

## The philosophy of the financial crisis in the Ottoman Empire and its causes

By

**Fahd Awaid Abd**

Department of History, University of Wasit/Iraq

Email: [Falbuaij@uowasit.edu.iq](mailto:Falbuaij@uowasit.edu.iq)

**Zainab Ali Hasoon**

College of Education for Human Sciences, University of Wasit/Iraq

Email: [zainabaljourani131@gmail.com](mailto:zainabaljourani131@gmail.com)

### Abstract

This study aims to shed light on the philosophy of the financial crisis and its causes, whose changes began on the Ottoman situation in the second half of the nineteenth century, as a result of the delay in the growth of the Ottoman economy compared to Western countries since the industrial revolution and the economic developments it produced in Europe made it look forward To the Ottoman Empire to spend and invest its accumulated capital in it, indicating the reasons that led to the deterioration of the Ottoman Empire's economy and its position towards it, following ways to address them.

### Introduction

The middle of the eighteenth century AD witnessed the first features of economic changes in the Ottoman situation as a result of the economic progress of the Western industrial countries over them, and as a result of the increase in capital in those countries, which made them turn to the Ottoman State as a platform for its disposal and investment, and thus this matter harmed the Ottoman economy, not to mention other reasons that increased The weakness and fragility of its economy, including changing the course of trade routes, and the wars it entered, most of which were its losers, in addition to other reasons that prompted the Ottoman Empire to take a set of measures to save what could be saved from its economic situation and reform.

#### *The philosophy of the financial crisis in the Ottoman Empire and its causes*

The features of economic changes began to be clear in the conditions of the Ottoman Empire in the second half of the nineteenth century, and this is a division in the basic degree of the development of Western capitalism, since the industrial and commercial revolution since the middle of the eighteenth century, and the subsequent economic developments that led to accumulations in European capital as a result of increased production And the need for new fields of investment, and the Ottoman Empire was the first in those fields. The geographical location of the Ottoman State, which is at the crossroads of global trade routes and direct friction with Europe, undermined the possibility of its survival in the face of the economic and political developments and fluctuations that Europe witnessed in the late sixteenth century. The internal situation in the economic structure of the Ottoman state led to the loss of the state's control over its economy, i.e. dealing with it as a secondary thing. Thus, the Ottoman economy became in the orbit of European capital noting also that the delay in the growth of the Ottoman economy is only in relation to the accelerated growth in the economies of countries Western Industrial In the same context, the fall of the Ottoman Empire on the main trade routes linking Asia and Europe, and since the discovery of the main stock of silver in Bohemia and Hungary

**Published/ publié in *Res Militaris* (resmilitaris.net), vol.13, n°1, Winter-Spring 2023**

in the twelfth century, Europe has tended to import oriental goods, from where Asia was asking for money, and this was followed by the arrival of large quantities of silver Gold and silver from the Americas increased transactions, and with the Ottomans' control of the main trade routes, they welcomed the arrival of money and precious metals from the West, but at the same time they could not prevent the flow of money again from the East, resulting in a shortage in the trade balance, which created increasing pressure on the The Ottoman economy (). The process of historical rooting for the problem of the economic decline of the Ottoman state goes back to the middle of the fifteenth century with the emergence of the great coinage crisis, at the end of the fourteenth century AD and due to many problems, including the interruption of roads between the metal mines in Europe and Africa and the trade balance, and the matter increased The Ottoman economy was badly affected by the discovery of the Cape of Good Hope, as this led to the diversion of trade routes from the Mediterranean to the Atlantic Ocean. The Ottoman state not only from direct commercial friction through allegiance, but also deprived it of transit fees and customs taxes, so many Ottoman commercial cities deteriorated

In addition to the negative European dealing with the East, all of this led to a severe scarcity of raw silver currencies and the occurrence of a monetary and then economic crisis in Europe, which forced many of its countries at that time to devalue their currencies. The Ottoman Empire was not an exception to that, as it was forced During the reign of Sultan Muhammad al-Fateh 1451-1481, many measures were taken to avoid the crisis, such as appointing employees called (Yazkji) to inspect houses, moneychangers' shops, with the aim of finding smuggled silver and preventing the exit of silver coins from the state followed by the entry of Spanish silver and gold extracted from the mines of the American continent. The cash flows from the Ottoman Empire to Iran, India and the Far East, which led to a shortage of the precious metal. To meet this deficit, the Ottoman Empire was forced to devalue its currency (reducing the proportion of the precious metal in it) more than once. Six times which made the phenomenon of reduction as a phenomenon that characterizes the era of that Sultan

The flow of the precious metal from the Americas, especially Mexico and Peru, to Western Europe and from there to the Ottoman Empire starting in the year 1580 had another facet of harming the Ottoman economy, as the ratio between the value of gold and silver within the Ottoman Empire was lower than in Western Europe, which made the process of exporting silver to it a matter It was profitable for European traders who were replacing it with gold, which led to a decrease in its value and an increasing increase in prices, and the Ottoman economy was unable to cope with these developments, especially since its resources were limited to raw materials and a limited number of handicraft products This reduction process led to a decrease in the real value of the Janissary wages and the rents of the slaves, and the result was a greater burden of taxes and royalties on the peasants and the consequent depletion of the main source of state income, while Sultan Murad V (1623-1640) succeeded in adopting the reform memorandum presented to him by his advisor Koji Bey in 1630. In the reorganization of the financial management of the state his reign was followed by a period of disintegration in the economic and political structure alike

With the Ottoman Empire reaching the height of its military glory in the sixteenth century, however, its economic development was not parallel to that superiority, as it was bounded from the beginning by specific borders and obstacles, and this is partly due to the nature of the Ottoman economic system, which was derived from a traditional perception of the systems The economic systems that prevailed in societies that preceded the establishment of the Ottoman Empire, which was derived from a traditional perception of the economic systems that were prevalent In societies that preceded the establishment of the Ottoman Empire, and from that, the state's effort became vigorous to exercise effective control over all

types of economic activity in an attempt to reduce capital accumulation and sponsor craft production. But that sponsorship did not mean maintaining the permanence of these categories or professional unions. The structural changes of those unions, as well as the repercussions of global economic developments, have left their impact on these types. One of the important reasons for the disintegration of professional unions is their conservative attitude, any opposition that led them to technological progress and new production methods that were motivated by the desire to maintain its homogeneity, and with the passage of time it has proven impossible in the second half of the nineteenth century, especially with the increasing penetration of European interests. It was sweeping Europe at that time, and the varieties unions were officially abolished in 1860, but it was too late for this step to explode the industrial capacity, especially with the deteriorating financial situation of the state.

There is a justification provided by Turkish historians for the Ottoman economic delay in the European Mercantilist economic system, as he considers that one of the important reasons for the lack of rooting of Mercantilist ideas in the Ottoman lands was that local merchants and producers whose ideas and aspirations had a great influence in the development of Mercantilism in Europe, did not play an important role. In the Ottoman economic thought, instead, the priorities of the central administration have dominated the Ottoman economic thought and policy. There were three general principles that governed the Ottoman economic system, the first of which was: the principle of subsistence, and the shortest part of this principle is the state's subsidy to the individual consumer, and the purpose of it is to meet the needs of the Ottoman citizen. In the product, as it is not allowed to sell it outside the area in which it was grown, unless it is sufficient, and what is more than that, traders are allowed to export abroad, and in return for customs duties. The second principle is traditionalism and is represented in preserving and protecting the basic rules of the state's socio-political system and preventing any change in it, and returning to the old system in the event of any change. Through this rule, the Ottoman Empire controlled production, and prevented the production of some products, especially luxuries, in anticipation of a shortage. It occurs in employment or capital, and thus leads to an imbalance in the state, and this system was based on the main foundations represented by the Sharia system and the royal laws. Perhaps this is what led some European historians to say that Islamic ideology was one of the obstacles to economic development towards the accumulation of local capital in the Ottoman Empire.

The third principle is the principle of public finance, which requires raising the state's sources of income to the highest level in return for minimizing public spending, while at the same time preventing any individual or collective economic influence that could change the existing political and economic situation. As a result, the public finance system led to establishing laws such as making the export tax higher than the import tax and thus licensing the imported goods in line with the subsistence system and certainly the effect of this is not hidden in the discouragement of local goods, if not less their deterioration. The military operations, whether offensive or defensive, of the Ottoman state constituted a drain on the state's treasury. The state's bankruptcy indicates its occurrence with 124 military actions, and the effect of this factor increases if we know that most of those battles, if not most of them, were losing battles for the Ottoman Empire. Until the middle of the seventeenth century, wars were rewarding with spoils and taxes that were imposed on the defeated countries and the subject states, but since then most of the empire's wars have become of a defensive nature, in addition to the high cost of sustaining and equipping its armies, which often paid exorbitant compensations. Starting from the first half of the eighteenth century, the Ottoman Empire intensified the brunt of another type of military conflict, represented by the rebellion movements that took place in some remote regions from the center of the state, and the control

and influence of a group of local leaders was confirmed with the collapse of the central authority in Istanbul. The strength of those regions increased. The power of the center collapsed within the framework of a hard, long and exhausting struggle for the budget of the central state. The result was that Iraq, the Hijaz, the local families in the Levant, Palestine and Egypt, as well as the Serbs, Albania, Greece and others in Europe gained independence in all their affairs, including financial affairs, which prohibited the government.

### ***Centralization of Those Financial Returns***

Despite the increase in the Ottoman participation rate in foreign trade in the nineteenth century it coincided with all these circumstances an increase in the population of the Ottoman Empire in the nineteenth century, at an estimated rate of about 0.8% annually, and before the 1930s it may have decreased. But then a group of complex factors led to an important increase in the population, including a decrease in the rate of diseases as a result of the relative improvement in health care, as well as the large migrations of peoples into the empire. What made financial matters more confusing is the lack of what we call today the central budget, although there have been attempts to. This trend followed with the beginning of the regulations in 1839, and the establishment of the Ministry of Finance in that year led to a greater interest than before in setting budget estimates according to more realistic estimates of resources, to attempts to reduce spending, but the success of these efforts was limited, especially with regard to the development that followed the Crimean War. A budget based on the European model in 1861 as a supplement to the financial report of the Grand Minister Fouad Pasha, and the budgets began to be published from 1866, followed by another break in 1869, when certain reforms were introduced, but the first serious attempts to build a modern budget were made only on the eve of the First World War.

The so-called foreign concessions system was another gateway to exhausting the Ottoman economy, and this system began in the era of the Ottoman Empire since 1535 when the French concessions treaty was signed, followed by the 1581 Treaty, then the Netherlands in 1613, Russia 1717, Austria 1718, Prussia 1740 and the United States in 1818, and these treaties were renewed. With the death of each sultan and the advent of the other until 1740, when it took the character of stability () and the economic texts included in those treaties at their inception aimed only to raise the status of foreign nationals to the same status as the subjects of the sultan, but in the nineteenth century, following the deterioration of the Ottoman Empire, foreign privileges were taken from treaties imposed on the Sultan and this system opened the doors to arbitrary interpretations of foreign privileges, for example, but not limited to low customs tariffs, enabled foreign goods, which were sometimes inferior to local goods, to flood the Ottoman markets, and thus constituted a severe blow to the local production capacity. The concession system facilitated the penetration of foreign capital, which was granted in the second half of the nineteenth century a significant number of concession contracts to manage various types of economic projects in the Ottoman Empire. The Ottoman Bank played an important role, and it is the bank that was initially established with British capital in 1856 and was reorganized in 1863 with French financial participation, then with the passage of time it became under the absolute French influence. Transportation, services, etc .

Over time, foreign capital gained control over the empire's exports and imports, and obtaining concession contracts for mines and railways became easy by lifting the ban on selling lands to foreigners in 1867, which followed strong representations with the Ottoman government by the privileged countries. Contracts. The railway concession is a strip of land with a width of between 2-20 km on both sides of the road, and the exploitation of that land rich in mineral resources was a matter for the owners of concession contracts. In general, it was mentioned in one of the official American reports on the status of foreign institutions in the

***Res Militaris***, vol.13, n°1, Winter-Spring 2023

Ottoman Empire, explaining the lack of governmental control over the activity of foreign economic projects ((there is no law in Turkey that obliges any foreign bank, bank house or commercial institution wishing to open a branch in Turkey to present itself to any official employee or to any legal formalities.

Expenditures related to the Sultan's court continued, despite the sultan's budget being set by the law of September 1855 at 120 million piasters, equivalent to one million pounds sterling and there are those who increase the amount to 189.2 million for the sultan's person and the management of his palaces, which constitutes 29.5% of the total expenditures Central spending continued on building luxury palaces and this tradition continued from the beginning of the era of power in the Ottoman Empire to the end of the era of weakness and deterioration. The suites were allocated to the agas, and the palace became accommodating more than 1,370 people receiving salaries of 2,536,065 ahga annually() and the number of workers between the years 1539-1540 increased to more than 2000 workers, and the palace expenses rose from 20,000 golden ahga annually to 50 thousand ahga, which is equivalent to Egypt's annual tax. During the reign of his son, Selim II, 1566-1574, the number of workers doubled, and the palace served food to approximately 25,000 people, including employees and visitors. This is not surprising, as the number of cooks in Topkapi Palace reached 278. First, the impact of this spending on the economy increases; especially if we know that the other palaces in Istanbul, Bursa, Edirne, and Athnik were no less prosperous

In the era of weakness, the costs of building Yildiz Palace during the reign of Sultan Abdul Hamid II amounted to eight million Ottoman liras, equivalent to 2,800,000 pounds sterling. Income to the Ottoman treasury after the Treaty of Kucuk Kinargi in 1774 with 400,000 pounds annually, and the deficiency of this amount becomes apparent if we know that the volume of spending on the army, servants and palaces in the harem was 3.4 million pounds annually A simple extrapolation of the financial situation in the second half of the nineteenth century notes the continuous rise in the empire's spending, although imports also increased, but they were not commensurate with the volume of expenditures, and through the historian's presentation of budget revenues in the sixties of that century, the large gap between budget estimates and their implementation becomes clear. between revenues and expenditures, between promises to balance the budget and the continuous rise in debts due to the continuous deficit between the nominal value of the Ottoman loans and the actual price of bonds that was required of investors please There were quite a few differences between the official estimates of the current debt, which the Ottoman Minister of Finance estimated in March of 1868 at five million pounds, while foreign experts estimated the size of the debt as reaching ten million pounds, and the more realistic estimates made by foreign experts, and this ambiguity was a reason For the non-publication of budgets between 1866-1869, as the Ottoman Empire had no choice but to borrow, or else bankruptcy

With regard to the currency, there was a severe depreciation in its value in order to provide additional income to the state between 1584-1731 in relation to foreign currencies. In this regard, the value of the Venetian gendarmerie towards the Ottoman Akja multiplied six and a half times, the value of the Spanish riyal doubled to two, and the value of the Dutch Riksdal doubled twice as well. For Lapsolt (Zolota) Polish) The decline continued between 1774-1829, and continued throughout the thirties of that century. The German Alfon Moltke, who visited the Ottoman Empire in 1836, stated that in 1824 the value of the Spanish talar was seven piasters, while in 1836 it was equivalent to 21 piasters, which means a two-thirds drop in the value of the salt currency in foreign exchanges. In general, the method of devaluation became the most prominent feature of the Ottoman economy throughout the nineteenth century(), which opened the door wide to the process of counterfeiting the currency() and the

problem of Ottoman currency became complicated when the state debt and its financial crises increased, and the need became urgent to search for financial exits to reform the monetary situation. The Ottoman Empire first banknotes, which is the so-called (the list) in April 1840 and the paper circulated for eight years and at an interest ranging between 8-12% annually, then reduced the interest rate to 6% in 1843, and in 1853 issued other papers that did not bear interest. The circulation of that currency called (The list) at its beginning in 1840 was on Istanbul only, and the first lists were handwritten, and when it was issued, the list was 500 piasters, or about 4.5 pounds, at an annual interest rate of 12.5% And the government was constantly announcing that the issuance of these lists was intended to facilitate commercial operations, and that they would be accepted like any legitimate currency, and it had also informed tax collectors and financiers of their acceptance, and later smaller denominations were issued for use in daily transactions, and the total quantity of the first and second issues was 184,1844 It was equal to 40,000,000 piasters, or about 360 thousand pounds. With the passage of time, the government referred to these issues as “list-c shares” and the reason was because it wanted to link them to the stock system that links state payments to limited sources of income for the state, and since 1844 the interest has been reduced to 6% and since 1852 its issuance does not entail any interest, It was specified in various denominations between 50-10,000 piasters for merchants and smaller denominations at 10-20 piasters for daily trading. In 1853, the volume of trading in these lists reached 175 million piasters, and during the Crimean War, large quantities of them were printed, so their value fell against the gold lira to less than half of its value, and the method of writing it was replaced instead of Hand to print with ink that is difficult to counterfeit with the inscription Sultani raised the tughra, but the counterfeiters were up to the challenge, and in 1861 the markets were flooded in huge quantities and its value fell against the lira to the equivalent of 400 paper piasters, thus ending the first experiment of paper currency in the Ottoman Empire with its withdrawal in 1862 from circulation, leaving a complete chaos of Amplification and to the extent that some described its impact as “was ravaging the entire Ottoman monetary system” meaning that it was just a promise to pay.

In 1852, the Ottoman government issued large quantities of list papers in order to pay salaries. As a result, the list paper became a paper currency used in daily exchange, which caused many financial problems due to fluctuations in the price of the list against the price of gold and silver, as well as the ease of forgery, which prompted the government to stop Traded in 1862 There were clearer treatments that the Ottoman government tried to undertake(), perhaps the most serious of them were those that dated back to the era of Sultan Selim III 1789-1807, and historians began calling it the period of reform and organizations followed by a more profound reform experience witnessed during the reign of Sultan Mahmud II 1808-1839 and if these two experiences were They focused mainly on the military side and the modernization of the army, which made them lose the character of totalitarianism. The other experience was characterized by this characteristic, which is the experience of Sultan Abdul Majeed 1839-1861, during whose reign the reform decree called Sharif Kulkhaneh Line 1839 and the second decree, Sharif Humayun’s line in 1856, was issued. These reformist experiments from the economic aspects as a whole were like (ink on paper) to some extent as described by one of the historians and some described them as weak and scattered and this may be due to the lack of sufficient financial allocations to reach the desired results, as well as the lack of Sufficient experiences to adopt modernist ideas or the strength of the opposition of conservative parties to those reforms and what comes in the context of our topic, for example, is the delay in the implementation of the commercial law the new, claiming that it deals with a circle of life that has been dealt with by the provisions of the Sharia with precision and detail.

The last of those treatments that the Ottoman financial administrations bet on to deal with their financial crises was a new system related to long-term local debt, called the shares system. For sale to the public for life, the annual revenues of the tax source were collected by the obligors, and the shares were generally sold for six or seven times the net or deferred annual income of the fixed source. The motive of this new system was to expand the state's borrowing base, by exceeding the existing numbers. A night from the big capitalists to the small and medium financiers, but the state's inability to control the currency of selling shares between individuals and determine it because the law recognized the right to transfer shares from one person to another, as well as the difficulties that accompanied the failure of the process of returning shares to the treasury after its dissolution with the death of its owners or even preventing the heirs of the deceased from continuing to receive payments, all of this is a limitation of the financial benefits of this system.

## Conclusion

It is clear from the above that the economic systems followed in the Ottoman Empire are derived from the traditional systems prevailing in ancient societies that may have preceded the Ottoman Empire. Therefore, the Sublime Porte government sought to limit any economic activity that deviated from the context of these systems, which made it unable to keep pace and confront economic developments in Western countries, however, there are reasons attributed to the deterioration of the Ottoman economy, including internal wars that were waged, most of which were lost, and the privileges granted to European countries that made them control their economy, in addition to the rebellions carried out by the leaders of regions far from the center of the empire, so the central authority was weakened against the strength of these leaders, as well as the independence of some states whose revenues were a resource for the empire. About that is the impact of its economy on an important factor, which is the flow of silver from the Americas to Western Europe and the Ottoman Empire, and thus led to that. The decline in the value of the Ottoman currency (Akja) due to the low percentage of gold and silver in the country compared to Western Europe, which made the Europeans export silver to it because it was profitable for them, and in light of those conditions within the Ottoman Empire, the Sublime Porte government resorted to taking a set of measures to address this problem, but it did not be fruitful.

## References

- First / Arabized published documents Constitution, Collection of Laws and Regulations Issued in the Ottoman Empire, translation, Nawfal Ni'matullah, Volume One, Beirut, 1898
- Second / Turkish Documentary Books Nasim Sousa, The Capitulatory Regime of Turkey, Its History, Origin and Nature, Baltimore, The Johns Hopkins press, 1933.
- Third / letters and theses
- Saleh Ali Al-Shura, Ahmed Pasha Al-Jazzar, Wali of Sidon 1776-1804, Master thesis submitted to the College of Graduate Studies, University of Jordan, 1998
- Yasser Abdul Aziz Muhammad, The Role of Foreign Concessions in the Fall of the Ottoman Empire, Historical Analytical Study, Part One, PhD thesis submitted to the College of Sharia and Islamic Studies, Umm Al-Qura University, 2001
- Abbas Abdel-Wahhab Ali Al Saleh, the Ottoman Sultan Selim III and his reform experience 1789-1807, a master's thesis submitted to the College of Education, University of Mosul, 2002
- Nusaiba Abdul Aziz Abdullah, Reformist Trends in the Ottoman Empire 1623-1789, PhD thesis submitted to the College of Arts, University of Mosul, 2006.

- Turkish Halil sahillioğlu, "kurulustan xvll. Astrin sonlarına kader osmanlı para tarihi uzerin bir deneme," doctoral university of Istanbul, 1958
- French Gustave Cirelli, *Le Regime des Capitulations*, Paris, 1898
- Taher Youssef Al-Waeli: *Management of the Ottoman Public Debt 1881-1928 A study in modern economic history*, doctoral thesis submitted by the College of Arts, University of Kufa 1999
- Shawkat Pamuk, *The Financial History of the Ottoman Empire*, T., Abdul Latif Al-Hares, Dar Al-Islami House, Beirut, 2005
- Hamilton Gibb and Haroldon, *Islamic Society and the West, Part One*, T, Ahmed Abdel Rahim Mustafa, Dar Al-Farouk, Cairo, 1971
- Omar Abdel Aziz Omar, *History of the Arab Mashreq 1516-1999*, Dar Al-Nahda, Beirut
- Khaled Ziada, *Discovering European Progress, A Study of European Influences on the Ottomans in the Eighteenth Century*, Beirut, 1981
- Khalil Enalcik, *The Economic and Social History of the Ottoman Empire, Volume I, 1300-1600*, T, Abdul Latif Al-Hares, Dar Al-Islami House, Beirut, 2007
- Muhammad Farid Bey the Lawyer, *History of the Ottoman Attic State, Investigation*, Ihsan Safi, Dar Al-Nafais, Beirut, 2009
- Yilmaz Oztuna, *History of the Ottoman Empire, T.*, Adnan Mahmoud, revised by Mahmoud Al-Ansari, Volume One and Two, Faisal Finance Corporation Publications, Istanbul, 1988
- Sayyid Muhammad al-Sayyid Mahmoud, *History of the Ottoman Empire, Origin and Prosperity According to Contemporary Ottoman Sources and Modern Turkish Studies*, Cairo, 2007
- Joseph Hajjar, *Europe and the Fate of the Arab East, The Colonial War, Ali Muhammad Ali and the Arab Renaissance*, translation, Boutros Hallaq and Majed Nehme, Arab Institute for Studies and Publishing, Beirut, 1976
- Soraya Farooqi and others, *The Economic and Social History of the Ottoman Empire, Volume II 1600-1914*, ed., Khalil Enaljek and Donald Quartet, T., Qassem Abdo Qasim, Dar Al Dar Al Islami, Beirut, 2007
- Mahmoud Ali Amer, *The Ottoman Empire, History and Documents*, Al-Safadi Library, Damascus, 2001
- Charles Issawi, *Economic History of the Fertile Crescent 1800-1914*, T., Raouf Hamed Abbas, Center for Arab Unity Studies, Beirut 1999
- Abdel Moneim El-Sayed Ali, *The Historical Development of Monetary Systems in the Arab Countries*, Beirut, 1983
- Abbas Al-Azzawi, *History of Iraqi Coinage after the Abbasid Era*, Baghdad, 1958
- Anke Hard, *History of Reforms and Organizations in the Ottoman Empire*, translated into Ottoman by Ali Rashad and into Arabic by Mahmoud Ali Amer, Damascus, 2008.
- Mahmoud Abdel-Latif Al-Bahrawi, *The Ottoman Reform Movement during the reign of Sultan Mahmoud II 1809-1839*, Dar es Salaam, 1978 18. Paul Dumont, the Tanzimat period 1839-1878, research within the history book of the Ottoman Empire, Part Two, translated by Bashir Al-Sibai, Dar Al-Fikr for Publishing and Printing, Cairo, 1993
- Ismail Sarhank, *Facts of News about the Sea Countries, Part 1*, the Amiri Press, Bulaq, Egypt, 1894
- Albert Hourani, *Arab Thought in the Renaissance, 1798-1939* translation, Karim Azgoul, Dar Al-Nahar, Beirut, (d. T)
- Al-Bar Ortali, *Modernization and the Incident in the Nineteenth Century*, translated by Abdel-Qader Abdali, Beirut, 2007
- Dobb. M.A, *Studies in The Development of Capitalism* London, 1959
- Cunningham, w, *The Industrial Revolution*, London, 1908



- Henry Dodwell , The founder of Modern Egypt , Cambridge , 1967.
- Saleh Muhammed Al - Amr , The Hijaz under ottoman rule 1869-1914 : Ottoman Vali The Sharif of Macea and the growth of British influence , London , 1974
- L.S , Stavrianos The Balkans since 1453 , New York , 1958
- Kemal.H. Karpal, The Ottoman State and It's place in The World History, leiden, 1974
- Edward S.Creasy, History of the Ottoman Turks, Beirut, 1961
- Stanford Shaw , Between old and New , the ottoman Empire under sultan Sellim III 1789-1807 , Harford University Press , 1971
- Rodric .H. Davison , Turkey A short history , Londen 1988
- Turkish M.Belein , türkiye iktisadi tarihi hakkında tetkikler , istanbul ,1930
- Abdul Rahman Ayman Khair, a historical review of some roles of the Ottoman financial policy with an explanation of the role of banking institutions and the Ottoman monetary endowments in financing individuals and institutions, research published in the International Journal of Al-Turath in Islamic Wealth and Finance, Vole I, No 2, 2020. On the website [http://journals. ium.edu](http://journals.iu.edu)
- Taher Yousef Al-Waeli, Characteristics of the Ottoman Economy during the First Half of the Nineteenth Century, Najafi Studies Journal, Kufa Studies Center, University of Kufa, first issue, 2004
- Walid Al-Arayedh, The History of Concessions in the Ottoman Empire and Its Effects, Journal of the University of Jordan Studies, Vol. 24, No. 1, Amman, 1997
- Khalil Ali Murad, The Penetration of Foreign Capital into the Ottoman Empire 1854-1914, Journal of Turkish Studies, University of Mosul, Issue 2, First Year, 1991

## **Margins**

- Dobb. M.A, Studies in The Development of Capitalism London, 1959, p. 294; Cunningham, w, The Industrial Revolution, London, 1908, p.616-618
- Taher Youssef Al-Waeli: Management of the Ottoman Public Debt 1881-1928 A study in modern economic history, doctoral thesis presented by the College of Arts, University of Kufa 1999, p. 2.
- Abd al-Rahman Ayman Khair, a historical review of some roles of the Ottoman financial policy with an explanation of the role of banking institutions and the Ottoman monetary endowments in financing individuals and institutions, research published in the International Journal of Al-Turath in Islamic Wealth and Finance, Vole I, No 2, 2020. On the website [http://journals. ium.edu](http://journals.iu.edu).
- Shawkat Pamuk, The Financial History of the Ottoman Empire, T., Abdel Latif Al Haris, Dar Al Dar Al Islami, Beirut, 2005, p. 51.
- Hamilton Gibb and Haroldon, Islamic Society and the West, Part One, T, Ahmed Abdel Rahim Mustafa, Dar Al-Farouk, Cairo, 1971, p. 244
- Some call this phenomenon “silver famine.” It lasted for two cycles, the first for two decades at the beginning of the fifteenth century, and the second for three decades in the middle of the same century. Shawkat Pamuk, the same source, pp. 90-94.
- The same source, pg.
- Abdul Rahman Ayman Khair, previous source, p. 11-12.
- For details on the reasons for this reduction and its motives, refer to: Shawkat Pamuk, previous source, pp. 91-90, 112-105, 114-119
- Taher Youssef Al-Waeli, Characteristics of the Ottoman Economy during the First Half of the Nineteenth Century, Najaf Studies Journal, Kufa Studies Center, University of Kufa, No. 1, 2004, p. 71; Omar Abdel Aziz Omar, History of the Arab Mashreq 1516-1999, Dar Al-Nahda, Beirut, p. 117.

- For details about that reformist memorandum, see: Khaled Ziada, *Discovering European Progress, A Study of European Influences on the Ottomans in the Eighteenth Century*, Beirut, 1981, p. 26.
- Hershlag, the previous source, pp. 14-15.
- Taher Yousef Al-Waeli, *Characteristics of the Ottoman Economy*, the same source, p. 70.
- Hershlag, previous source, pp. 30-31.
- Khalil Enalcik, *The Economic and Social History of the Ottoman Empire, Volume I, 1300-1600*, T., Abdul Latif Al-Hares, Dar Al-Dar Al-Islami, Beirut, 2007, pp. 102-105; Shawkat Pamuk, previous source, pg.
- Abdul Rahman Ayman Khair, previous source, p. 6-7.
- Abdul Rahman Ayman Khabar, previous source, p. 7; Shawkat Pamuk, previous source, pg. 40-42.
- Hershlag, previous source, pp. 33-37; Khalil Enalcik, *Economic History*, previous source, pp. 105-109.
- Ayman Abdul Rahman Khair, the same source, p. 7
- It is worth noting that the historian Jack Willers, in an experiment on the origins of what he called the traditional backwardness of the Middle East, identified the year 1516 as a starting point, when Sultan Selim I (1512-1520) recommended to future generations (the same land system, the same system of social peace, the same state policy, the same role of religion ) Quoted from Hershlag, same source, p. 5.
- To find out the details of these campaigns, see:
- Muhammad Farid Bey, the previous source, pp. 253-587; Yilmaz Oztuna, *History of the Ottoman Empire, T.*, Adnan Mahmoud, revised by Mahmoud Al-Ansari, Volume One and Two, Faisal Finance Corporation Publications, Istanbul, 1988, pp. 359-621; C2, pp. 90-95; Sayyid Muhammad al-Sayyid Mahmoud, *History of the Ottoman Empire, Origin and Prosperity According to Contemporary Ottoman Sources and Modern Turkish Studies*, Cairo, 2007, pp. 249-307.
- Edward S. Creasy , *History of Ottoman Turks*, Beirut, 1961, P156-528
- Hershlag, previous source, footnote 1, p. 72.
- Shawkat Pamuk, previous source, p. 342, and for details on that, see:
- Henry Dodwell , *The founder of Modern Egypt* , Cambridge, 1967.; Saleh Muhammed Al - Amr, *The Hijaz under ottoman rule 1869-1914: Ottoman Vali The Sharif of Macea and the growth of British influence*, London, 1974; L.s , Stavrianos *The Balkans since 1453* , New York , 1958 , p 178 -319
- Joseph Hajjar, *Europe and the Fate of the Arab East, The Colonial War, Ali Muhammad Ali and the Arab Renaissance*, translation, Boutros Hallaq and Majed Nehme, The Arab Institute for Studies and Publishing, Beirut, 1976; Saleh Ali Al-Shura, *Ahmed Pasha Al-Jazzar, Wali of Sidon 1776-1804*, Master thesis submitted to the College of Graduate Studies, University of Jordan, 1998
- Kemal.H. Karpal, *The Ottoman State and It's place in The World History*, leiden, 1974, p 112-115
- Soraya Farooqi and others, *The Economic and Social History of the Ottoman Empire, Volume II 1600-1914*, ed., Khalil Enaljek and Donald Quartet, T., Qassem Abdu Qassem, Dar Al Dar Al Islami, Beirut, 2007, p. 513,516.
- Hershlag, previous source, p. 73; To expand on this topic, see:
- Soraya Faruqi and others, *The Economic and Social History of the Ottoman Empire*, same source, pp. 210-214.
- The system of foreign privileges: In its linguistic origin, this term goes back to the ancient Latin word *caput*, capital, and in the modern language from the words *capitulum* and *capitulario*, which mean the outlines in treaties, but from the idiomatic point of view, it

- means the rights and privileges granted to foreign countries by another country. And this can only be done based on an agreement or treaty concluded between them, and it has multiple political, economic, commercial, religious and judicial forms. And the countries of Europe, especially in the nineteenth century, for details, see:
- Gustave Cirelli, *Le Regime des Capitulations*, Paris, 1898, pp. 8-14; Nasim Sousa , *The Capitulatory Regime of Turkey , Its History , Origin and Nature ,* Baltimore , The Johns Hopkins press , 1933, p 1-18;
- Yasser Abdel Aziz Muhammad, *The Role of Foreign Concessions in the Fall of the Ottoman Empire, Historical Analytical Study, Part One*, PhD thesis submitted to the College of Sharia and Islamic Studies, Umm Al-Qura University, 2001; Walid Al-Aravedh, *The History of Concessions in the Ottoman Empire and Its Effects*, *Journal of the Studies of the University of Jordan*, Vol. 24, No. 1, Amman, 1997, p. 145.
- nasim Sousa , op cit , p 58-59.
- Hershlag, the previous source, pp. 61-62.
- Khalil Ali Murad, *The Penetration of Foreign Capital into the Ottoman Empire 1854-1914*, *Journal of Turkish Studies*, University of Mosul, Issue 2, First Year, 1991, pp. 134-135.
- Hershlag, the same source, p. 64-65.
- Quoted from Hershlag, previous source, p. 69, footnote 1.
- The same source, p. 69
- Soraya Farooqi and others, *Economic History*, previous source, p. 212.
- Mahmoud Ali Amer, *The Ottoman Empire, History and Documents*, Al-Safadi Library, Damascus, 2001, pp. 99-100.
- For details about these palaces and their expenses and the expenses of the Sultan, refer to: Mahmoud Ali Amer, the same source, pp. 101-113.
- Hershlag, the previous source, p. 72 footnotes 1, 2, 3.
- The same source, p. 76.
- Hershlag, same source, p. 76.
- Soraya Farooqi, *Economic History*, previous source, p. 763.
- Quoted from Hershlag, previous source, p. 80.
- Charles Issawi, *The Economic History of the Fertile Crescent 1800-1914*, T., Raouf Hamed Abbas, Center for Arab Unity Studies, Beirut 1999, pp. 593-594). Halil sahilloğlu, "Kurulustan xvll. Astrin sonlarina kader osmanlı para tarihi uzerin bir deneme." Doctoral University of Istanbul, 1958, p. 38-42
- Shawkat Pamuk, previous source, p. 377-379.
- same source
- Abdel Moneim El Sayed Ali, *The Historical Development of Monetary Systems in the Arab Countries*, Beirut, 1983 p. 38.
- M.Belein , *türkiye iktisadi tarihi hakkında tetkikler , istanbul ,1930 , s., 284-286;*
- Abdul Rahman Ayman Khair, the previous source, p. 18.
- same source; Abbas Al-Azzawi, *History of Iraqi Coinage after the Abbasid Era*, Baghdad, 1958, pp. 156-161.
- For details about the reforms in the Ottoman state, see: Anke Hard, *History of Reforms and Organizations in the Ottoman Empire*, translated into Ottoman by Ali Rashad and into Arabic by Mahmoud Ali Amer, Damascus, 2008.
- For details about the reformist experience of Sultan Salim III, review: Abbas Abdul Wahhab Ali Al Saleh, *the Ottoman Sultan Salim III and his reform experience 1789-1807*, a master's thesis submitted to the College of Education, University of Mosul, 2002;
- stanford Shaw , *Between old and New , the ottoman Empire under sultan Sellim III 1789-1807* , Harford University Press , 1971 , 168-173

It is worth mentioning that there were reformist experiments carried out by many of the previous sultans of Sultan Salim.

For details about the reformist experience of Sultan Mahmud II, review: Mahmud Abd al-Latif al-Bahrawi, *The Ottoman Reform Movement during the reign of Sultan Mahmud II 1809-1839*, Dar al-Salaam, 1978; Paul Dumont, *the Tanzimat period 1839-1878, research within the history book of the Ottoman Empire, Part Two*, translated by Bashir Al-Sibai, Dar Al-Fikr for Publishing and Printing, Cairo, 1993, pp. 63-161; Ismail Sarhank, *Facts of News about the Sea Countries, Volume 1*, Al-Amiriya Press, Bulaq, Egypt, 1894, pp. 669-689.

To find out what is related to those reform ceremonies and their circumstances, see: Albert Hourani, *Arab Thought in the Renaissance, 1798-1939 translation*, Karim Azqoul, Dar An-Nahar, Beirut, (D. T.) p. Issued in the Ottoman Empire, translation, Nawfal Nematullah, Volume One, Beirut, 1898, pp. 5-10; Qais Jawad Al-Azzawi, *The Ottoman Empire, a new reading of the factors of decadence*, Arab House of Science, Beirut, 2003, pp. 192-196.

Hershlag, the previous source, pp. 6-7,42-45

Albert Hourani, previous source, pp. 67-68.

Rodric.H. Davison, *Turkey A short history*, Londen 1988. P. 83

Albert Hourani, same source, p. 64;

There is a funny narration in this regard attributed to Fouad Kachji Pasha, which says that there is an opposition person who praised the Sublime Gate because he ordered the widening and paving of the street. He said that the work was very appropriate. The Pasha replied to him, saying, "We paved it with the stones that you threw at us, which is a sign of the strength of the opposition to the reforms." *The Incident in the Nineteenth Century*, translated by Abdel Qader Abdali, Beirut, 2007, p. 229.

Albert Hourani, previous source, p. 68.

Shawkat Pamuk, previous source, p. 345-346.

The same source, p. 347.