1553 was to restore to the Treasury some 300 tax producing *Muqata'as* which had been alienated for various purpose in the late Mamluk and the early Ottoman times and to increase Treasury revenues by over 80 per cent during the last years of the century, with the result that it was able to send over twenty million *paras* to the Porte each year' (Shaw, 1962, Vol. 38, Nos. 1-2, p. 116).

In his analysis of various provisions in Hanafite *fiqh* Ibn Nujaym visualized the economic repercussion on the rentier class, waqf administrators, tenants, and subtenants. Ibn Nujaym's effort is an excellent example of relation between *fiqh* and economics. It presents a strong case for study of law and economics and their interplay – more precisely the economic analysis of law. It may be noted that such a discipline originated in the United States in 1950s and found acceptance amongst the legal community from the 1970s onward. At present, while Law and Economics is a well-established and distinct discipline in the West, it is rarely heard in Islamic system. There is need to examine the Islamic heritage of *fiqh* and principles of *fiqh* to investigate the efficiency of those rules in achieving the economic objectives cherished by Islam. A discipline of *fiqh* and economics would attempt to perform an integrative treatment of *fiqh* and economics. Ibn Nujaym's analysis of the rules related to *kharaj* and land proprietary rights shall provide a sample of such an exercise.⁶

8.5 *Risalah dar Bay`-i Aradi*: A Sixteenth Century Treatise from the Mughal India

Shaykh Jalal al-Din Thanasari (d. 991/1582), a noted scholar of Akbar's time, wrote a tract entitled *Risalah dar Bay`-i Aradi*⁷ (the title is in Persian but the text is in Arabic⁸ meaning a treatise on sale of lands)⁹. This is another example of Law and Economics. In the sixteenth century, not only in Egypt, but in India also controversy ranged over the grant of

land and the nature of right of grantee over it. The author takes up 'the issue of land ownership in Mughal India with special reference to the right of holder of revenue grant' called *madad-i-ma`ash* (Zafarul-Islam, 1990, p. 87). 'What was granted by the state to the holder of *madad-i-ma`ash* was the right to collect and appropriate land revenue. The grant was neither transferable nor saleable; on the death of the grantee, it normally required the king's sanction before it could pass on to heirs. Thus according to the official view, the grant was devoid of property rights' (Habib, 1963, pp. 299-304, cited by Zafarul-Islam, 1990, p. 87). Most of scholars opposed this official view and pleaded for grantees' full property rights over their holdings. They considered the steps taken by the State to regulate the grants as interference with their established rights.

Being himself a grant-holder, Thanasari strongly presented this case in his *Risalah dar Bay`-i Aradi*. At the outset of his treatise, he criticises opinions of pro-establishment *`ulama* who argued that 'the conquerors had restored the lands to the former owners, so the latter or their descendants remained lawful owners in post-conquest period and no piece of land granted out of it to a deserving person would become the property of the grantee'. To Thanasari, 'major part of the lands in India comes under the category of waste-land or ownerless property belonging to *bayt al-mal*. Such land, if granted by the ruler to a deserving person and cultivated by him, becomes his property. He can sell or alienate it in any way likes. He argues that there is no evidence that the conquered land in India was ever distributed among the fighters (*ghanimin*) or was ever restored by the Muslim conquerors to the original owners after the initial conquest. In his opinion such lands would have been occupied by some other people because of the flight or death of their original occupants without the permission of the ruler. These new occupants cannot be considered the owners of the land. The land remained in the ownership of the state¹⁰ (Thanasari, MS, ff.2b, 10a. cited by Zafarul-Islam, 1990, p.90).

Thanasari does not discuss the nature of the land grant: usufruct grant (*iqta` istighlal*) or ownership grant (*iqta tamlik*) – the two provisions of land grants in Islamic tradition – because this would have defeated his purpose. It appears from the history of the period that the

ruler in India generally granted land as usufruct (*istighlal*). The term '*madad-i-ma`ash*' also indicated that it was just a temporary help. But Thanesari and some other *ulama* insisted to treat it as permanent grant (*tamlík*) because their own stake was involved (Zafarul-Islam, 1990, pp.87-88). Some of them went to the extent to demand even exemption from payment of *ushr* over the produce of their self-cultivated land (ibid. 98).

Endnotes:

1. The author thankfully acknowledges his indebtedness to Baber Johansen in dealing with this section.
2. For its detailed analysis refer to Johansen, 1988, pp. 66-68.
3. Historical background: Ibn Nujaym wrote his *Tuhfah* in order to defend waqf and private landed property against the imminent Ottoman *Qanunname* of 960/1553. In 957/1550 Ali Pasha (d. 972/1565) the then Ottoman governor of Egypt carried an investigation of the legal states of Egyptian lands that yielded rent for the upkeep of religious institutions and the salary of the religious scholars and military officers, 'It is in defence of these groups that Ibn Nujaym wrote his *Tuhfah*. (Johansen 1988, pp. 86, 87).
4. 'The notions and concepts of the new doctrine on rent were first developed in Balkh and Bukhara during the classical period. How and when the new doctrine became the prevalent legal doctrine in Mamluk and Ottoman Syria and Egypt remains a matter of investigation' (Johansen, 1988, p. 124).
5. For more details refer to Johansen, 1988, pp. 99, 100, 104, 109.
6. It is said that Umar's decision to retain conquered lands in the hands of its previous owners was also guided by many economic objectives, such as equitable distribution of land, its efficient use, a permanent source for *bayt al-mal*, interest of coming generations, etc.
7. The only known manuscript of the treatise is preserved in Mawlana Azad Library of the Aligarh Muslim University, Aligarh, India. For details, refer to Zafarul-Islam, 1990, pp. 85-86.
8. In the Non-Arab Muslim world it has been common practice to write a title in Arabic while text is in the local language. Sometimes the title is in Persian or Turkish while text is in Arabic. The present treatise is such an example.
9. Although the title of the treatise is about sale of lands, the thrust is to prove the permanent ownership of the land granted by the ruler to a person. This proof will entitle the owner of land to transfer or sell the land. In the title the word sale has been highlighted because that denotes ownership.

10. It is interesting to note that in addition to his argument that conquered land was never restored to their previous owners, Jalal al-Din Thanasari also tries, like his contemporary Egyptian Hanafi scholar Ibn Nujaym, to protect the interest and ownership of land grantees on the basis of the flight and death of the land owners provided the restoration is proved. However, there is basic difference between the two. In Egypt the question was about the nature of payment by the landholder to the state – whether it was to be considered *kharaj* or rent because this would have determined their status as landowner or cultivator.



CHAPTER NINE

WAQF AND CASH WAQF CONTROVERSY

The institution of waqf has always played vital role in socio-economic life of Muslims. It shared the state in provision of many goods and services that are considered as part of the duty of state. In this way the waqf institution reduced the burden of the state. Waqf is counted a voluntary sector – a sector between private and public. Muslims have been encouraged to dedicate their valued objects for pious purpose to be a permanent source of goodness (*Sadaqah Jariah*) for them. This led Muslim *ummah* – the subject as well as the ruler – to make endowments in every period. Its volumes increased so much so that ‘according to Is’haqi, Egypt was saturated with waqfs by the end of the Mamluk period with 10 of its 24 *qirats* turned into waqf by the Circassian Mamluks alone’ (quoted by Behrens–Abouseif, 1994, p. 145).

9.1 Importance of Waqf in Economic Life.

According to Behrense–Abouseif, ‘in the formative phase of Ottoman Empire, religious and charitable foundations contributed to the process of colonizations and Islamization of the conquered territories and they continued to fulfill the function in the provinces with predominantly non-Muslim populations. Urban growth was closely connected with the spread of religious foundations, commercial structures and dwellings playing a major role in financing the charitable institutions. A considerable number of the houses of Istanbul and other major cities

financed such institutions with their rent revenues. From the first quarter of the sixteenth century to the 18th century the volume of the waqf revenues grew in proportion to the state revenues from 16 percent to 33 percent' (ibid. p. 144). Thus, the institution of waqf played very important role in the socio-economic and religious life of the subject. Waqf made for celebration of certain occasions provided a market and worked as trade fair for promotion of domestic products (Afifi, 1991, p. 208). *Zawiyahs*, *Serai*, (inn) facilitated international trade where foreign merchants could stay and contact the local distributors (ibid. p. 210). It was a major source of employment for a large number of population in various capacities (ibid, pp. 122-123; Behrens–Abouseif, pp. 183, 186). Waqf also provided goods and services ranging from pure religious objects, such as mosques and *madrassahs* to various welfare schemes like water supply and highway facilities.

9.2 Kinds of Waqf

Perpetuity and irrevocability are two essential characteristics of waqf.¹ A portion of the income is spent on maintenance or reinvested for promotion and upkeep of the endowment. Another specified portion is used for the purposes restricted by the endowment deed. Traditionally waqf was created by rich Muslims out of their property for exclusively pious purposes, called *al-waqf al-khayri* (charitable waqf) or charity with upkeep of progeny, called *al-waqf al-dhurri* (family waqf). Coming to the age of Mamluks and Ottomans, new forms of waqf developed. One such form is called *al-irsad* or *al-Rizaq al-Ihbasiyah* defined as certain property belonging to the Public Treasury dedicated to an act of charity or upkeep of specific individuals. It was counted as waqf because the beneficiary had no right to sell it; he could benefit from it only (Afifi 1991, pp. 17-18). A similar waqf was called *al-rizaq al-jayshiyah* defined as the agriculture land granted by the Sultan to his retired army officials (ibid). These arrangements were always issue of controversy among the *ulama* of Mamluk and Ottoman periods. For example, al-Balatonusi (1984, pp. 174; 178, 180) argues that the *imam* (ruler) is not the owner of the Public Treasury, so whatever endowments he makes from it, is not coming under rule. Therefore, it would be void. However, he accepts that it is a matter of *ijtihad* and admits the possibility of the difference of opinions (ibid, p. 177). To him, most of the government awqaf of his time were not in public interest. This is enough to invalidate their

(rulers') actions (ibid, p. 180). Finally he tries to reconcile between the opinions of supporters and opponents and says that if ruler makes a waqf out of Public Treasury and it is in public interest, like waqf for schools, scholars, worshippers, mosques, inn, etc. for public purpose, then it is permissible (ibid, p. 199). Those who validate government awqaf, they mean only this type of waqfs (ibid, p. 200).

Al-Balatunusi further differentiates between the private owners and the ruler who is custodian of the Public Treasury. Individual private owner has right in his own property to create waqf for private or special group, but the ruler has no such right (ibid, p. 202). The Shari'ah is criterion in this respect to examine his endowment (ibid, p. 207). Al-Balatunusi critically examines various categories of government endowments and in the light of Shari'ah he decrees whether a certain waqf of the ruler is permissible (ibid, pp. 199-264).

Objects of awqaf. With the passage of time, varieties of waqf objects also increased. From various sources, Afifi notes that in the sixteenth century, endowments comprised slaves, animals, solid estates, gardens, shops, commercial complexes, tools of production, grinding mill, ovens, special bathrooms, public bathrooms, coffee houses, laundries, weaving factories, rice crashing machines, commercial ships and cash and *kharaj* revenue of specific areas. Especially cash waqf caused a great controversy that we shall deal with it at the end of this chapter. These objects were in addition to waqf of agricultural land that constituted 40 percent of the total agricultural land in Egypt (Afifi, 1991, pp. 143-44).

According to Gibb and Bowen (1965, vol.1, II: 173), the Ottomans introduced two important innovations relating to awqaf. One was prevention of any alienation of land except with the consent of the Sultan or his representatives, ...and 'the second innovation was an attempt to centralize the supervision of awqaf.

Objectives of awqaf. As far objectives of waqfs are concerned, they included mosques for homeless and travelers, water sources for men and animals, burial ground, roads, bridges, upkeep of widows, divorced, orphans, etc. (al-Tarabulusi, 1902, pp. 71-81, 138). In brief they included every work of piety and welfare. Gibb and Bowen (1969, pp. 167-68)

state: “The objects for which awqaf were founded are almost innumerable. Apart from specifically religious institutions such as mosques and *tekkes* [*takiyahs* = sufi-houses], and educational institutions such as *medreses* [*madrasahs* = colleges], *mekteb* [*maktabs* = school], and libraries, virtually all ‘public works’ such as roads, pavements, bridges, aqueducts, water conduits, and light houses were provided by this private means, as were also such more evidently institutions as hospitals, hostels, houses for widows, kitchens, and laundries. Not was this all. Many awqaf were founded for the supply of money to the needy: dowries for orphan girls, the payment of their debts for imprisoned debtors, the payment of fees for the release of penniless prisoners, and for the inhabitants of particular villages and quarters of towns in the payment of *urfî* taxes.² Others were founded for the supply of assistance in kind: clothes for aged villages, food and clothing for school children, rice for birds, food and water for animal. Some awqaf again had as their object the provision of excursions for children in spring-time and burial of the indigent, while some other awqaf were founded in aid of the armed forces: the equipment of soldiers, the financing of the construction and maintenance of fortresses and other fortifications and of ships for the Ottoman fleet.

Christian, Jew and Maji citizens were also allowed to establish endowments for upkeep of their worship places and for welfare purposes (al-Tarabulusi, 1902, pp. 141-42). Based on various Ottoman *sijills* el-Zawahreh (1991, p. 139) notes that ‘*Dhimmis* directed their religious awqaf in Damascus Governorate in favour of their holy places, such as that of the Monastery (*Dyar*) of Saydnaya and that of the Monastery of Tur Sina, and a third waqf shared between these two places.’

9.3 Development in Waqf Administration

Long before Ottoman period, supervision and general administration became one of the duties of Muslim state. Ayyubid Sultans dealt with the awqaf affairs under *Diwan al-Ahbas*. The same tradition continued during the Mamluk period. In addition the Shafi’i chief justice assisted by two supervisors looked after the affairs of awqaf (Afifi, 1991, pp. 18-19). Ottoman government in the sixteenth century, while retaining the basic structure of waqf management added to it new offices to conform

with the increasing size and number of awqaf and changing socio-economic conditions.

In the waqf institution the provision of a caretaker (*mutawalli*) has been from its early days. With the establishment of *Diwan al-Ahbas* (waqf department) an adequate number of persons were appointed to supervise, maintain and keep the account of the waqf property and its proper use. During the sixteenth century the waqf department was a well organized and full grown office. In addition to *mutawalli*, each waqf had a *nazir* (supervisor). 'The persons appointed as *nazirs* were usually important government servants or religious dignitaries, since it was a necessary feature of the arrangement that in contrast to the *mutawallis*, who were more often than not descendants of the founder, the *nazirs* should be in a position to control the action of the *mutawalli* and, if the family died out, to choose suitable persons as their successors (Gibb and Bowen, 1965, vol. I, II: pp. 170). The other officials included *al-mubashir* (controller), who had to control the waqf property, its income and expenditure and presentation of its monthly or annual account to the competent authority (Afifi, 1991, pp. 94-95), and *al-Shahid* (witness) who used to see whether waqf supervisors and other employees were doing their duties properly (ibid. pp. 96-97).

Apart from these administrative professions, the waqf institutions consisted of a number of financial, legal, maintenance and some miscellaneous jobs (ibid. pp. 98-104). This shows that the Ottoman economic mind made the voluntary institution of waqf a fully grown sector of the economy.

9.4 Measures for Waqf Development and Misappropriations

The sixteenth century Muslim economic thinking, especially in matter of awqaf, led to various innovate measures towards development of waqf properties and their efficient uses. Sometime such measures were misused by dishonest caretakers or supervisors to fulfill their selfish objectives and serve their vested interests. Examples of some of those practices were found in Mamluk period also, but they were more widely discussed and used in Ottoman rules. Consequently preventive steps were taken in case of many such acts.

Waqf being a perpetual establishment, generally the founder made provisions for its upkeep and development. Even if there is no such provision in the waqf deed, the writers on waqf think it as one of the requirements of waqf to serve perpetually. Rather they give to maintenance and development priority over its other expenditures. There should be a provision of depreciation deduction so that it could be kept intact and any surplus from the expenditure should be reinvested. (Ibn Hajar al-Haytami, n.d.,3:242; al-Wansharisi, 7:465; al-Tarabulusi, 1902, p. 56; Ibn Nujaym, 1980[a], pp. 204-205; Afifi, 1991, pp. 139-40).

Borrowing to meet deficit: The Jurists allowed borrowing on behalf of waqf to meet any advance expenditure provided in the waqf deed or even to maintain or develop waqf property (al-Tarabulusi, pp. 57-58, 70). To prevent the misuse of borrowing on behalf of waqf Ibn Nujaym (1980[a], pp. 194, 202) makes it clear that borrowing is allowed only if the interest of waqf necessitates it. Thus, the scholars of sixteenth century, in their permission to borrowing on behalf of waqf, were guided by efficiency and benefit criteria only.

Long-term Lease: In spite of provision in most of awqaf for maintenance of waqf property in good condition, with the passage of time, awqaf fell prey to negligence. This took place mainly because of the lack of personal ownership and non-availability of funds. One of the solutions to this problem applied in the sixteenth century was to alienate waqf property as long-term lease, the lease paying a lump sum in advance and a small annual rent thereafter. This contract is known, in the literature of the period as '*ijaratayn*' (dual renting). The contract was made sometimes for a period of ninety years and tenants used to get proprietorial rights for that period. The tenant could sublet it, make it another waqf for any other purpose and the lease could be inherited if the tenant died. The provision was not an invention of Ottoman period. Earlier Jurists also discussed it and a controversy existed in the past also (al-Tarabulusi, 1902, pp. 63-65). Although it was accepted as necessity, the difference of opinion continued in the period under study. The Maliki and Hanbali jurists accepted the provision, so the contracting parties generally tried to get the seal of approval from a Maliki or Hanbali *qadi* (Behrens-Abouseif, 156).

The opponent scholars based their opinions on genuine economic consideration, such as uncertainty in determination of just rent or the rent of equivalent (*ujrat al-mithl*) as stipulated in such contract, fluctuation in prices and occurrence of inflation, currency changes, and last but not the least, the long-term lease created aspiration in the heart of lessee to take awqaf property in the ownership of themselves (al-Haytami, n.d. 3:326, 338, 340, 348; al- Wansharisi, 7:106).

Exchange of Waqf Property (*istibdal*). Sometimes waqf property falls into ruin or loses its benefits. The cure has been provided in the exchange of waqf property for other property that can serve the objectives of the waqf. This was not a solution discovered in the sixteenth century. But its misuse in the period under study made it very controversial. Reflecting on the issue, Gibb and Bowen write: ‘The experience of many centuries and in all countries proved that waqf properties rapidly fell into ruin. To meet this contingency, a semi-legal device was found in the exchange of waqf property for other property of equal value, the former passing into the possession of the previous owner of the latter, now become a waqf. But already by the sixteenth century, this had become so flagrant a device for the seizure of awqaf property that this *qanun* of Sultan Sulayman expressly forbid the alienation either by sales or exchange of ruined buildings belonging to awqaf, even if it should appear to be to the advantage of the waqfs concerned, because of the prevarications committed on this pretext; and further that in case of contraventions of this *qanun* both sellers and buyers should be severely punished’ (Gibb and Bowen, 1965, vol. one, part II, p. 178).

According to Behrens–Abouseif (1994, p. 153), ‘Although *istibdal* was prohibited by the *Qanun Nama*, it continued to be used especially if the endower permitted it or if the qadi saw no alternative way of securing an estate alienated as waqf.’ He presents many examples of *istibdal* taking place in violation of its prohibition (ibid. pp. 153-154).

Differences of opinions on the issue of exchange or replacement of waqf were found among the early scholars also.³ Sixteenth century scholars also differed on the question of *istibdal* - two extreme stands and a middle one. One extreme stand is that *istibdal* is never permissible even if waqf deed has such a provision because it is against perpetuity and it

will open doors for corruption as was experienced during the period under study. The other stand is that it is allowed if waqf deed does not prohibit it or it is silent and the waqf property has completely lost its advantage. A third view takes into consideration only the economic criteria: if recreation of waqf property is economically not viable, then it can be exchanged for a property of equal value. But they allowed the exchange provided that the supervisor must get permission from the court; there should not be any deception in this exchange; the new property must be better than the waqf property given in exchange and that the exchange must be hand to hand, not on a credit. Ibn Nujaym (n.d., 5:241) says: "One more condition must be added in our time, that is, the property must be exchanged for real estate, not for *dirhams*, and *dinars* (i.e., cash) because we have noted that the supervisors (*nuzzar*) generally eat it up and no *qadi* questions them whereas cases of *istibdal* are too numerous in our time".

Corruption. At the pretext of *istibdal* many waqf properties were sold out and transferred into private property (Afifi, pp. 20-21). That is the reason that the *Qanun-Namah* held such transactions as *bay'* (sale) instead of *istibdal* (ibid, p. 176). Not only *istibdal*, the very institution of waqf sometime was misused. Illegally acquired property was occasionally declared waqf to protect it from confiscation (Gibb and Bowen, vol.1, II: p. 169; el-Zawahreh, pp. 84-85). Examples of sale and purchase of waqf jobs and even the stipend were not uncommon (Afifi, 1991, pp. 124, 129-130, 197). It also happened that one post was shared by many persons or one person occupied many posts (ibid, pp. 121-22). Ibn Nujaym criticized such practices. He declared that the sanctity of waqf offices and jobs are similar to the sanctity of waqf properties, they cannot be violated (Ibn Nujaym, 1980[b], pp. 29-30).

9.5 Gender and Waqf

It may be noted that opposition of waqf institutions has been reported by a few scholars; they apprehend violation of inheritance rules prescribed in the Qur'an (*surat al-nisa'*). Examples of such violation are found in the period under study. In many cases the founder excluded female members of his family from the list of beneficiaries (al-Abbadi, 1999, pp. 119, 125; Afifi, p. 240). At the same time women also

participated actively in establishment of waqf foundations (Afifi, 1991, pp. 183, 240), sale and purchase of waqf positions (ibid, pp. 127, 244), and development of waqf property (ibid, pp. 171, 244). The jurist accepted woman as caretaker or supervisor of a waqf (al-Tarabulusi, 1902, p. 49). In practice many women performed this function in the sixteenth century (el-Zawahreh 1992, pp. 118-19, 138; Afifi, p. 243). Thus, waqf institution provided women with great opportunity to contribute to the socio-economic life of the society.

9.6 Cash Waqf Controversy

The wide spread of cash waqf is a distinguishing feature of the sixteenth century Ottoman institution of waqf. According to Cizacka, ‘the cash waqf was basically the establishment of a trust with money the returns from which would be utilized for serving mankind in the name of God. These endowments, by the end of sixteenth century, had become extremely popular all over Anatolia and the European provinces of the Empire’ (Cizacka, 2002, p. 61).

It is interesting to note that the Ottoman rulers followed the Hanafi rites and it is the Hanafi school of jurisprudences that prohibited cash waqf because it lacked the perpetuity (*ta'bid*) a necessary condition for validity of the waqf (al-Tarabulusi, 1902, pp. 14-17). The other schools of jurisprudence do not hold perpetuity as condition for validity of the waqf, so they allow cash waqf. Mandaville was not correct when he said: “It sufficed to block any consideration of cash waqf through the centuries by jurists of the Shafi’i and Hanbali trends of legal thought” (Mandaville, 1979, p. 239). At another occasion he says: ‘the fact that Shafi’i, Malik, and Ahmad ibn Hanbal all opposed the cash waqf is noted” (ibid. p. 296). His erroneous statement is further emphasized: ‘True, al-Shafi’i Malik, and Ibn Hanbal refused cash waqf’ (ibid). For the correct stand in Shafi’i school, one may refer to his famous work *Kitab al-Umm*, n.d., 3: 274-87; for Maliki stand refer to his work *al-Mudawwanah* 6:98-99; and for Hanbali stand refer to *Majmu’ Fatawa Ibn Taymiyah*, 1963, 31:234-35).

Even in the Hanafi school there is difference of opinions on the issue. For example, the great Imam Abu Hanifah is very strict on the condition of perpetuity. So he is against the endowment of any object that

is not permanent or loses its substance. The others say that such object cannot be endowed independently, but can be if they are attached to a permanent object (Abu al-Su'ud, 1997, pp. 17-18). Abu Yusuf exempts only horses and weapons from the condition of attachment because of approving text (*nass*) about them (ibid, p. 18). His colleague Muhammad al-Shaybani exempts everything that is known and accepted practice. Majority of the senior Hanafi scholars (*al-masha'ikh*) have adopted this stand.

It seems that in the earlier period cash waqf was not in common practice (Mandaville, 1979, p. 90) therefore, it did not catch the attention of scholars. The earliest example of cash waqf that Mandaville was able to find was located in Edirne and dates from the first half of the fifteenth century (ibid). 'During the reign of Bayezid II (1481-1512) the number of cash awqaf established per year in Istanbul increased slightly until 1500, after which the trend approximately doubled remaining roughly constant through the abdication of that ruler and the early years of Selim I (1512-1520). In 1505, however, for the first time more cash than land awqaf were established; year by year thereafter, this occurred with increasing frequency until, beginning in 1533, the cash waqf became the rule rather than the exception' ... 'and by about 1560 had become the dominant mode of endowment' (ibid. p. 292).

Cash Waqf Controversy begins: It was sometimes between 1545 and 1547 that Muhammad b. Muhammad Jawizadah (d. 995/1587) the former *Shaykh al-Islam* and *Qadi al-Askar* of Rumeli issued a *fatwa* in which he denounced the establishment of cash waqf. This was against the opinions of *Shaykh al-Islam* Muhammad b. Muhammad al-'Imadi known as Abu al-Su'ud (d. 982/1574). As the differences of these two great scholars on an established system surfaced, the Ottoman *ulama* were sharply divided into two camps: the majority who supported the permissibility of the established practice of cash waqf, and the minority who insisted on its invalidity. The leader of the first camp was Abu al-Su'ud while the leader of the second camp was Jawizadah. 'Abu al-Su'ud was in fact defending the official point of view, since he had been *mufti* of the Ottoman Empire in his time' (el-Zawahreh, 1992, pp. 63-64). Abu al-Su'ud based his opinion on *imam* Muhammad al-Shaybani (d. 189/805) who permitted endowment of any movable, hence cash waqf, if it is a known accepted practice (*ta'aruf* and *ta'amul*). According to Abu al-Su'ud (1997, p. 22),

cash waqf is more convenient to authorities, requires no maintenance charges, and less expensive in accounting. As far the question of perpetuity of the object (*al-'ayn*) is concerned, he says that when a like sum of money is paid back it is the same as original (ibid. p. 31). Abu al-Su'ud wrote two articles on the cash waqf: *Risalah fi Waqf al-Nuqud* (a treatise on cash waqf) and the other *Mawaqif al 'Uqul fi Waqf al-Manqul* (The rational stand on movable waqf). The former is available in print entitled: *Risalah fi Jawaz Waqf al-Nuqud*, while the latter is still in manuscript form. It is to be noted that in this treatise, the author never refers to the then existing controversy, nor does he mention his contemporary opponents with names.

A zealous supporter of Abu al-Su'ud was Shaykh Bali Baba Efendi (d. 952/1545) who was the leader of the Khalwati Sufi order. His writing presents clear reflection of the cash waqf controversy. Complaining to the Sultan Sulayman the Magnificent he wrote: 'The military justice of Rumeli [Jawizadah] sent out an order to all parts of the Empire saying that what has long been done is not permissible, while at the same time the Mufti [Abu al-Su'ud] issued a *fatwa* saying that it is so. As a consequence the affairs of scholars and honest men were thrown into disarray. They did not know which direction to turn. It led to common people saying [about the cash waqf], 'This is a void and sinful act'. God forbid that it should be so! Since the conquest of Rumeli, for nearly three hundred years, it has been practiced, by order of the *padishah* [sultan] and the general agreement of the scholars (Mandaville, 1979, pp. 301-02).⁴ Bali Baba's whole argument is not polemical and provocative. He tries to justify the cash waqf by presenting its socio-economic benefits: 'The waqf supports the activities of Friday services. If it were lost, Friday would have no direction, the preacher and the prayer caller would be lost'. (ibid. p. 302). 'We followed admissibility, because it better suited the conditions of the people of our time in their religious and worldly affairs, as well as the opinion of the majority of the scholars of the time and their predecessors' (ibid. p. 303). 'Faithful brothers! Certain hospice complexes (*imaretleri*) in Rumeli, certain school and most of the mosques there are based on the cash waqf. It was decided that they all be horse stables, and it won't be easy to rebuild them. The watercourses of the cities and towns are all cash waqf based. It has been decided to dry them up. For long, new mosques, hospices, schools and other good works have been built; now few are started. In how many places have the

people given up the everyday practice of religion! ...?’ (ibid. pp. 303-304). In the end Bali Baba reminded the role played by cash waqf in Islamization of Rumeli region through endowed mosques and hospices. To his conviction, had Jawizadah known this fact, he would have never opposed the cash waqf (ibid. p. 304).

The most ardent supporter of Jawizadah was Muhammad b. Pir Ali al-Barkawi⁵ (d. 981/1573). Mandaville (1979, p. 305) reports that he wrote over five treatises in refutation of cash waqf, such as *al-Ajwibat al-Hasimah*, *al-Sayf al-Sarim*, and *el-Tariqat al-Muhammadiyah*. In addition to the traditional argument for inadmissibility of cash waqf as lack of perpetuity, he denounces it because cash is ‘loaned at interest using legal devices (*mu’amalah*)’⁶. He considers the cash waqf as the source of many evils (ibid. pp. 305-306). Comparing the writing of Abu al-Su’ud and al-Barkawi, Mandaville observes: ‘While Ebu es-Suud [Abu al-Su’ud] combined politics and scholarship with consummate skills Birgevi [al-Barkawi] combined as skillfully the roles of public moralist and scholar’ (ibid).

Was it a usurious piety? While dealing with the cash waqf controversy in the Ottoman Empire of sixteenth century Mandaville uses the caption “Usurious Piety” – a term in contradiction though the subject of interest or usury has only casually come two or three times in the whole article. It may be remembered that Muhammad b. Abdullah al-Ansari – a student of imam Zufar (d. 158/775) who permitted cash waqf, pointed out that the money would be provided on *mudarabah* (*commenda*) basis and the extra gain will be given in charity. It may also be loaned out (al-Tarabulusi, 1902. p. 22). Abu al-Su’ud also reports that the objective from the cash waqf will be to lend the poor (of course without interest) and to extend money as capital to working partners on *mudarabah* basis and spend the gain in charity (Abu al-Su’ud, 1997, pp. 29-30). We could not come across any clear text showing lending on interest from the cash waqf⁷. Muslims never tried to denounce the prohibition of interest in principle, nor to reject it in practice. This point is also brought out clearly by Schacht (1936, Vol. III, p. 1150) who says about Muslims that ‘they were always conscious that a direct breach of the prohibition of *riba* (interest) was a deadly sin’. What is generally reported is loaning money, to be returned with an extra amount, using legal devices called *mu’amalah* in Mamluk and Ottoman period. In Islamic jurisprudence

these legal devices are called as *bay' al-'inah* or '*tawarruq*'. They have been controversial since early Islamic period. The Ottoman scholars who supported cash waqf allowed it to protect this waqf from dilution and considering it as the property of an orphan, they tried to provide guarantee of safety to fulfill condition of perpetuity. However, it remains to be explored what proportion of cash waqf was used for *mudarabah*, for interest-free lending, and for loaning on extra guaranteed return using legal device of '*inah* or *tawarruq*. The institution of cash waqf *per se* has nothing to do with usurious practices.

Ottoman scholars pointed out *mudarabah*, interest-free loans, and *mu'amalah* as legal or semi-legal methods for investment of cash waqf. Modern Islamic financial engineering has innovated a few more techniques, such as *ibda'* (investing the fund with the guarantee of capital safety and return of the profit also if any), *murabahah*, *salam mutawazi*, *istista'*, *al-'ijar*, *al-'ijarah al-muntahiyah bi'l-tamlik*, *al-musharakah al-mutanaqisah*, etc. Thus there is no reason to pollute the pious institution of waqf with the practice of usury. Cash waqf could have proved a sound foundation for interest-free banking at the time when Europe was establishing banking system based on interest during the sixteenth century. But we were lost in controversy. Muslim mind had to wait still four centuries to make such experiment through equity or waqf funds.

Endnotes:

1. For differences of opinion on this issue one may refer to any standard work on waqf e.g. al-Tarabulusi (1902, pp. 3-17).
2. Taxes levied in case of need by virtue of the Sultan's *urfi* or or monarchical authority.
3. Al-Tarabulusi (1902, p 31) notes different opinions of Abu Yusuf, Muhammad and other Hanafi scholars on the question of replacement of waqf.
4. Mandaville quotes from MS Esad Efendi 188, Suleymaniye library, Istanbul, pp. 38B-43A.
5. That is how his name is written on the title of his work *al-Sayf al-Sarim ...*" MS in the Central Library of King Abdulaziz University, Jeddah, No. 605/1. Some others pronounce it as 'Birgevi' (see Mandaville, 1979, p. 304).
6. Long ago Ibn al-Qayyim (d.751/1350), in the early Mamluk period, wrote: "Some people try to practice interest: they use the term "*al-mu'amalah*" (business or transaction) instead of interest, and change its form by introducing a middle man

or a pretended sale and repurchase transaction” (Ibn al-Qayyim, 1320 AH, P. 191). He denounces this fraudulent device.

7. Of course, one of the opponents alleges that such cash is even lent on interest (*riba*) (Mandaville, 1979, p. 305). But such allegations and counter allegation is not surprising in a controversial issue. It needs documentary evidences.



CHAPTER TEN

WORKS ON PUBLIC FINANCE

The systematic and rather exclusive writing on economic issues in Islamic tradition first started in the field of taxation and public finance and within a few centuries a large number of works came out on the subject. Works on taxation in Islam (*Kitab al-Kharaj*) and public finance (*Kitab al-Amwal*) first appeared in 2nd/8th century and within the next few centuries more than two dozens treatises were written. Shemesh (1967, pp. 3-6) gives, from various sources, a list of 21 works that were written on taxation during early centuries of Islam. In addition to exclusive works on the subject, issues of public revenue and expenditure constituted parts of juristic and political writings. Elsewhere we have presented a survey of the literature that appeared up to the 9th/15th century in this field (Islahi, 2005, pp. 61-65). This trend continued in the later centuries but with a difference in quantity, quality and style. Their number decreased, coverage contracted and they increasingly tended to deal with specific issues. Related to our study period we have a work by Abu Bakr Muhammad al-Balatuusi (d. 936/1530) entitled "*Tahrir al-Maqal fi ma Yahull wa Yahrum min Bayt al-Mal*" (Discourse written about what is permissible and what is non permissible from the Public Treasury). Ibn Nujaym (d. 970/1565) wrote a small tract on *kharaj* – entitled "*Risalah fi'l-Kharaj*" (Treatise on Taxation). Another brief essay authored by him is "*fi Mas'alat al-Jibayah wa'l-Ratibat wa'l-Mu'sharat al-Diwaniyah*" (About the issues related to government levies, periodical charges and custom duties). His other treatise "*al-Tuhfah al-Mardiyah*

fi'l-Aradi al-Misriyah" (The Pleasing Gift Related to Egyptian Lands) has also discussed the question of creation of *waqf* and imposition of taxes on *Waqf* lands in Egypt. It seems worthwhile to have a look of the Public Treasury in the period under study, before we present a survey of the contents of works noted above.

10.1 Public Treasury during the 10th/16th Century.

The early writers broadly classified the sources of public revenue into three main categories¹: 1) *Zakah* or *Sadaqat*, 2) *Ghanimah*, and 3) *Fay'*. This division was made keeping into view the purpose of the income or their heads of expenditure governed by the Qur'anic rules. The early Islamic governments generally stuck to these sources of income and whenever they resorted to any new kind of tax, they were criticized and opposed by influential *ulama*. They allowed any extra-shari'ah duty in emergencies or in dire needs only.² But in the later centuries the situation changed. We have seen above how Mamluk Sultans of Egypt (1250-1517) imposed various kinds of taxes. The revenue and expenditure under Ottomans further widened. During Ottoman period, the government revenue came from two sources; *huquq-i shar'iah* and *rusum-i urfiyah*. *Huquq-i shar'iah* included the traditional Shari'ah charges like *jizyah*, *ushr*, *kharaj*, war booty etc., while *rusum-i urfiyah* or customary charges were those assessed and imposed by the Sultan. The latter included:

- a. sheep tax, usually an *akce* for two sheep,
- b. the pasturage due, usually one sheep for each flock of sheep of 300 which entered another *sanjaq* or *timar*,
- c. occasional fines on certain crimes or violation of rules
- d. *baj* or *tamghah*, market dues paid per load or duties levied on public scales (*mizan* or *tarazu rusum*),
- e. *jumruk* or custom duties on passing through a mountain pass or river ford,
- f. revenue from government monopolies of salt, rice, wax-candles, soap, sesame and lumber,
- g. income from the mint (*dar al-darb*), and

- h. fee charged on issue of document by the government. (Inalcik, 1965, 2: 146-47).

There were two basic methods to collect taxes: *hawalah* and *muqata'ah* or *iltizam*. The *tithes* ('*ashar*) and most of the *urfi* taxes were assigned as *timars* to the members of military class who collected them in their respective *timar* lands. Shariah taxes and revenue from the imperial domains were collected for the central treasury by assigned collectors or through the *iltizam* system (ibid).

According to Inalcik (1965, 2:562), 'the word *kharaj* was used for preference instead of *jizyah* by the 10th/16th century, later *jizyah shar'i* or simply *jizyah*. Even a Muslim possessing a land belonging to a *dhimmi* had to pay *kharaj*. The Ottomans termed some of the pre-conquest taxes as *jizyah*. For instance, upon conquest of Hungary, at the request of the new subjects Ottomans accepted the old tax of one *flori* gold as *jizyah*, which was paid per family to the Hungarian Kings before the conquest (ibid). The Ottomans treated *jizyah* carefully as Shari'ah tax and only exceptionally they granted it as *timar* revenue. Similarly it was farmed out only in special cases. 'As a Shariah Tax belonging to the *bayt mal al-Muslimin*, its administration was put under the supervision of the *qadis* and not infrequently its actual collection was made by them' (ibid.).

Ottomans invented a unique kind of tax called *Devshirme*. It is a term applied to the compulsory levy in the form of a child on Christians of conquered land for training and eventual employment in the civil and military service of the Empire. It was forbidden to take an only son. When they had learned Turkish and had become familiar with Muslim ways, which might take as long as ten years, they were admitted to the *yenicer* (new troops), anglicized as '*janissary*' and in Arabic '*inkishariyah*' (Lewis, 1965, p.29).

In North Africa a market tax known as '*magharim al-aswaq* was invented to fill the deficit in *bayt al-mal* to meet defense and welfare expenses. In response to a question regarding evasion of these taxes, Abu Abd-Allah al-Sarqasti observed that imposition and collection of these taxes is justified; and honest and trustworthy collectors must be appointed who should deal with them properly (al-Wansharisi, 5:32).

We find in books of *fatawa* questions like what would be Shari'ah rules about a person's method of disbursement to whom people had surrendered their zakah to distribute it among the poor and needy (al-Wansharisi 5:15). This shows that zakah collection and distribution was not done through the state.

10.2 Al-Balatonusi's Work on Public Treasury

Abu Bakr Muhammad b. Muhammad al-Balatonusi, who belongs to a fortress called Balatonus in Syria, was born in 851/1446. His father Muhammad b. Abd-Allah al-Balatonusi al-Dimashqi (d. 863/1457) was also a great scholar and the first teacher of his son. Abu Bakr al-Balatonusi lived a simple life in Damascus and remained engaged in teaching and academic activities. He died there in 936/1530. He wrote many books but all, except the present work, remains unpublished in manuscript form.

Al-Balatonusi wrote his book '*Tahrir al-Maqal*' for guidance to those who were in charge of public affair – rulers, government officials, jurist and judges – when he saw that no correct procedure was being followed in dealing with public finance and distribution of offices. He was a follower of Imam Shafi'i, so he based his book on the opinions of Shafi'i School. This was the dominating methodology among the scholars, as independent thinking was generally not liked and a reason enough to discard a work. Al-Balatonusi completed this work during the Mamluk period, in the year 871/1466, before Qai't Bai' rule. The author lived about sixty-six years after this work – fifty three years of Mamluk rule and thirteen years of Ottomans. It is not known from any later statement or writing of the author what changes or improvements, if any, took place in this period, specially during the reign of Qai't Bai' or the new regime of Ottomans.

Sources of Public Income: Al-Balatonusi's work is not written on the pattern of earlier writers like Abu Yusuf (d.182/798) or Abu Ubayd (d. 224/838). Nor does he follow the pattern of modern writers. As the title of his work shows he is more concerned with the things that are permissible regarding the Public Treasury and public offices and what are not permissible. He enumerates the sources of income of *bayt al-mal*

but does not give details. The sources mentioned by him are: one fifth of *ghanimah* (booty), *fay'* (spoil of war), *kharaj* (land tax), *jizyah* (poll tax on non-Muslims), *'ushr al-tijarah* (custom duties) inheritance without heirs, property without owners (al-Balatunusi, 1989, pp. 139-40). Surprisingly, he does not mention in this list the *zakah* and *ushr* on crops (the *tithes*). No doubt, they are not sources of Public Treasury in the real sense of the word as they have their special heads. But since they were collected and disbursed by Islamic states, they deserve, at least as the status of semi public revenue. The early writers, as mentioned above, divided sources of revenue of Public Treasury into three main categories in which one of them was *zakah*. The reason for not mentioning *zakah*, *ushr* and *sadaqat* may be that during his period *zakah* income was not administered by the state. Nor did the *ulama* like that it should be collected and spent by the state because of corruption and mismanagement rampant in government machineries. He quotes Izz al-Din b. Abd al-Salam who said that if tyrant ruler collected *zakah* and spent it in improper heads, then the rich *zakah* payers would not be free from their obligations (al-Balatunusi, 1989, pp. 250-51). Perhaps due to these strict rulings, the authorities excluded *zakah* from their regular sources of public revenue.

Public expenditure: As for public expenditure is concerned, al-Balatunusi is more concerned with its rightful, efficient allocation and appropriate disbursement. In this connection, instead of giving details of the heads of expenditure, he prescribes fundamental rules that must govern the public expenditure. First of all, he emphasizes that the ruler is only a trustee or caretaker of public treasury just like a caretaker of orphan's property. Thus, no action of the ruler will be justified unless it is in the best interest of public. He tries to make clear the intent of some earlier jurists' statement that the ruler has choice and authority in disbursement of public revenue. To him, this does not mean that the ruler is allowed to act arbitrarily. Its correct sense is that the ruler has to exercise utmost effort (*ijtihad*) in finding out what is the most appropriate for Muslims, and after deciding the best course he has to act accordingly. This is not a recommendation but an obligation. Any action before proper thinking and fixation of priorities is condemnable and doomed to failure (ibid, pp. 140-41). It is surprising that al-Balatunusi is so emphatic on *ijtihad* by the ruler but ignores the process of mutual consultation (*shura*), although he himself appreciated earlier the exemplary practices

of pious ruler Nur al-Din and before him the Companions to consult each other to decide the best interest of people (ibid. p. 102).

Not only that public expenditure should be based on the consideration of most important and the next important heads in the public interest but public offices should also be assigned to those who fulfill the criteria for a particular post more than others and are best qualified for the job (ibid. p. 142). Al-Balatumusi notes how corruption has spread in the use of public treasury as well in appointments to public offices and religious affairs during his period (ibid. pp. 145, 274). According to him the root cause of this corruption is the existence of tyrant governors, bribery-taker judges, corrupt jurists and impious *sufis* (ibid. p. 106). This led him to discuss the necessary qualities and duties of *imam* (the ruler) and the *qudah* (judges) – the two chief pillars of executive and judiciary (ibid. pp. 111-135). We need not reproduce this portion of the book as those qualities and duties had already been discussed by earlier scholars like al-Mawardi (d. 450/1058), al-Ghazali (d. 505/1111), Izz al-Din b. Abd al-Salam (d. 660/1262) and other jurists. His emphasis is that the neglect of necessary conditions and required qualities and ignorance from duties has worsened the situation and the cure lies in reviving them (ibid. p. 136).

Al-Balatumusi finds that the major corruption in public domain comes from *iqta`* (grant of land) and *waqf* (endowment). So the rest of his work is devoted to these two topics.

Meaning and scope of Iqta`: Literally '*iqta`*' means to cut out something and give it to others. It may be used for any grant from the public treasury but its dominant use has been for the grant of land. The purpose of this grant has been to provide living assistance and financial aid to military personnel engaged in defense of the country (ibid. p. 153). On traditional pattern he divides *iqta`* into two categories: *Iqta`* of appropriation (*al-tamlík*) and *iqta`* of usufruct (*al-istighlal*) and then reproduces a lengthy description of the two types of *iqta`* from al-Mawardi's work *al-Ahkam al-Sultaniyah* (ibid. pp. 155-164). He laments that the rulers of his time are not observing the rules and conditions related to each type of *iqta`*. The worst is that the jurists are not only approving their action but regard it something praiseworthy (ibid. p.

165). He make it clear that *iqta'* or any grant made from the Public Treasury in lieu of certain services or as assistant for temporary reasons cannot be a permanent source of income for the grantee, nor can it be treated as inheritance. In this way it altogether differs from the *waqf* which is a permanent dedication. This provides al-Balatunusi a context to discuss rules about the *waqf* by a ruler and its various forms.

Is it permissible for a ruler to make waqf from the Public Treasury?

According to al-Balatunusi an *imam* (ruler) has no right to create a *waqf* from the *bayt al-mal* because the basic condition is that the property must be owned by the *waqf* creator. *Bayt al-mal* is never a personal property of the *imam* (ibid. p. 174). Even the priorities are ignored by the rulers. The *waqf* is created on the basis of personal like and dislike, at the cost of public interest, just to please certain factions. He frankly states that most of the *awqaf* created by the rulers of his period are invalid and devoid of any piety or goodness (ibid. pp. 180, 185). On the other hand, in many cases *waqf* was created by wealthy persons to avoid taxation or protect the property, earned through wrong means, from confiscation. He critically examines opinions of those jurists who are inclined to accept the validity of *waqf* created by the ruler and rejects them one by one (ibid. pp. 176-99).

Al-Balatunusi's concern is economic and proper use of public resources and to put a check on their wastage and arbitrary disposal by authorities. Since he found the rulers of his time lacked honesty and integrity, he opposed their actions regarding grants of lands and creation of *awqaf*. In this regard he went against the established opinions of the past scholars and he justified his stand.

10.3 Ibn Nujaym's Treatise on *Kharaj*

Ibn Nujaym was born in Cairo in 926/1520 in early years of Ottoman rule in Egypt. He obtained education from the most learned scholars of the time and achieved excellence in the existing sciences at very early age. In the year 953/1546 he performed *hajj*. He died in the year 969 or 970/1564 at the age of 44. He left behind many valuable works such as *al-Bahr al-Ra'iq* a commentary on *Kanz al-Daqa'iq* by al-Nasfi, *al-Ashbah wa'l-Naza'ir*, on the pattern of al-Suyuti's work having the same

title. It attracted attention of many scholars who wrote commentary on it. *Majallat al-Ahkam al-Adliyah* incorporated most of the rules discussed by Ibn Nujaym in this book. His other important work is *al-Rasa'il al-Zayniyah fi Madhhab al-Hanafiyyah*, also known as *Rasa'il Ibn Nujaym*. All these works have been published. Especially the last one discusses many important economic issues of the time such as taxation, land management, custom duties, removal of poverty, *awqaf* and economic crimes as bribery and *waqf* selling or replacing etc. In this section our concern is his writing on issues related to public finance.

In his *al-Rasa'il al-Zayniyah* two articles - "*al-Tuhfah al-Mardiyah fi'l-Aradi al-Misriyah* and *Mas'alat al-Jabayat wa'l-Ratibat wa'l-Mu'sharat al-Diwaniyah* - and a small tract *Risalah fi'l-Kharaj* are of special interest for us.

He wrote his article, *al-Tuhfah* in the year 958/1551 in the wake of a controversy pertaining to the *imam's* authority regarding selling the public lands and imposing taxes on the *waqf* land. The purpose was to provide with a manual to the authorities on these particular issues (Ibn Nujaym, 1980[b], p. 50).

He makes clear that the ruler's main role is that he is care taker of the Muslims' interest similar to the care taker of an orphan. He quotes various sources of Hanafi school to establish the Shar'iah rule about the sale of the property of an orphan and he concludes that it is permitted only on two grounds: either it is needed because of the personal need of the orphan or because it is in the interest of property to sell it. Using the analogy, Ibn Nujaym says that the ruler of Egypt has right to sell out a particular land belonging to *bayt al-mal*. A land comes in the control of *bayt al-mal* either because 1) its owner had died without survivor, or 2) the owner is unable to cultivate it so he surrenders it. If the ruler sells a land that came in the possession of *bayt al-mal* because of the death of the owner, it will not be treated as a *kharaji* land and the buyer will not be required to pay *kharaj*. But in the latter case, the buyer has to pay *kharaj* each year. This is because in the first case the *bayt al-mal* got the full price of the land as it sold its own property while the second is a transfer case and the buyer has to pay *kharaj* as the previous cultivator used to do so (ibid. pp. 124-129).

According to Ibn Nujaym the same rule of *kharaj* will be applied on *waqf* land also. But the *ushr* will be collected in case the *kharaj* is cancelled (ibid. p. 229). However, if the object, for which the *waqf* has been created, is already one of the heads of expenditure of *bayt al-mal*, then the *kharaj* will be forgiven (ibid. p. 61). The reason is clear: collection of *kharaj* from the same object and then spending on it will be against economy and efficiency.

An important aspect of this article is that by surveying the Hanafi juridical works it presents the head of expenditure of welfare revenue earned through the *kharaj*. Here is a summary of it: 'As noted in *al-Hidayah* this revenue is meant for expenditure on welfare of Muslims such as defense, construction of bridges and flyovers, judges, officials, scholars, fighters and their dependents. The students will be included in the category of scholars. Qadi Khan in his *Fatawa* added in this list the construction of mosques and their maintenance. In *al-Fatawa al-Zahiriyah* it is said that the surplus amount will be spent on the poor and the Holy Ka`bah. The decision to spend equally or with differences is left to the ruler as mentioned in *al-Muhit*. According to Imam al-Zahidi, 'the preference will be given to those who have merits and intellect over those who have simply needs. This was also the practice of Umar, the second caliph and that is suitable in our time'. Ibn Battal says that the debt would be repaid from the Public Treasury if a dead person had not left enough assets to repay it' (ibid. pp. 63-64).

Ibn Nujaym does not add anything from his own side. Nor does he recommend any addition or modification as the requirement of his time. This shows how rigid the community of *ulama* was during the sixteenth century. For any new incidence, they always sought a solution in the writings of the past. This is more clear in his treatise on *al-kharaj* in which he tries to answer whether *kharaj* collected in a particular year would be counted *kharaj* of the past year or of the current year. This was the burning question in the year 965/1550. According to Ibn Nujaym, 'all were worried because they could not get an answer in earlier books of *fiqh* and *fatawa*. But he was fortunate enough that he got the answer in the book of *al-Hidayah*' (ibid. p. 331). Instead of first forming an independent opinion in the light of the events of his time and presenting supporting evidence from the past scholars, the methodology has been

altogether changed. First seeking a rule from the past scholars and then justifying it with all means.

In the end we must admit that our study has mainly been confined to available printed works in Arabic. These works were written by scholars who were not very close to government circles. Thus, their discussions were generally in traditional *fiqh* pattern in content and style. An important source of study – the Ottoman archives – could not be accessed due to our own limitations except a few fragmented documents published by some researchers. We have some researches on taxation system in Iraq, Egypt and other part of Arab before Ottoman period, but to the best of our knowledge, hardly any serious research in Arabic or English is found on economic institutions under Ottoman rules. Public finance, taxation system, fiscal policy, etc. each topic constitutes a full research theme. And the major source in this regard will be, no doubt, Ottoman archives. They are hidden treasures of information that need to be explored.

10.4 **Khunji on Islamic Public Finance**

Fadl-Allah Khunji has discussed the Islamic provision of public finance in much detail in his work *Suluk al-Muluk*³ covering 100 pages (chapters 5-8, pp.232-364). Even the major portion of chapter 14, which deals with the rules concerned with the people of the pledge (*ahkam ahl al-dhimmah*) and poll taxes (*ahkam al-jizyah*), is related to public treasury. This is perhaps the most comprehensive treatment of the subject by a Muslim scholar in the sixteenth century.

Fadl-Allah b. Ruzbihan Khunji was born in Shiraz in the year 860/1455. Among his teachers was included the famous scholar Jalal al-Din al-Dawani (d. 908/1503), the author of *Akhlaq-i-Jalali*. Khunji visited several times the holy places of Islam and neighbouring countries to acquire knowledge and experience. He spent most of his life in the eastern provinces at the time when Isma'il Shah, the founder of Safawid dynasty, was busy in establishing his rule in Iran. After Isma'il's accession to power in 907/1501 he migrated in 909/1503 to Qashan and later to Bukhara in the court of Shaybani Khan. At the battle of Marw in 916/1510 Shaybani Khan was defeated and slain by Safawid army which

shattered Khunji's dreams. The following two years he passed in hiding in Samarqand and reappeared only when it was recaptured in 918/1512 by Ubayd-Allah Khan – a nephew of Shaybani Khan. Khunji died in Bukhara in 927/1521 (Haarmann, 1986, 5: 53-55).

Khunji presents many insights on the Islamic theory of public finance. The main features of his discussions are as follows:

As against the earlier Muslim scholars, who classify public income into three main categories, Khunji divides the public revenue of an Islamic state into four categories: 1) *zakah* and *kaffarat* (sing. = *kaffarah*, financial penalties), 2) *kharaj*, *jizyah* and custom duties, 3) One-fifth of the spoil of war (*ghanimah*), of treasure trove and mines, and 4) unclaimed lost-found and inheritance without survivors. The fourth category has been separated lest the rightful claimant or inheritor appears some day (Khunji, 1966, p.334). Chapter five of his work deals with the collection and disbursement of *zakah* in five sections. He gives preference to the interest of the poor in deciding a rate where it is not already fixed. For instance, in case of merchandise, he says that its *nisab* will be based on the value of gold or silver, whichever is beneficial to the poor (ibid. p. 247). *Zakah* proceeds may be used to promote education and training. *Zakah* expenditure is permissible on those able persons – students or teachers – who are engaged in socially obligatory sciences, if their involvement in earning money may prove an obstacle in fulfilling their duties as teacher or taught (ibid. p.250). But he is not ready to give such concession to those who dedicate themselves to voluntary prayers. He presents the broad meaning of *al-'amilun alayha* (those working for the sake of *zakah*) to include collectors, clerks, distributors, accountants, auditors, store-keepers, but not *imam*, or *qadi* or governor (ibid. 251). It means that those who are exclusively working for *zakah* department and they are not the autonomous or decision makers, to avoid any misuse or ill-use of the *zakah* fund. After presenting the practices of the Prophet (pbuh) regarding collection and distribution of *zakah* he stresses upon the ruler to follow his tradition and establish the system of *zakah* (ibid. pp.271-74), – something which is rare in contemporary sources. Khunji was among the few Muslim writers who pointed out the economic significance of *kaffarat*. He says that income from *kaffarat* was spent by the Prophet (pbuh) on the poor. Now the sultan should accept such

kaffarat if people pay them to him. Such incomes will be merged with the zakah fund and will be spent on the poor (ibid. p.346).

The sixth chapter deals with the land tax (*kharaj*) and tithe (*ushr*) and lands subject to these two types of levies. In the same context, *iqta`* (land grant) as ownership or usufruct has also been discussed. When Khunji deals with an income, he gives the account of expenditure at the same place. Thus, heads of expenditure of *kharaj* and *ushr* revenue have also been dealt with in this chapter. Khunji allows restructuring of income and expenditure by borrowing and lending from one category of income to another with the condition of repayment when fund is available (ibid. p.334).

Khunji dedicates a full chapter on unclaimed lost-found, and property without inheritors. When the hope is lost to trace the rightful owner or some one entitled for the incomes, the ruler may use them to meet calamity, preparation of the coffins of the unclaimed bodies, expenditure on street-children and payment of blood money on behalf of such persons. Even he can use it for welfare of people or sell it out (ibid. pp. 341, 345).

The question of imposing extra-Shari`ah charges or over and above legally recognized taxes has been a very controversial issue in the history of Islamic economic thought. Khunji classifies such taxes into two categories:

- a. Wrong, unnecessary and without public need

He says that some earlier scholars, like al-Jassas and Abu Shuja` Samarqandi consider rulers who impose such taxes as infidels. Khunji is against such taxes but does not go to the extreme to call the tyrant rulers who resort to such taxes as infidels (ibid. p.352).

- b. Emergency taxes in case of natural calamity, general catastrophe, war like situations.

Khunji favours such taxes and emphasizes that such taxes must be accepted and people must cooperate with the ruler by paying them

whole-heartedly. As noted above, Lambton considers it as one of the two specific contributions which Fadl-Allah makes to the development of political theory of Islam (Lambton 1985, p. 200).

In the end, Khunji enumerates incomes and assets in the sultan's hands and their entitlements. They are twelve types:

First, his own property from inheritance or self-earned income through trade or agriculture⁴ or he got it from his own share, or through appropriation of the dead land (*ihya' mawat*). All these are his personal properties and rules of inheritance will apply to them whenever he dies (Khunji, 1966, pp.356-57). Second, salary or living allowances that he gets from the state treasury. This will be treated as his personal income. Third, *kharaj*, *jizyah*, and *sadaqat* Bani Taghlib⁵, custom duties collected from the infidel traders. All this forms one group and have same heads of expenditure, viz. army and public welfare. Fourth, *zakah*, *ushr*, and *kaffarat* received by the sultan. They are generally meant for the poor and needy. Fifth, one-fifth of the spoil of war, mines and the treasure troves. Its heads are also mentioned in the Qur'an. Sixth, lost-found unclaimed objects and inheritance without survivors. Its heads are also mentioned above. Seventh, property without owners. Eighth, property of past rulers. Ninth, emergency charges and undue tax collections. Tenth, gifts from infidel countries. Eleventh, gifts from Muslims, and Twelfth, bribery offered to the sultan. It will be treated like unjust and illegal taxes. Khunji complains that in his age, all these incomes are mixed up. It is one of the duties of Sultan to collect revenue properly and spend on their heads justly (*ibid.* pp. 358-59). The sultan must detach his personal assets from the public treasury. Otherwise, his wealth will be hardly clean. It is requirement of piety that *ulama* should not accept a grant from such a mixed treasury. If the grant is from distinct *jizyah* revenue, it is permissible to accept it. This he mentions on the authority of al-Ghazali (*ibid.* p. 360).

A very distinguished advantage of Khunji's contribution is that on all these aspects he presents opinions of the two dominating schools of jurisprudence – Hanafi and Shafi'i. Thus, his work will prove a

great help for comparative study of the Islamic theory of public finance in these two schools.

10.5 Works on *Kharaj* under Safawid Iran: A Brief Note

The contemporary sources note at least four treatises on *kharaj* that were written under the Safawid Iran of sixteenth century as mentioned below:

- 1) *Qati'at al-Lajaj fi Hill al-Kharaj* by Ali b. Husayn al-Karaki (d. 940/1534).
- 2) *al-Siraj al-Wahhaj fi Daf' 'Ajaj Qati'at al-Lajaj li'l-Karaki* by Ibrahim b. Sulayman al-Qatifi (d. 945/1539).
- 3) *al-Risalah al-Kharajiyah* by Ahmad b. Muhammad al-Ardabili (d. 993/1585).
- 4) *Risalah fi Hill al-Kharaj* by Majid b. Falah al-Shaybani (late 10th /16th Century).

However, they did not deal with *kharaj* as discussed in the works of public finance provision of revenue for the needs of the state (Lambton, 1985, p. 271). The issue was whether it would be permissible for believers, more specifically, *ulama* to accept from the treasury such an income 'which might have been collected illegally by the ruler under the name of *kharaj* (ibid). Safawid scholars of sixteenth century were sharply divided on the issue. While al-Karaki and al-Shaybani considered it indisputably lawful and accepted pensions from the Safawid court, al-Qatifi and al-Ardabili held it unlawful and vehemently criticized al-Karaki and his supporters. A study by Madelung (1981) entitled "Shiite Discussions on Legality of the Kharaj" is also supporting our finding that the main problem before Shi'ah scholars of sixteenth century was "Legality of the *Kharaj*", not the economic substance. According to Tabataba'i (1983, p. 57), 'after the tenth/sixteenth century no major dispute precluded on this subject and it seems that a kind of consensus was reached among 'ulama' on the legality of *kharaj*.

Endnotes:

1. For example see Ibn Taymiyah (1971, p. 45; 1963, pp. 28: 562),
2. In Andalusia a tax called *al-ma'unah* was levied on lands. It was also imposed on professions at the rate of one and half a *dirham* on a head of sheep. Qadi Abu Umar b. Manzur was asked about these taxes and he said that in principle Muslims would be demanded to pay Shari'ah taxes and zakah including *fay'*, hidden wealth (*al-rikaz*), and inheritance without survivors that goes to *bayt al-mal*. Similar is the case of what is required for the defense of the country and expenditure on army and welfare heads. So far income of *bayt al-mal* from these sources is sufficient, no tax is permissible. (al-Wansharisi, 5:32-33) It may be noted that this had been the stand of all Muslims scholars of the past. It is another matter that the rulers hardly stick to this principle.
3. Originally in Persian, Khunji's work *Suluk al-Muluk* was edited by Muhammad Nizamuddin and Muhammad Ghose and Printed from Hyderabad in 1386/1966. In their extensive introduction, the editors have given a summary of chapters in English.
4. This means he allows the sultan to engage in trading and other economic activities. This is against the opinions of scholars like al-Mawardi, Ibn Khaldun and many contemporary scholars.
5. Banu Taghlib was an Arab-Christian tribe who agreed to pay twice as much as zakah but not the *jizyah*.



CHAPTER ELEVEN

WORKS ON *AL-HISBAH* AND *AL-SIYASAH AL-SHAR'YIAH*

In Islamic tradition two sets of works – *al-hisbah* and *al-siyasah al-shar'iyah* – appeared that proved to be a rich source of economic thought of past Muslim thinkers. Works related to *al-hisbah* generally discussed socio-economic control, moral and market supervision, prevention of monopolies, check on cheating and fraud and such other corrupting practices, standardization of products, facilitation of the supply of necessities, etc. As far works pertaining to *al-siyasah al-shar'iyah* are concerned, they generally dealt with the rules of governance, economic role of the state, sources of public revenue, public expenditure (in addition to works exclusively devoted to public finances), maintenance of law and order, internal and external defense, etc.

In this chapter we shall examine the state of these two institutions and writings on the subject by the scholars of the period.

11.1 Development of the Institution of *al-Hisbah*

Al-Hisbah is one of the earliest economic institutions of Islam. The precedent was set by the Prophet (pbuh) himself, who used to inspect the market and give instruction for just and fair dealings. After the Prophet, his rightly guided caliphs followed the practice and personally performed this duty. (al-Qarni, 1994, pp. 499-521). But in the later period when government affairs became complicated and multi faceted, special officer was appointed to perform the duty of *muhtasib* (the in-charge of *al-*

hisbah department). Most of the contemporary historians hold that the term '*al-muhtasib*' was used for the first time during the Abbasid caliph al-Mahdi (158-169/775-786) (ibid. p. 532). With the passage of time, the importance of this institution also increased and works dealing with the nature, scope, and practical guidance of *hisbah* appeared.

Under the Mamluk when the government weakened during the early 10th/16th century, *al-hisbah* institution also fell a prey of corruption and declined in esteem. We have noticed above how the position of *muhtasib* was obtained by payment of money. When this happens, it is only noticed that the receiver of the office tries to re-coupe himself from the merchants by means of illegal demands, and favouring those offenders who offer bribery (Ibn Tulun, 1998, p. 216; al-Jaziri, n.d. pp. 1000, 1144). In this situation the office is held by those who lack the basic qualities of *muhtasib*.

The institution of *hisbah* not only regained its prestige but also increased its jurisdiction under the Ottoman rule. The Ottoman sources use the term *ihtisab* derivative verbal-noun from *hisbah*. In addition to *hisbah*'s conventional functions, *ihtisab* also included levying dues and taxes on traders and artisans as well as on certain imports (Mantran, 1971, 3: 489). Perhaps for the first time in Islamic history the regulation, concerning the functions and duties of the *muhtasib* were codified in the *ihtisab qanunnameleri*. Sultan Bayazid II (886-918/1481-1512) was first to order codification of *ihtisab* regulations at the beginning of 10th/16th century. The subsequent rulers made addition and amendments to *ihtisab* regulations (ibid). This may be one of the reasons that in spite of increasing importance of *ihtisab* institution during Ottoman rule, writing on the subject by independent scholars of the period declined. It may be noted that these regulations also included the original functions of *muhtasib* such as supervision of civil behaviour and morality in public and observation of religious rites. *Muhtasib* was also responsible to collect certain taxes. In this case he was assisted by agents called *qol oghlanlari*. The office of *muhtasib* or *ihtisab aghasi*, as it was called, was farmed out annually (*iltizam*), and the holder used to receive a certificate of nomination after approval by the *qadi*, the Grand *Wazir* or the governor of the province, this was possible only after he had paid a certain sum called the *bedel-i muqata'ah* [*badal al-muqata'ah* in Arabic] or cash-value of the right to farm (ibid).

As far the financial affairs are concerned, 'the *muhtasib* levied those taxes that derived from *ihtisab* or *ihtisab rusumu* as it was called in Ottoman terminology. In addition, he was authorized to levy taxes described as import or entry taxes and lastly a tax on shop-keepers termed as *yewmiyy-i dakakin* which was collected from the shopkeepers on daily basis. The revenues collected from these taxes were meant to provide emoluments for the *muhtasib* and his supporting staffs' (ibid.). The regulation prepared for the *muhtasib* contained every thing relating to his duty of supervision, inspection, punishment and, particularly, in regard to the provinces, of the levying of taxes. 'These regulations included on the one hand a list of the prices (*narkhmi ruzi*), which had to be observed for the sale of commodities, manufactured or other articles, the permitted profit margins and penalties to be exacted from delinquent traders and artisans; they also gave the total amount or the percentage of the taxes, dues, charges and other contributions collected in the name of *ihtisab* and levied on the members of the trade guilds' (ibid.).

11.2 Writings on the Subject of *al-Hisbah*

Writing on *al-hisbah* started much later in the 3rd/9th century. Perhaps the first work which had survived, came from the Muslim Spain by Abu Bakr Yahya b. Umar al-Kinani (213-289 / 829-901) entitled *Kitab Ahkam al-Suq* (A book on rules of the market). Although the author is not using the term *hisbah*, it is a guide for the *muhtasib*. Works on *al-hisbah* are of two kinds: firstly, those descriptive of the system in general way, the virtues and obligations of the *muhtasib*, and religious and juridical aspects of his office; and secondly those descriptive of the practical and technical details of supervision. Since supervision was principally of the various crafts and trades, the books in the latter category are practical guides to the administrative control of the professions, and maintenance of product quality and standards. Elsewhere we have given an account of works on *al-hisbah* that appeared up to 9th/15th century (Islahi 2005, pp. 58-59).

In 1943, Awwad published an article entitled '*al-Hisbah fi Khazanat al-Kutub al-Arabiyyah* (works on *hisbah* in Arabian Libraries), in which he gave list of sixty-four titles classified in three categories: 1) Past works on *al-hisbah*, 2) chapters and sections on *hisbah* in the past

writings, and 3) modern writings on *al-hisbah*. It gives many new titles which are still in manuscript form; while it missed many known titles. Thus, as the author himself admits it is no way a complete or comprehensive list (Awwad, 1943, 18:428).

Awwad mentions two works – *al-Hisbah al-Saghir* and *al-Hisbah al-Kabir* by Abu'l-Abbas Ahmad al-Sarakhsi (d. 286/898) who was himself the *muhtasib* of Baghdad. Awwad (1943, 18:420) thinks that these books have not survived and are lost to posterity. Awwad's list contains only two entries that are related to our study period: *Kitab al-Hisbah* by Jamal al-Din Yusuf b. Abd al-Hadi known as Ibn al-Mubarrad al-Dimashqi (d. 909/1503) and *Ilm al-Ihtisab*¹ by Tash Kubrizadah (d. 968/ 1561) (ibid. 18: 421, 425). Another work which is not mentioned by Awwad but which is available to us is entitled *Kitab Bughyat al-Irbah fi Ma'rifat Ahkam al-Hisbah* by Ibn al-Dayba' (d. 944/1537). Following is a brief description of these works.

11.3 *Kitab al-Hisbah* by Ibn al-Mubarrad

Jamal al-Din Yusuf b. Abd al-Hadi (d. 909/1503) known as Ibn al-Mubarrad was one of the renowned scholars of Damascus during the Mamluk period. He died in early sixteenth century. His treatise on *hisbah* is only in seven leaves in which he describes occupations in Damascus and means of living, basic industries and trades. He never describes the way how cheating, fraud, adulteration and sub-standardizations were possible in those businesses. These are things that a *muhtasib* must know, so that he can check them. He just admonishes the manufacturers after discussing every industry to adopt piety and integrity and avoid cheating (Ziadeh, 1963, p. 53).

Ibn al-Mubarrad classifies occupations as the best, favourable, good undesirable, bad unfortunate and gives a list of industries belonging to each category but very little is of economic significance. Mostly he supports his views with weak traditions and sayings. He enumerates various occupations and mentions the requirements of *hisbah* with respect to those occupations and industries (ibid. p. 54, 56).

In spite of being very short, this treatise is very significant in the sense that it gives kinds of firms in each industry. For instance, he says that silk knitting has forty categories; wool has twenty; mat knitting ten categories; and so on and so forth (ibid. p. 55).

11.4 Ibn al-Dayba' and His Work on *al-Hisbah*

Abd al-Rahman b. Ali al-Shaybani al-Shafi'i known as Ibn al-Dayba' (866-944/1461-1537), born in the city of Zabid (Yemen), his father was a trader who died in Diu (India) during a trading voyage in the year 876/1470. His maternal uncle Jamal al-Din Abu al-Naja Muhammad b. al-Tayyib took him under his guardianship and gave him best education. He became a great historian of Yemen and taught about fifty years in the grand mosque of Yemen during the Tahirid rules.

The book contains juridical opinions and public and private laws. In this regard, the author follows al-Ghazali (d. 505/1111) and al-Mawardi (d. 450/1058) and mostly delves into them. The book is divided into six sections and a conclusion. Its thrust is ethical. There are only five lines on matters related to market dealings (Ibn al-Dayba', 2002, pp. 72-73). It seems a summarized selection of earlier works on *al-hisbah* for the guidance of *al-Muhtasib*. There is nothing related to economic analysis such as one finds in works on *al-hisbah* by past writers. This only shows how new ideas and original thinking diminished in the period under study in writings on the traditional subjects. This may be the reason that Tash Kubrizadah writes in his work *Miftah al-Sa'adah wa Misbah al-Siyadah*, under the section *Ilm al-Ihtisab* that he is unaware of any book on the subject of *al-hisbah* (Awwad 1943, p. 425 footnote).

11.5 *Al-Hisbah* in the Sixteenth Century Iran and India: A Brief Note

In the foundation period of Safawid regime, the institution of *hisbah* was almost ignored. Some of its functions were performed by other offices but *hisbah* under its own terminology did not exist. It was Shah Tahmasp (d. 984/1576) who officially started *al-hisbah*. Perhaps the same was the case with the neighbouring Uzbek state. This is clear from the writing of Khunji (d. 927/1521) who advises the Uzbek ruler Ubayd-

Allah 'to appoint someone with the requisite qualification to the office of *muhtasib*' (Khunji, 1966, p. 166). Though a socially obligatory duty (*fard kifayah*), 'it was for imam/sultan to see that it (*ihtisab*) was undertaken so that he should not be the cause of the suspension of the ordinance of the Shari`ah by the reason of the fact that members of the community had left the duty of *ihtisab* to each other to perform, each one relying on the other to carry it out so that it remained undone' (ibid. p. 167). He extensively quotes al-Ghazali's *Ihya' Ulum al-Din* on this issue. Khunji admits that in early Islamic period, the caliphs themselves performed this function but due to changing situation and increasing government works, now the sultan cannot do that himself, and therefore he should appoint to it someone else (ibid. p.170). He gives an account of *muhtasib*'s functions related to market evils, social and civil problems and religious and ethical issues (ibid. pp.184-90).

In India, prior to the sixteenth century most of the Delhi Sultans had the institution of *hisbah*. In the sixteenth century Sikandar Lodi (d. 923/1517) also had this institution. After him and during Mughal rule the position of *muhtasib* did not exist. Some of the functions of *muhtasib* were performed by other offices. It was emperor Awrangzeb (d. 1118/1707) who restored the institution of *hisbah* in Mughal India (Ansari, 1971, 3: 491). We are not aware of any work from the sixteenth century Iran and India exclusively dealing with the subject of *hisbah*.

11.6 Works on *al-Siyasah al-Shar'iyah*

In 1943 one Abdullah Mukhlis published an article entitled "*al-Tawalif-al-Islamiyah fi'l-Ulum al-Siyasiyah wa'l-Idariyah* (Muslim Works on Political and Administrative Sciences). It contains a list of more than one hundred titles related to what is termed by Western writers as "Mirrors for Princes" or manuals for governance, while in Islamic tradition such works are generally called as '*al-Siyasah al-Shar'iyah* polity. The list covers the whole span of fourteen centuries. Most of the works mentioned in the list are unpublished manuscripts in libraries of Arab countries and Turkey, France, Spain, Vienna, and Germany. A major defect of the list is that, except in few cases, it does not give the bibliographical details of the works. The list is in no way a complete and exhaustive one. For instance, none of the books surveyed below appears

in that list. On the other hand, at least two works, for which dates are mentioned, belong to our study period but we do not have access to them as they are still unpublished manuscripts. Their details are as follows: *al-Nasa'ih al-Muhimmah li'l-Muluk wa'l-A'immah* by Ulwan b. Ali b. Atiyah al-Hamawi al-Shafi'i (d. 936/1529) and *Lata'if al-Afkar wa Kashif al-Asrar* by al-Husayn b. Hasan al-Samarqandi (dated 936/1530) which he wrote for the *wazir* Ibrahim Pasha (d. 972/1565)²

11.7 *Tahrir al-Suluk fi Tadbir al-Muluk* by Muhammad Ibn al-A'raj

Abu'l-Fadl Muhammad b. Abd al-Wahhab al-A'raj (d. 925/1519) of Cairo was engaged in trading and scholarly activities. He wrote his work *Tahrir al-Suluk fi Tadbir al-Muluk* for the last Mamluk Sultan, Qansawh al-Ghawri. It was written between 905/1500 and 922/1517. The reason for writing this treatise was that he found that the works dealing with the Islamic rules of governance were either too voluminous or too brief. He wanted to prepare a handy booklet, so he composed this work. The book is mainly based on two earlier works – *al-Ahkam al-Sultaniyah* by al-Mawardi (d. 450/1058) and *al-Iqd al-Farid li'l-Malik al-Sa'id* by Abu Salim Muhammad b. Talhah (d. 652/1254). Thus, it lacks originality. Topics of economic interest like economic role of the state (Ibn al-A'raj, n.d., p. 35), sources of public revenue, (ibid. p. 40), principles of public expenditure (ibid. p. 42) and awqaf (ibid. p. 44), are not very substantial. The book may be presented as one of the proofs that sixteenth century scholars' works are generally imitation and reproduction of early works.

11.8 *Al-Siyasah al-Shar'iyah* by Dadah Afandi

Similar is the case of work *al-Siyasah al-Shar'iyah* by Kamal al-Din b. Ibrahim known as Dadah Afandi (d. 973/1568) who was born in the village of Sunsa near the city of 'Amasiyah'. He taught in various schools of Ottoman Empire. Finally he settled down in Aleppo and managed the school of Khusraw Pasha there. He died in the year 973/1568. He based his treatise on and extracted from the earlier works on the subject especially al-Babarti's work, *al-Inayah*.

The book is devoid of economic contents. The main emphasis is on judiciary. Even the traditional topics like management of public revenue

and expenditures are missing. It lacks originality. It seems that the book is simply notes on a few aspects of governance and judiciary.

We gave an account of the above mentioned two works not due to their importance on the subject but simply because we could find only these two works in Arabic belonging to our study period. However, this does not reflect the final position on the subject as in libraries of the East and the West a vast literature on the Shari'ah rules of governance is lying still in the manuscript form (Mukhlis, 1943, pp. 339-344). It will not be a surprise if someone discovers a work, in those manuscripts, that really reflects the changes and developments that took place during the course of time in areas of this study. We have two more works, introduced in the following pages, one from the Persian region and the other from Mughal India. They are quite rich in their content and coverage.

11.9 *Suluk al Muluk* by Fadl-Allah Khunji

At the request of Ubayd-Allah Khan, the Uzbek ruler, Fadl-Allah Khunji³ wrote the *Suluk al-Muluk* as a guide for him. The book contains features of so-called Mirror for Princes books. However, in its topics and in the arrangement it belongs to the tradition of the manuals of government or *al-Siyasah al-Shar'iyah*. It represents a highly intelligent attempt to harmonize the norms of the Shari'ah, as developed in the first century of Islam, with the realities of a tribal consideration, the body-politics of which is nomadic and Turkish, and not Islamic. Khunji gives the prescriptions and legal interpretations both according to the Hanafi *madhhab* of the Turkish Uzbeks and his own Persian, Shafi'i *madhhab*. He carefully juxtaposes lengthy passages on the legal norms, with numerous quotations from the *hadith* and the canonical textbooks, with highly realistic and sober opinions on the existing state of affairs. This can be observed in the treatment of taxation; he appears to equate certain aspects of the canonical *zakat*-duties with the prevailing Mongol *Tamgha* imposts' (Haarman, 1986, 5:55).

In addition to his teacher Jalal al-Din al-Dawani, Khunji seems to be much influenced by al-Mawardi and al-Ghazali. On the pattern of al-Mawardi, Khunji enumerates the duties of *imam* (ruler). As a source of his maintenance and fulfillment of his official responsibilities, Khunji

gives an account of sources of ruler's personal income and those of public revenue. To him bribery offered to the Sultan is also a source of public revenue similar to illegal taxes. Rich in content and analysis, Khunji's work is similar to earlier leading Muslim scholars' work on *al-Ahkam al-Sultaniyah* or *al-Siyasah al-Shar'iyah*, much superior than those by his sixteenth century contemporaries cited above.

In the opinion of Lambton, "the two specific contributions which Fadl-Allah [Khunji] makes to the development of Islamic Political theory are his unequivocal recognition, in his concern to preserve continuity with the past, that the bearer of political power was the *imam* and his equally unequivocal recognition, in his concern for the effective exercise of government, of the legality of non-Shar'i taxes which the *imam* levied to provide with the revenue needed to carry out his functions. He thus removed the permanent illegality into which the pious had pushed the ruler by their persistent refusal to enlarge the scope of lawful taxation" (Lambton 1985, p. 200).

11.10 *A'in-i Akbari*⁴ by Abu'l-Fazl [Abu'l-Fadl] Allami

Abu'l-Fazl [Abu al-Fadl] 'Allami, (958-1011/1551-1602) one of the most distinguished scholars of sixteenth century India, was son of Mulla Mubarak Nagawri (d. 1002/1593) as well as his pupil. Abu'l-Fazl inherited from his father profound scholarship and liberal thinking. It is said that Mulla Mubarak family – himself and his two sons Faizi (Faydi) and Abu'l-Fazl – were instrumental in diminution of the effects of *ulama* and Akbar's religious innovations. "Though Abu'l-Fadl's religio-political views", says Nurul-Hasan, "earned for him the enmity of the *ulama*, the policy of religious toleration which he helped Akbar in evolving, the non-denominational yet spiritual character of obedience to the emperor which he advocated, his justification, on ethical grounds, of every imperial action, and his persistent efforts to inculcate, especially among the nobles, a sense of mystical loyalty to Akbar contributed greatly to the political consolidation of Mughal Empire (Nurul-Hasan, 1986, 1: 117).

Akbar was much influenced in his thinking by Abu'l-Fazl, his father Mulla Mubarak Nagawri and his brother Faizi (Hodgson 1974, vol.3, p. 72). Akbar organized from 1575, when his administrative reforms were

getting underway, a ‘house of worship’ in which at first scholars representing various Muslim viewpoints, later also scholar representing all known religious traditions, were gathered to discuss and, alas, dispute their respective faiths and claims. He was one of Akbar’s most trusted counselors (ibid. pp. 72-73). In the last years of Akbar’s life, he was assassinated on an occasion of a revolt by Akbar’s eldest son, Salim (Jahangir), who evidently had a grudge against him (ibid. p.74).

Abu’l-Fazl gained high favour with Akbar by his scholarly discussions and sharp criticism of his opponents. According to Hodgson (1974, p.73), ‘The most consistent and certainly the grandest literary expression of the intellectual mood at Akbar’s court is the *Akbar-Namah*, The Book of Akbar, by Abu’l-Fazl Allami of Agra (1551-1602)’. ‘The *Akbar Namah* is divided into two portions – one portion sets forth the annals of Akbar’s ancestors, particularly Babur and Humayun, and Akbar himself; the second portion sets forth the institutions established by Akbar in governing his empire (this latter part is called the *A’in-i Akbari*, Akbar’s Institutions)’ (ibid. pp. 75-76). Commenting on this work, Hodgson says: “The two portions reflect Abu’l-Fazl’s goal in different ways. In the annals, all Akbar’s deeds are presented as they ought to have happened The whole presents a vivid, detailed, and even reasonably credible ‘mirror for princes’, a practical image of how a king should rule; but unlike most of the works of that genre, the image is shaped philosophically Then in the second part, the *A’in*, we have an image not merely of kingly rule but of civilization at large, which the ideal king is to foster” (Hodgson p. 76). *A’in-i Akbari*, dealing with imperial regulations and containing detailed information on Indian geography administration and social and religious life, was ‘first work of its kind in India’ (Nurul-Hasan, 1986, 1: 118). And ‘Abul-Fadl’s works form the most complete and authoritative history of the events of Akbar’s reign’ (Jarett, 1978, p. VI). In the opinion of its translator, “The merit and the only merit of the *A’in-i Akbari* is in what it tells and not in the manner of its telling which had little to recommend it” (ibid. p.VII).

A’in-i Akbari as a Book of Good Governance. Out of this encyclopedic work, we are concerned here with that part only which gives Abu’l-Fazl’ ideas on good governance on the pattern of Persian ‘mirrors for princes’ or works of *al-siyasah al-shar’iyah* in the Islamic tradition. The second volume of *A’in-i Akbari* starts with the description of the duties of

governor or commander of forces which includes political, economic, social and moral. The welfare of people and troops depends on his 'just administration'. He should seek 'will of God in all that he undertakes and be constant in praise and supplication' (Abu'l Fazl, 1978, pp. 37-38). He should promote decentralization of duties. What others can perform 'he should not execute himself'. He should admit chosen men to his advisory councils (ibid. p. 38). Abu'l-Fazl advises him to exercise his power with ethics, wisdom and dignity while dealing with the rebellions, criminals and offenders. He should ensure safety of roads, maintain surplus budget, and pay attention to development of land and agriculture. As against set pattern of Muslim scholars to cite verses of the Qur'an and traditions of the Prophet (p.b.u.h.), one does not come across to references to these basic sources of Islam in *A'in-i Akbari*. He advises the governor to obtain peace of mind by meditation and reciting the *mathnawi* of Jalal al-Din al-Rumi (d. 672/1273), and entertain his mind with the instructive stories of *Kalilah and Dimnah* (ibid, p. 40). Even he innovated another formula for greeting – *Allahu Akbar* and *Jalla Jalaluhu* (ibid. p. 4). But in distribution of spoil of war, he recommends the Qur'anic method (ibid, p. 42). He emphasizes the need for appointment of discreet and unbiased judges. A judge must not be content with witness and oaths, but hold diligent investigation of the importance (ibid, p. 43).

Historical sources show that in the early period of Akbar's reign, the traditional post of *muhtasib* did exist. But during the last years of his rule the institution of *hisbah* had undergone a profound change. For example, the *kotwal* (police magistrate) carried out not only the duties of the head police constable, but acted as social and market supervisor also. Abu'l-Fazl assigned him most of the functions of *muhtasib* such as: check on any 'alteration of value in the gold and silver coin of the realm'; examine the weights and ensure its accuracy; restrain the people from the making, the dispensing, the buying or selling of wine; expel or deter dishonest tradesmen from their course of conduct; etc. But *kotwal*'s functions were not confined to the above mentioned only. He had to act as senior superintendent of police as well (ibid. pp. 43-45).

Abu'l-Fazl's work is distinguished from similar works by other Muslim scholars in its over emphasis on agrarian relations. The collector of revenue 'should be a friend of the agriculturist' ... He should assist the needy husbandman with advances of money and recover them gradually.'

‘He should strive to bring waste land into cultivation and take heed that what is in cultivation fall not waste.’ ‘Let him increase the facilities of the husbandman year by year, and under the pledge of his engagements, take nothing beyond the actual area under tillage’ (ibid, p. 46). According to Abu’l-Fazl, the collector should not insist on cash. He should accept payment in kind if farmers desire so. He describes various modes of share cropping prevalent in India at that time. In choosing any one of them, the convenience of tillers should be observed. In fixation of rent, the land should be fully surveyed. ‘He should stipulate that the husbandman bring his rents himself at definite periods so that malpractices of low intermediaries may be avoided’ (ibid. pp. 47-49). Abu’l-Fazl’s over emphasis on agrarian relation is but a natural step in exact direction in view of the dominantly agricultural economy of India.

Abu’l-Fazl knows that the secret of economic development is saving and capital accumulation. ‘When an appropriate means of maintenance is secured it is a requisite condition of economy to husband a portion of one’s means, provided that the household is not thereby straitened.’ ‘The proper control of an estate,” says Abu’l-Fazl “is conditional on the expenditure being less than the income” (ibid. p. 57). He suggests diversification of investments. ‘It is permitted to indulge a little in commercial speculation and engage in remunerate undertakings, reserving a part in coin and valuables, a part in goods and wares and somewhat invested in the speculations of others, and yet a portion in lands and immovable estates, and a share may be entrusted to borrowers of credit, and expenditure regulated with circumspection, justice and modesty’ (ibid. pp. 57-58).

A’in-i Akbari is a very rich and most authentic source of economic history of the period. Abu’l-Fazl does not disclose his sources of information. But one can easily guess his source when he talks about Greek economy (ibid. p. 57), Iranian taxation system (p. 59), then existing Turkish and Egyptian system of *kharaj*, changes in the economy introduced by Umar, the second Caliph of Islam (ibid. p. 59). It is strange that he hardly takes a note of Western power and knowledge that made Portuguese next-door neighbour of the Mughal Empire and de-facto ruler of the Indian water. Ottoman-controlled heartland of Islam and Mughal-ruled Muslim India presented two extreme cases of intellectual atmosphere. While in the former independent decision making and

original thinking was not much encouraged, in the case of latter liberalism was the norm of the government which patronized the work like *A'in-i Akbari*.

Endnote:

1. This is perhaps not a work on *al-hisbah*. Rather it is a section in the work entitled *Miftah al Sa'adah wa Misbah al Siyadah* that contains a few lines on *al-hisbah*, at the end of which the author says that he is not aware of any contemporary work on the subject.
2. We give here a selected list of the works which in the opinion of this author may be useful for researchers and which may not be known to many scholars:
 - 1- *al-Abriz al-Masbuk fi Kayfiyat Adab al-Muluk* by Muhammad b. Ali al-Asbahi, Printed (henceforth 'P') in Algeria.
 - 2- *Adab al-Muluk wa Nasa'ih al-Salatin* by Kamal b. Ilyas, Manuscript (henceforth 'M'), Ayasufia, Istanbul.
 - 3- *Adab al-Muluk* by Husayn b. Iyaz al-Nahwi, Ayasufia, Istanbul. 'M'
 - 4- *Al-Adillat al-Qata'iyah fi Uqud al-Walayat wa'l-Siyasah al-Shari'iyah* by Abdullah B. Muhammad al-Ghazzi, Kocak Afandi, Istanbul. 'M'
 - 5- *Irshad al-Muluk wa'l-Salatin* (in Turkish and Arabic) by Barkah b. Barakiz al-Qafzaqi, Ayasufia, Istanbul. 'M'.
 - 6- *Irshad al-Muluk li-Sidad al-Suluk* by Ibrahim b. Ali Zayd al-Hindi, Ayasufia, Istanbul. 'M'.
 - 7- *Badhl al-Nasa'ih al-Shar'iyah fima'ala'l-Sultan wa Ulat al-Umur wa Sa'ir al-Ra'iyah* by Muhammad b. Mahmud al-Ashbili, al-Fatih, at Istanbul, (M).
 - 8- *al-Bayramiyah fi al-Siyasah al-Shar'iyah* by Muhammad b. Bayram al-Tunisi (P).
 - 9- *Tahrir al-Suluk fi Tadbir al-Muluk* by Ali b. Muhammad al-Ghazali, Ashir Afandi at Istanbul, (M).
 - 10- *Tuhfat al-Turk fima Yajib an ya'mal fi'l-Mulk* by Ibrahim b. Ali al-Tarsusi (d. 758 / 1356), Ayasufia, at Istanbul and Abdullah Mukhlis at Bayt al-Maqdis, (M).
 - 11- *Al-Jawahir al-Mudi'ah fi-Ahkam al-Sultaniyah*, by Abd al-Ra'uf al-Munawi (d. 1031 / 1622) (M).
 - 12- *al-Siyasah al-Shar'iyah* by Ibn Nujaym, Khalis Afandi at Istanbul, (M).
 - 13- *al-Siyasah a Shari'yah fi Ahkam al-Sultan ala'l-Ra'iyah* by Tawghan al-Misri, al-Fatih at Istanbul, (M).

14- *al-Siyasah al-Shar'iyah* by Qadi Jamal al-Din (both in Arabic and Turkish), Egypt, (P).

For a complete list of 130 entries one must refer to the original. It will be a great service if some one could revise this list with addition of new discoveries, pointing, out the years and full bibliographical details of the manuscripts that have been edited and printed in these 60 years.

3. His brief life account has been provided in the previous chapter.
4. Originally it is in Persian. It has been translated into English by H. S. Jarett.



CHAPTER TWELVE

CONCLUDING REMARKS

The state of Muslim economic thinking in the sixteenth century has been an un-researched area. In the present study, by survey and analysis of the relevant literature of the period and by inferences from the existing economic institutions, an effort has been made to ascertain the level of economic thinking among the Muslim scholars and practitioners in the period under study.

In the early part of the 9th/15th century the heartland of Islam was ruled by Circassian Mamluks with Cairo as their capital. In the year 923/1517 the Ottoman Turks put an end to the Mamluk rule and the whole region fell under their custody. Two other great Muslim powers of the time were Safawids of Iran and Mughals of India. As a whole, the sixteenth century brought great opportunities and challenges to Muslim world.

We found that the sixteenth century produced a number of great scholars. However, the over all environment was that of imitation and repetition. Exception may be granted to Khunji's *Suluk al-Muluk* and Abu'l-Fazl's *A'in-i Akbari*. Writing a commentary or commentary over commentary, on an earlier work, was considered a great achievement. There was dearth of original writing. Arabic remained the language of academic pursuit and occupied the highest rank among all the languages

used in Muslim world. Many important works on commentary of *hadith*, poetry, and history were written in the period under study.

In the sixteenth century Europe, the printing industry, for its part, effectively contributed to making more books available and accessible to its public by parting cost, expanding output, and improving marketing practices and methods. But in the Muslim world *ulama* as well as rulers forbade the use of printing press. It is to be noted that two centuries of contact with Europe had not created much intellectual reaction either in Iran or in the Ottoman Empire. Both the Turks and Persians copied from the West the technique of making cannons and mortars, but they could not adopt the spirit of inquiry and investigation.

There is hardly any information found in the relevant sources of the period whether agriculture made any change over the years in Egypt or for that purpose anywhere in the Muslim ruled countries. Perhaps it remained the most conservative branch of economic life, the one that hardly responded to change.

At a time when Europe was heading towards industrial revolution, very little changes compared with the 10th to 13th centuries, were seen in the traditional set up of industries. Taming and grazing camels and sheep had been one of the traditional occupations in the Arab land but no stimulating change was seen because there was no abnormal increase in demand for wool, domestic or foreign, as Europe experienced at that time.

Until the early sixteenth century the foundation of Arab prosperity was the trade from India to Europe which passed mostly through their lands and yielded to the Mamluk Empire, including Egypt, Syria and the Hijaz, much revenue from customs duties alone. But by the early years of the sixteenth century the trade route to India had shifted away from the Arab lands to Portugal, via the Cape of Good Hope. Borrowing for business purposes has been a current practice in all ages. Instances are available that Christians borrowed money from the Treasury as well as from their Muslim brethren. But the banking system could not be developed of the level found in the West. The Turkish Empire, which at the beginning of the sixteenth century certainly equaled if not surpassed Europe in wealth and culture, set in decline by the third quarter of the

century. The cheaper route made the latter possible a far greater volume of trade than had passed through the Levant in the earlier period. This larger volume naturally made those sections of Europe which engaged in the Indian trade richer and therefore Europe began to surpass its former peer.

We find substantial discussion on market, pricing and imperfections in the writings of Muslim scholars up to fifteenth century. Starting from the first century *Hijrah* (7th century CE), we find a chain of works that addressed the functioning of market. As early as 3rd/9th century Abu Bakr Yahya b. Umar al-Kinani (213-289/828-901), an Andalusian Malikite jurist, authored *Kitab Ahkam al-Suq* (A Book on Rules of the Market). It is perhaps the first work exclusively dealing with issues related to market problems, price, demand and supply, competition, monopoly, etc. Scholars like al-Shafi'i, (d. 205/820), Abu Yusuf (d. 182/798), Ibn al-Muqaffa' (d. 139/756), al-Jahiz (d. 295/869), Qadi Abd al-Jabbar (d. 415/1023), al-Juwayni (d. 478/1085), al-Ghazali (d. 505/1111), Ibn Taymiyah (d. 728/1328), Ibn Khaldun (d. 808/1406) and many others have dealt with the issue of the price and market. Especially the last two scholars took the discussion to the level on which the latter Muslim scholars could have constructed a scientific theory of market. Although there existed relatively advanced thinking on market and pricing in Islamic tradition, scholars who came later did not care to improve upon it.

During the thirteenth and fourteenth century, the concept of just price with the Muslim scholars and their view about its determination was far superior and clearer than their contemporary Western Scholastics. The sixteenth century European scholars could hardly add any thing to what already was mentioned by Ibn Taymiyah, Ibn Khaldun and some other Muslim scholars in earlier centuries.

In the Islamic tradition, as well as in the Western scholastics, 'the just price' was a dominating theme in medieval period. A study of the Western economic thought would show that from the corpus of just price in the West emerged and evolved a complete pricing theory, but our scholars kept on repeating the sayings of the past thinkers and could not develop the subject in the light of changing conditions. The just price or price of the equivalent – an important concept in Islamic tradition that

could have proved to be a foundation for building a clear theory on market and pricing but they did not realize it. The price and market situation became very disturbed during the period under study due to unrestricted money supply, bad domestic production and decline in import because of other local and international factors. These circumstances were demanding for a fresh look at the concept of just pricing and an advanced analysis of the forces determining the price. But in a situation when doors of *ijtihad* (creative thinking and independent decision making) were closed, this could not be realized. Our best minds were concerned mainly with orderly and systematic presentation of the thought of their forebears mainly in traditional sciences. They could demonstrate an encyclopedic command of earlier thought but they did not try to make an addition or innovation. This is what we find with respect to market and pricing.

'Mercantilism' was prevailing current of economic thought in the sixteenth century. It also dominated next one and half a century. Attainment of 'economic power', as mercantilism aimed at, assumed form of a movement that spread in many countries at the same time. It proved the starting point of modern capitalism and provided base for industrial revolution. It enriched the economic thought with a number of new concepts.

There are enough evidences that initially mercantilism was a reaction against Muslim powers and it was directed to defeating them. Disappointed from the conquest at the battle field, mercantilists tried to block the Muslim power on economic front. As against the practices of Portuguese and Spanish invaders, the later phase of mercantilism was to avoid open confrontation with the 'host' country. Rather they tried to get capitulation and win 'friendship' of natives and then occupy them through creating confrontations among the rival factions and siding one of them or use the policy of divide and rule. This proved a more effective and successful strategy.

As far growth of mercantilism in Muslim states is concerned, we find a limited parallel in Kārimī merchants who dominated the maritime trade at times when mercantilism was yet to begin. However, Kārimī merchants were not full replica of mercantilists but their long history shows that they would have matched their Western counterparts had they

survived the fifteenth century disturbances and had they seen light in the sixteenth century.

Since mercantilist system was an amoral, unjust and exploitative system, Muslims could not associate themselves with such a system because justice and morality can never be compromised in Islam. The greatest loss in development of mercantilism was shift of paradigm. It marked the retreat of the moral economy. The evacuation of ethical principles and the differentiation of things economic from their normative context, truly distinguishes mercantilist writings from their predecessors. Up to the early modern age economics was governed by religion and ethics. But now paradigm shifted to strengthening state and economy at all costs. In the sixteenth century Ottoman Sultans had the guts and resources to meet the challenges of mercantilism. But their preoccupation with the management and control of their vast Empire prevented them to counteract and promote maritime trade to the level of Western monopoly trading companies. Their absence from this front left the mercantilism patronizing governments free to impoverish a larger part of the world by establishing colonies and exploiting them to their own benefit. The greatest loss of humanity was destruction of moral values that had been hitherto inseparable part of economic thinking and practices.

In the economic history, as a whole, the sixteenth century is distinguished by overemphasis on gold and silver as money and race for increasing stock of precious metals, specially in European West reflected in mercantilist writers. Usury and interest controversy entered the decisive stage in this period.

The Western historians of economic thought are of the view that the quantity theory of money was also discovered in the sixteenth century. Credit for its discovery is usually given to Jean Bodin (1530-96). Muslim scholars of earlier period had idea of embryonic quantity theory of money in term of debasement as the reason for undue expansion of copper money and eventually a rise in prices. No doubt they were right in their time. But in the sixteenth century, with the discovery of the New World, a never ending stream of treasure arrived in Spain and was diffused over the whole of Europe. Prices rose, and as the traditional explanation of changes in the price level, which had made much of the

debasement of money as the principal cause, did not seem to fit the changing circumstances as well as it had before, thoughtful people in many lands searched for a better reasons'. Muslim scholars discussed the problem in the same traditional framework of debasement of currency and deferred payment. They did not think afresh. Not did they analyze the new trends in monetary sphere, although the effects of changing situations were felt in Ottoman Empire as well.

The disturbed monetary situation and upside down exchange ratio at the beginning of the sixteenth century led al-Suyuti to pen down his treatise "*Qat`al-mujadalah`ind tagh'ir al-mu`amalah*". Similar question was asked from his teacher Alam al-Din al-Bulqini about half a century ago but at that time the problem was faced due to revaluation and scarcity of copper *fulus*. He agrees with his teacher's judgment that when *fulus* become rare or disappear altogether, one has to pay equivalent quantity of *fulus* or their value in term of gold and silver.

The monetary system by the end of sixteenth century further deteriorated due to political and economic changes and influx of American silver in Europe and from there to Ottoman Empire. Generally four types of problems were faced: Either a monetary unit totally lost common acceptance or it was cancelled, or it is partially accepted, i.e. in some regions and not others or exchanged rate was changed making a particular monetary unit more expensive or cheaper. These changes, especially affected deferred payments or transactions in the process. These circumstances provided context for al-Tumurtashi to write his treatise on money "*Badhl al-majhud fi as'ilat taghayyur al-nuqud*" (efforts to solve the questions of changing currencies).

Both scholars have tried to seek answers in their fiqh literature. Economic reasoning is absent. We could find only two samples of works in the sixteenth century that tried to answer questions arising out of changes in monetary units and variation in the value of money. Both aimed to present juristic solution to those problems. This simply shows how creative thinking and application of reasoning declined with the time in the sixteenth century, especially regarding an important economic element, money. None of them investigate the causes of fluctuation in the value of money and resulting consequences on various section of society, in term of inflation and deflations or working of Gresham's law and

similar ideas which were found in earlier Muslim scholars and those were attracting attention of Western scholars.

The major portions of the heartland of Islam being always a region of agricultural economy, the concepts such as property, rent, and the taxation of arable lands (*kharaj*) have been of special interest. Legal Ordinances developed under the early Hanafite law were applicable to all forms of landed property. However, after the tenth century new conceptions of tax and rent were developed that clearly differentiated between peasant holdings on the one hand and the landed property of the wealthy and powerful class of rentiers on the other hand. In order to protect the economic interest of this class of rentiers, new forms of law were developed and that of the 'old jurist' was dismissed in favour of the 'choice of the modern jurists'. There had been divergence of legal opinions on the question of the states of such lands subjected to *kharaj* payment. A survey of works on Hanafite jurisprudence shows that *kharaj* payment on a land refers to ownership right to such a land. However, lands granted as *iqta* do not represent ownership. Similar is the case of *ard al-hawz* (the sequestered land) - the land that is taken over by the ruler either because the *kharaj* paying owner of the land has fled away from the village, from paying taxes, from his inability to cultivate the land or he is dead without legal heirs. Thus, the *imam* (ruler) will take care of the cultivation of *ard al-hawz* by an arrangement of share-cropping, tenancy or wage-earning cultivators. In all four cases of *ard al-hawz*, the former proprietors retain property rights except the last case when no survivor is left. In this case state takes the full ownership of the land. During the formation period of Hanafite system of legal reasoning the payment of land taxes was considered 'as a proof of proprietary rights with regards to arable lands'. Later on, to facilitate the land owners' appropriation of rent from their tenants, Hanafite jurists developed the idea that through contract of tenancy or share-cropping the productive use of land is transformed into a commodity. This commodity may be rented out through a contract – something that differentiates between tax and rent. The payment of the land tax became a privilege that proved the rentier classe's proprietary rights to their lands and guaranteed their right to collect rent from the peasants who tilled those lands. In further development, the legal status of rent yielding landed property is assimilated to that of state lands in that the rent paid for its use falls due in the way of taxes.

In 959/1552 Ibn Nujaym wrote his important treatise on land tenure in Egypt, entitled *al-Tuhfah al-Mardiyah fi'l-Aradi al-Misriyah*. This was in response to a controversy arose at that time about the legal validity of *bayt al-mal*'s sale of state lands to private persons. It is a jurist's defence of the fiscal and legal privileges of the land owning rentier class against the Ottoman attempt to turn their lands back into state property. Ibn Nujaym's writing constitutes an important attempt to take stock of the problems connected with the changes in land tenure, tax and rent in the middle of the sixteenth century.

Ibn Nujaym, in spite of being a great scholar, is not an original thinker (*mujtahid*). However, he examines the development on the subject of rent, *kharaj* and land proprietary rights in the Hanafite tradition of Islamic jurisprudence and analyses them. Finally he uses them as the building blocks for presenting a case that protects the rentier class in general and *awqaf* in particular. Those two institutions were at the risk of annihilation in the wake of Ottomans' efforts to increase the area under *miri* (government owned) land to enhance the revenue of government. They already succeeded in this effort during 1550s.

In his analysis of various provisions in Hanafite *fiqh* Ibn Nujaym visualized the economic repercussion on the rentier class, waqf administrators, tenants, and subtenants. Ibn Nujaym's effort is an excellent example of relation between *fiqh* and economics. It presents a strong case for study of law and economics and their interplay – more precisely the economics analysis of law. It may be noted that such a discipline originated in the United States in 1950s and found acceptance amongst the legal community from the 1970s onward. At present, while Law and Economics is a well-established and distinct discipline in the West, it is rarely heard in Islamic system. There is need to examine the Islamic heritage of *fiqh* and principles of *fiqh* to investigate the efficiency of those rules in achieving the economic objectives cherished by Islam. A discipline of *fiqh* and economics would attempt to perform an integrative treatment of *fiqh* and economics. Ibn Nujaym's analysis of the rules related to *kharaj* and land proprietary rights shall provide a sample of such an exercise.

Waqfs' volumes increased in the sixteenth century so much so that by the end of the Mamluk period with 10 of its 24 *qirats* turned into waqf by the Circassian Mamluks alone. During the Mamluk and Ottoman periods, new forms of waqf developed. As far objectives of waqfs are concerned, they included every work of piety and welfare. Christian, Jew and Zoroastrian citizens were also allowed to establish endowments for upkeep of their worship places and for welfare purposes.

The sixteenth century Muslim economic thinking, especially in matter of awqaf, led to innovate various measures to develop waqf properties and their efficient uses. Sometime such measures were misused by dishonest caretakers or supervisors to fulfill their selfish objects and serve their vested interests. Examples of some of those practices were found in Mamluk period also, but they were more widely discussed and used in Ottoman rules. Consequently preventive steps were taken in case of many such acts.

It may be noted that opposition of waqf institutions has been reported by a few scholars; they apprehend violation of inheritance rules prescribed in the Qur'an (*surat al-nisa'*). Examples of such violation are found in the period under study. In some cases the founder excluded female members of his family from the list of beneficiaries. At the same time women also participated actively in establishment of waqf foundations, sale and purchase of waqf positions and development of waqf property. The jurist accepted woman as caretaker or supervisor of a waqf. In practice many women performed this function in the sixteenth century. Thus, waqf institution provided women with great opportunity to contribute to the socio-economic life of the society.

The wide spread of cash waqf is a distinguishing feature of the sixteen century Ottoman institution of waqf. It seems that in the earlier period cash waqf was not in practice, therefore, it did not catch the attention of scholars. In 1505, for the first time more cash than land awqaf were established; year by year thereafter, this occurred with increasing frequency until, beginning in 1533, the cash waqf became the rule rather than the exception and by about 1560 cash waqf was the dominant mode of endowment. The Ottoman *ulama* were sharply divided into two camps over the provision of cash waqf: the majority who

supported the permissibility of the established practice of cash waqf, and the minority who insisted on its invalidity.

While dealing with the cash waqf controversy in the Ottoman Empire of sixteenth century Mandaville uses the caption “Usurious Piety” – a term in contradiction though the subject of interest or usury has only casually come two or three times in the whole article. The supporters of the cash waqf held that the money would be provided on *mudarabah* (*commenda*) basis and the extra gain will be given in charity. It may also be loaned out. We could not come across any clear text showing lending on interest from the cash waqf. Muslims never tried to denounce the prohibition of interest in principle, nor to reject it in practice. What is generally reported is loaning money, to be returned with an extra amount, using legal devices called *mu'amalah* in Mamluk and Ottoman period. In Islamic jurisprudence these legal devices are called as *bay' al-'inah* or ‘*tawarruq*’. They have been controversial since early Islamic period. The Ottoman scholars who supported cash waqf allowed it to protect this waqf from dilution and considering it as the property of an orphan, they tried to provide guarantee of safety to fulfill condition of perpetuity. However it remains to be explored what proportion of cash waqf was used for *mudarabah*, for interest-free lending, and for loaning on extra guaranteed return using legal device of ‘*inah* or *tawarruq*. The institution of cash waqf *per se* has nothing to do with usurious practices. In fact the cash waqf provision would have facilitated establishment of interest free banking at the time when the West was struggling to establish interest based banks.

The systematic and rather exclusive writing on economic issues in Islamic tradition first started in the field of taxation and public finance and within a few centuries a large number of works came out on the subject. This trend continued in the later centuries but with a difference in quantity, quality and style. Their number decreased, coverage contracted and they increasingly tended to deal with specific issues. Related to our study period we have a work by Abu Bakr Muhammad al-Balatunusi (d. 936/1530) entitled "*Tahrir al-Maqal fi ma Yahull wa Yahrum min Bayt al-Mal*" (Discourse written about what is permissible and what is non permissible from the Public Treasury). Ibn Nujaym (d. 970/1565) wrote a small tract on *kharaj* – entitled "*Risalah fi'l-kharaj*" (Treatise on Taxation). Another brief essay authored by him is "*fi*

Mas'alat al-Jibayah wa'l-Ratibat wa'l-Mu'sharat al-Diwaniyah" (About the issues related to government levies, periodical charges and custom duties). His other treatise "*al-Tuhfah al-Mardiyah fi'l-Aradi al-Misriyah*" (The Pleasing Gift Related to Egyptian Lands) has also discussed the question of creation of *waqf* and imposition of taxes on *waqf* lands in Egypt.

These works dealt with the issues of public revenue and expenditure in jurisprudential style. As a whole, there is very little economic analysis. This shows how rigid the community of *ulama* was during the sixteenth century. For any new incidence, they always sought a solution in the writings of the past jurists. The books on public finance lack originality. Topics of economic interest like economic role of the state, sources of public revenue, principles of public expenditure and *awqaf* are not very substantial. These books may be presented as one of the proofs that the sixteenth century scholars' works are generally imitations and reproduction of early works.

From the Persian speaking East, Fadl-Allah Khunji has discussed the Islamic provision of public finance in much detail in his work *Suluk al-Muluk*. This is perhaps the most comprehensive treatment of the subject in the sixteenth century and presents many insights on the Islamic theory of public finance.

A very distinguished feature of Khunji's writing on public finance is that he always presents opinions of the two dominating schools of jurisprudence – Hanafi and Shafi'i. Thus, his work will prove a great help for comparative study of the Islamic theory of public finance in these two schools.

In the Islamic tradition two sets of works – *al-hisbah* and *al-siyasah al-shar'iyah* – appeared that proved to be a rich source of economic thought of past Muslim thinkers. Works related to *al-hisbah* generally discussed socio-economic control, moral and market supervision, prevention of monopolies, check on cheating and fraud and such other corrupting practices, standardization of products, facilitation of the supply of necessities, etc. As far works pertaining to *al-siyasah al-shar'iyah* are concerned, they generally dealt with the rules of

governance, economic role of the state, sources of public revenue, public expenditure (in addition to works exclusively devoted to public finances), maintenance of law and order, internal and external defense, etc.

In the sixteenth century we got the access of two short works on *al-hisbah*, one by Ibn al-Mubarrad and the other by Ibn al-Dayba'. Again we find repetition and imitation dominating these two works. There is hardly anything related to economic analysis such as one finds in works on *al-hisbah* by past writers. This only shows how new ideas and original thinking diminished in writings on the traditional subjects.

Similar is the situation about the works on *al-siyasah al-shar'iyah*. We have one by Ibn al-A'raj. He wrote his work *Tahrir al-Suluk fi Tadbir al-Muluk* for the last Mamluk Sultan, Qansawh al-Ghawri. And we have another work on *al-Siyasah al-Shar'iyah* by Dadah Afandi (d. 973/1568). Both works are based on earlier works on the subject. They lack economic contents. The main emphasis is on judiciary. Even the traditional topics like management of public revenue and expenditures are missing.

At the request of Ubayd-Allah Khan, Khunji wrote the *Suluk al-Muluk* as a guide for him. The book contains features of so-called Mirror for Princes books. However, in its topics and in the arrangement it belongs to the tradition of the manuals of government or *al-Siyasah al-Shar'iyah*. It represents a highly intelligent attempt to harmonize the norms of the Shari'ah, as developed in the first century of Islam, with the realities of a tribal consideration, the body-politics of which is nomadic and Turkish, and not Islamic. Khunji gives the prescriptions and legal interpretations both according to the Hanafi *madhhab* of the Turkish Uzbeks and his own Persian, Shafi'i *madhhab*. He carefully juxtaposes lengthy passages on the legal norms, with numerous quotations from the *hadith* and the canonical textbooks, with highly realistic and sober opinions on the existing state of affairs. This can be observed in the treatment of taxation; he appears to equate certain aspects of the canonical *zakat*-duties with the prevailing Mongol *Tamgha* imposts'.

On the pattern of al-Mawardi, Khunji enumerates the duties of *imam* (ruler). As a source of his maintenance and fulfillment of his official

responsibilities, Khunji gives an account of sources of ruler's personal income and those of public revenue. To him bribery offered to the Sultan is also a source of public revenue similar to illegal taxes. Rich in content and analysis, Khunji's work is similar to earlier leading Muslim scholars' work on *al-Ahkam al-Sultaniyah* or *al-Siyasah al-Shar'iyah*, much superior than those by his sixteenth century contemporaries cited above.

Abu'l-Fazl's *A'in-i Akbari* may also be included in this list. *A'in-i Akbari*, dealing with imperial regulations and containing detailed information on Indian geography administration and social and religious life, was 'first work of its kind in India'. Abu'l-Fazl's work is distinguished from similar works by other Muslim scholars in its over emphasis on agrarian relations, qualities and duties of the collector of revenue, and his role in promotion of agriculture. Abu'l-Fazl's over emphasis on agrarian relation is but a natural step in exact direction in view of the dominantly agricultural economy of India. He emphasizes on saving and capital accumulation for the development of the economy. He suggests diversification of investments. It is strange that he hardly takes a note of Western power and knowledge that made Portuguese next-door neighbour of the Mughal Empire and de-facto ruler of the Indian water.

There is no doubt that all researches on the history of Islamic economic thought come to an end at the 15th century CE. What was the state of Muslim economic thinking in the subsequent centuries has been an un-researched area. In the present study, by survey and analysis of the relevant literature of the period and by inferences from the existing economic institutions, we have tried to explore the level of economic thinking among the Muslim scholars and practitioners in the sixteenth century.

Our study has mainly been confined to available printed works in Arabic language or a few English translations of Persian and Turkish works. We find that most of discussions in these works are in traditional *fiqh* pattern in content and style. An important source of study – the Ottoman archives – could not be accessed due to certain limitations except a few fragmented documents published by some scholars. We have some researches on taxation system in Iraq, Egypt and other part of Arab before Ottoman period, but to the best of our knowledge, hardly

any serious research in Arabic or English is found on economic institutions under Ottoman rules, public finance, taxation system, fiscal policy, and economic thinking in general. Each of these topics constitutes a full research theme. And the major source in this regard will be, no doubt, Ottoman achieves. They are hidden treasures of information that need to be explored.

Here one may wonder why the period after 15th century remained ignored and could not attract the attention of the researchers. In our opinion the fifteenth century was the intellectual peak of Muslim socio-economic thinking that produced works like *Muqaddimah* Ibn Khaldun, *Ighathat al-Ummah* by al-Maqrizi, *'al-Taysir wa'l-I'tibar wa'l-Tahrir wa'l-Ikhtibar fima yajib min Husn al-Tadbir wa'l-Tasarruf wa'l-Ikhtiyar* by al-Asadi, *Bada'i al-Silk fi Tabai' al-Mulk* by Ibn al-Azraq, etc. We have seen above that works written in sixteenth century on public finance, market supervision and shar'iah governance were merely imitation and repetition. It was a time when renaissance was already in full swing and social reform, scientific inquiry and economic thinking and institutions were taking new shapes. The stagnant condition in these areas on the part of Muslim world made the researchers disappointed and discouraged them to investigate economic thinking in the subsequent period. But original and independent thinking was not stopped everywhere. Ottoman-controlled heartland of Islam and Mughal-ruled Muslim India presented two extreme cases of intellectual atmosphere. While in the former case independent decision making and original thinking was not much encouraged, in case of the latter liberalism was the norm of the government which patronized the work like *A'in-i Akbari*.

The present work is a first attempt to investigate Muslim economic thinking and institutions in the sixteenth century. In spite of the author's utmost efforts to explore all the available sources, he could present only a sketch of the economic ideas and a general picture only. One thing is clear, irrespective of the standard of the works, economic writing did not stop in the later period and we do not have a gap in Muslim economic thinking in the period after the fifteenth century. The present study being first of its kind, we must admit that it is just a moderate beginning and a research initiative, covering the sources available in Arabic and focusing on one particular region. The author will be satisfied if it could create

curiosity among the researchers for further study and detailed researches on specific economic issues of the period. There is also need to explore Muslim economic ideas in works written in Persian, Turkish and other languages. Another research agenda may be to expand this research by focusing on other regions and subsequent periods.



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