

## Chapter 6

### Modifications of the Land and Tax Systems

The land and tax policies that had changed the political status of the paramount tribal sheikhs began to benefit the sheikhs of smaller tribes after Midhat Pasha's departure from Baghdad in 1872. Both the private landholders and the government needed the lesser sheikhs' help to organize peasant tribesmen for cultivation and public water-control, irrigation, and land-reclamation projects, so the role of these sheikhs grew throughout the reign of Sultan Abdülhamid II (1876–1909). His prohibition against offering state land for sale in 1881 and mismanagement of the *tapu* system spurred the change, as he himself became a landholder and agriculturalist of large areas of productive state land, employing large numbers of peasant cultivators. He also was a consumer of water resources, which drove up the costs of agricultural production, especially for *tapu* holders and peasant cultivators on less productive lands, due to the limited availability of irrigation water.

Even when the Young Turk government took over the sultan's land as state domain (*mudawwala*) and resumed transfer of state land by *tapu*, it kept the same system of management. The peasant tribesmen sustained the steady agricultural growth, while their sheikhs gained political power and began to acquire land. Resuming *tapu*, however, was not an easy task for the Young Turks. On *tapu* land, land registration was deficient after many years of neglect under the former sultan and ineffective legislation meant to remedy the situation. As a result, on taking over the fertile lands of the former sultan's holdings as state domain, they attempted to promote agriculture through investment by landholders, pump owners, and tribal sheikhs who could provide capital, unlike the tax farmers, sheikhs of peasant tribesmen, and tribal peasants.

To understand the consequences of Namık and Midhat Pashas' land reform, this chapter examines why Sultan Abdülhamid stopped the transfer of possession right by sale and *tapu* registration, disregarding the efforts of the former Baghdad governors; and why and how the Young Turk government resumed *tapu* transfer and registration. Because of the increasing significance of foreign trade and agriculture, even in the remote province of Baghdad, this study puts some focus on the expanding economy, with its impacts on agriculture and land tenure, and searches for clues as to why, within a few decades after the land reform, absentee proprietors began to hold the land.

#### *Sultan Abdülhamid II's Land Acquisition*

The reforms of the Tanzimat were suddenly curtailed after the Porte made Basra and Mosul separate provinces in 1875 and 1878 respectively. Basra was temporarily incorporated into Baghdad between 1880 and 1884 due to an uprising of the Muntafiq tribe but resumed independence with Basra, Amara, Muntafiq, and Nejd (al-Hasa) as its districts. It became strategically important when a large fort was constructed at Fao, which was hence converted from *nâhiye* to *kazâ*. Mosul was assigned the districts of Kirkuk and Sulaymaniya, which had long been under direct control of the Baghdad governor, and so the Baghdad province was reduced to the districts of Baghdad, Diwaniya, and Karbala. The governor's administrative authority was diminished as well, since the provincial departments for finance, education, the privy purse, justice, land registry, post and telegraphs, religious endowments, customs, public debt, tobacco *régie*, and sanitary service were made directly responsible to the corresponding ministries or departments in Istanbul. The Sixth Army continued to be stationed in Baghdad, but the governor had authority over only the gendarmerie (*zaptiye*) and the civil police. The

gendarmerie, organized locally with the majority of its some 3,500 men recruited from the Kurds in the early 1900s, carried out general security duties in the countryside and assisted in the collection of tax revenues from the tribes.<sup>1</sup>

Under the centralized bureaucracy, the local administration was more closely linked to the fortunes of the Porte, whose debt and liabilities had never ceased to accumulate.<sup>2</sup> The Porte failed to make interest payments on some of its foreign loans in 1875, missed all payments due in the following year, and finally declared bankruptcy in 1878. After the default, it resumed domestic borrowing by issuing paper money (*kaim*), but when the value of the money plunged, the Porte had to negotiate with its foreign creditors for a repayment schedule. Forced to deal with this problem since the very beginning of his reign in 1876, Sultan Abdülhamid agreed in 1881 to the consolidation of internal and foreign debt by enacting the Decree of Muharrem, which wrote off half the debt, and to pay for the interest on and redemption of the remaining debt. He allowed the commission for the public debt (the Council of Administration of the Ottoman Public Debt) to redirect the revenues from salt, tobacco products, stamp duties, spirits, fishery licences, and silk production to its own account.

Unprecedented in history, the drastic measures proved favourable to the economy in the long term. The nominal interest rate on Ottoman bonds fell rapidly and, after 1886, stayed at 4 per cent in most years until 1908. Because the effective interest rate remained low, rising to no

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<sup>1</sup> Gökan Çetinsaya, *The Ottoman Administration of Iraq, 1890–1908* (London: Routledge, 2006), pp. 15–16.

<sup>2</sup> The total debt was estimated at £36.5 million in 1860–61, including the exchange loss at 4.6 per cent of the total for 1860–62, and the budget deficits at 8.6 per cent for 1858–62. The foreign debt was 40 per cent of the total debt, while the internal debt in stock and bonds was 24.4 per cent of the total, the debt of the Ministry of Finance 12.2 per cent, and the sundry liabilities 10.2 per cent. TNA: FO 424/24, “Report on the Financial Condition of Turkey,” Mr Foster and Lord Hobart to Earl Russell, Constantinople, 7 Dec. 1861, pp. 22–28.

more than 6 per cent, it attracted direct foreign investment in the country more rapidly than foreign loans would have. Along with the increase in foreign investment, which hit its peak between 1888 and 1896, the gross revenue of the Ottoman Public Debt Administration (OPDA) increased from about 13 per cent of total state revenue in 1881 to 17 per cent in 1911, while its total gross receipts increased by 160 per cent over those thirty years.<sup>3</sup> Its staff, who outnumbered that of the Ministry of Finance, were reputed to be more capable than local officials and so well paid that it drove up demand for both local and imported goods.

When the OPDA began operating in Baghdad and Basra in the early 1880s, the budgets of the local treasuries had to be scaled down because revenues from salt, tobacco products, stamp duties, spirits, fishery licences, and silk production were directly collected by the staff of OPDA and delivered to its account.<sup>4</sup> The total sum almost equalled one-third of the local revenue collected by 1916. For the regional economy, however, this was not disadvantageous, as the administration's large staff of well-paid consumers of imported and domestic products eventually did foster export-oriented marketing and the import of Western goods and new technologies.

Revenue collection for the repayment of public debt was not the sole outside element in the fiscal affairs of Baghdad, for the surge in foreign investment bolstered the revitalization of agriculture. In the Tanzimat period, the economic activities of foreigners in Baghdad had been limited to trade, small investments in telegraph lines, and the Lynch Brothers' river-navigating concern. Agriculture had seldom been one of their interests, except for exports of produce. Following the Anglo-Turkish Convention of 1878, the sultan restricted the commercial activities

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<sup>3</sup> Murat Birdal, *The Political Economy of Ottoman Public Debt* (London: I.B. Tauris, 2010), pp. 21, 106.

<sup>4</sup> See e.g. *Sâlnâme-i Vilâyet-i Bağdad*, 1317 AH (1901/02 *Milâdî*), pp. 297–98; *Sâlnâme-i Vilâyet-i Basra*, 1318 AH (1902/03 *Milâdî*), p. 291.

of the British even further and challenged their influence in the region.<sup>5</sup> Yet, realizing that the interest rates had stabilized at a low level, he began to lure the investment of other foreign capital.

Among the vigorous competitors in applying for contracts and concessions, the Germans won the sultan's favour and started to establish businesses in Baghdad, Basra, and the Gulf region. According to Şevket Pamuk, direct foreign investment increased rapidly between 1888 and 1896, and most of it went into railway construction.<sup>6</sup> In 1899, the Ministry of Public Works gave a preliminary concession for constructing a railway between Istanbul and Baghdad to the Deutsche Bank, and in 1902, the Deutsche Bank and the Württembergische Vereinsbank won a contract for the Baghdad Railway from Konya to Baghdad, a distance of 2,000 kilometres, with a loan of 54 million francs granted by the Deutsche Bank. For the construction, the Société d'Étude du Chemin de Fer de Baghdad, formed by the Holzmann Company and several banks led by the Deutsche Bank, placed most of its orders with German industry.<sup>7</sup> In 1903, the Ottoman government revised the concession in order to extend the line to Aleppo and Khanaqin and gave the Germans financial and tax privileges, as well as the right to exploit mineral

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<sup>5</sup> The Ottoman navy had maintained a garrison at Doha since the expedition of Midhat Pasha in 1872, and in 1889 two additional gunboats were attached to the Basra flotilla. Between 1890 and 1894, small military guardhouses were built on the Shatt al-Arab, and in 1891 the Ottomans established an additional garrison at Udeid. They remained in occupation of Bubiyan, Safwan, and Umm Qasr, and in 1904 a large military expedition was sent to Nejd against Ibn Saud. Çetinsaya, *Ottoman Administration*, pp. 136–45; Frederick F. Anscombe, *The Ottoman Gulf: The Creation of Kuwait, Saudi Arabia, and Qatar* (New York: Columbia University Press, 1997), 144–53.

<sup>6</sup> Şevket Pamuk, *The Ottoman Empire and European Capitalism, 1820–1913* (Cambridge: Cambridge University Press, 1987), p. 64.

<sup>7</sup> Edward Mead Earle, *Turkey, the Great Powers, and the Baghdad Railway* (New York: Macmillan, 1923), pp. 29–52.

resources and to establish industries, river navigation, and piers at the terminal ports along the railway.<sup>8</sup>

As the railway construction in Baghdad encompassed the rivalry of foreign interests, Germany had begun to emerge as a strong rival to Great Britain in the 1890s, placing an imperial consulate in Basra in 1894 and a house of trade run by two young Germans there in the following year. By then, the Deutsche Orient Bank was about to open a branch in Baghdad, aiming to secure its foothold in the region, and regular sailings of the Hamburg-America Line to Basra also were expected to stimulate German commercial activity in the Basra and Baghdad markets. Although as late as 1906, Germans accounted for only 1.36 per cent of the total value of imports to Baghdad, while the British and Indians controlled about 90 per cent, German traders were challenging British commercial supremacy with the support of their government.<sup>9</sup>

Noticing the merits of foreign investment, Sultan Abdülhamid himself also made investments in his estates from his privy purse (*hazîne-i hâss*). He had started land acquisition in 1877 and expanded it after banning the public sale of state land in 1881. At the same time, he restricted the transfer of the possession right on *tapu* land to inheritance, for which its transaction in the land market almost ceased. The provincial government in Baghdad repeatedly petitioned the sultan to lift the ban, observing that it retarded private investment in agriculture, but to no avail.<sup>10</sup>

Besides weakening the provincial governor's political authority, the sultan established a commission of *saniyya* (crown) land to manage his lands under direct supervision of the

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<sup>8</sup> Ram N. Kumar, *Britain, India, and Iraq: A Study in British Diplomacy, 1898–1918* (Patna: Janaki Prakashan, 1992), pp. 69, 86.

<sup>9</sup> The British handled over 80 per cent of the value of the entire trade and an 85 per cent share of shipping in the Gulf before the 1910s. Kumar, *Britain, India, and Iraq*, p. 113.

<sup>10</sup> Çetinsaya, *Ottoman Administration*, p. 28.

commander-in-chief of the Sixth Army in Baghdad and the lieutenant in Basra. The sultan's officials acquired land for him by purchase, gift, and the appropriation to the state permitted by law, as well as by confiscation from troublesome tribesmen on neighbouring lands. In addition, state land along new canals was acquired for the sultan, without compensation, under the pretext that it was wasteland, although it was almost always more fertile than other land.<sup>11</sup> This land was located in Hilla, Diwaniya, and Amara, on the left bank of the Tigris River from the town of Amara to Azair, and included irrigated lands on the Chahala Canal and on the right bank of the Tigris from the town of Kumait to Azair. The sultan also acquired large properties in the district of Nejd.

On his estates, the sultan collected the tithe, sheep tax, taxes on buffaloes and camels, and household fees. The largest of these, the tithe, was collected mainly by tax farming, lease, or directly from the tribal *serkâr* through crop sharing, and the revenue from each estate was used to pay its officials, irrigation and clerical staff, and an engineer. These managers prioritized the allocation of irrigation water and labour and explored innovations such as fishing ponds in Amara.<sup>12</sup> Peasant cultivators on the estates were exempt from military conscription and all forms of forced labour and were protected from tribal plundering and harassment by policemen.

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<sup>11</sup> Albertine Jwaideh explains that twenty-one plots of reclaimed land, ranging from 2 dönüm to 167 dönüm, were acquired as wasteland. Albertine Jwaideh, "The *Sanniya* Lands of Sultan Abdul Hamid II in Iraq," in George Makdisi, ed., *Arabic and Islamic Studies in Honor of Hamilton A.R. Gibb* (Leiden: E.J. Brill, 1965), p. 331. BL: IOR/L/PS/20/250, *Reports of Administration for 1918 of Divisions and Districts of the Occupied Territories in Mesopotamia. Volume 1* (1919), p. 242.

<sup>12</sup> Jwaideh, "Sanniya Lands of Sultan Abdul Hamid II in Iraq," pp. 326–36; BOA, Yıldız Mütenevvi Mârûzat Evrâkı (Y. MTV) 6–6, 9 Cemaziyelâhir 1298; TNA: FO 371/4150/187296, Administration Report, Revenue Board, Baghdad, 22 Mar.–31 Dec. 1917 (Baghdad: Printed at Government Press, 1918), p. 9.

Expenses were easily recovered by charging high prices for leases and tax farming, and the peasant cultivators, lessening their subjugation to the paramount tribal sheikh, achieved greater productivity and enjoyed more prosperity than their counterparts on other lands.<sup>13</sup>

While making high returns from his investments in *saniyya* lands, the sultan vigorously engaged in other profit-making activities besides agriculture. As soon as he was made aware of the potential profits from the oilfields in Qaiyara and Tuz Khurmatu, identified in a geological survey in 1871, he immediately placed the fields under the control of the *saniyya* commission rather than the Imperial Treasury.<sup>14</sup> Also under that department, in 1904, he established the Hamidiye Steam Navigation Company with the purchase of the vessels of the Oman-Ottoman Company that had once belonged to the Ministry of the Navy. The new company was authorized to operate six steamers on the Tigris River between Baghdad and Basra by the end of 1905, while the Lynch Brothers' interests were allowed only two. In that year, the sultan's privy purse earned about 94,500 pounds sterling in total, equivalent to nearly a quarter of the combined annual revenues of the Baghdad and Basra provinces.<sup>15</sup>

The extensive operation of the *saniyya* commission contributed to peace and security in agricultural areas and raised the overall level of production. Exports of dates and barley increased to meet a growing demand in Europe, as did, to a lesser extent, the export of horses, hides and skins, wheat, and rice. Settlement of tribesmen followed, giving rise to new towns in Nasiriya, Amara, Kut, and Bughaila. Peasant workers attracted to the sultan's *saniyya* land for better pay drove up wages on private fields, over which the sheikhs of the peasant tribesmen

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<sup>13</sup> The profitability of *saniyya* land drew interest from privileged investors such as Sassoon and Lynch to obtain special permission from the sultan to buy tracts of profitable land or date groves. BOA, Sadâret Resmî Mârûzat Evrâkı (Y.A. Res) 19–52, 27 Cemaziyelevvel 1300.

<sup>14</sup> Stephen Hemsley Longrigg, *Iraq, 1900 to 1950: A Political, Social, and Economic History* (London: Oxford University Press, 1953), p. 27.

<sup>15</sup> Çetinsaya, *Ottoman Administration*, pp. 18, 129.



gained bargaining power with government officials and private landholders. Domestic demand for grain and foreign goods increased along with population growth after 1850 due to the permanence of the government authority in tribal domains, the reduction of the overland journey from Damascus across the desert to Baghdad from eighteen days to ten, and the availability of seven regular lines of steamers for trade.<sup>16</sup>

Private landholders near the sultan's lands, however, suffered both from the reduction in water flow caused by his estates' heavy water use and from a concurrent problem with the flow of the Euphrates River. Until 1880, the Hilla Branch of the river contained a larger water flow than its other branch, the Hindiya Canal, but after Midhat Pasha's flood-control project, the Hilla Branch received less and less water as silt pushed into it. French engineers called in to set up a masonry dam failed to prevent the Hilla Branch from drying up, and as more water flowed into the Hindiya Canal, the large volume of water during flood season made irrigation along the canal difficult. Maintenance of watercourses in the irrigated land consequently became expensive for the private landholder unless a sheikh could organize tribesmen for the work. When the Hindiya Barrage, rebuilt in 1891, collapsed in 1901, because the irrigation officials lacked the financial

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<sup>16</sup> The Porte began to publish a yearbook (*salname*) in 1847. Those for the province of Baghdad were published in 1872, 1875, 1882–86, and afterward, though still not yearly. According to the census of 1877, the population of Baghdad was 1,604,471, making it the largest among the main census districts of the empire. The number of buildings in Baghdad, 237,436, was also the largest among the census districts. The population and the number of buildings in Basra were 395,524 and 78,149 respectively. It is estimated that the population of both grew rapidly between 1831 and 1877, even when discounting the increase due only to the integration of the four provinces into Baghdad. For population movement in this period, see Kemal H. Karpat, *Ottoman Population, 1830–1914* (Madison: University of Wisconsin Press, 1985), pp. 117, 121, 128–29, 144–45, 152–53, 155–61, 164–69; Kerem Kayi, *Bagdad, 1831–1869: Untersuchungen zur Entwicklung einer osmanischen Provinzhauptstadt im 19. Jahrhundert* (Frankfurt am Main: Peter Lang, 2007), pp. 215–17.

and technical capabilities to maintain it, the productivity of private land along the Euphrates River deteriorated even more rapidly. A great flood in Karbala at the end of Sultan Abdülhamid's reign, which severely damaged cultivated tracts of gardens belonging to the sultan's *saniyya* commission and the government itself, was triggered by the failure to repair a dyke belonging to lands held by *tapu* by Afzal Khan, an Indian, and another dyke belonging to lands in possession of Saiyid Dawud Effendi, Naqibzadah. Ordered to make repairs to prevent damage to nearby land, Afzal Khan replied that the construction of dykes for the land entrusted to him by *tapu* was not a condition of the land being so entrusted and that the rush of water from the Hindiya Canal could no longer be prevented by him or any private individual. Ultimately, the district government repaired the dykes.<sup>17</sup>

However, it could not prevent floodwater from flowing over the dykes and forming large marshes below the Husayniya Canal. Even after the Hindiya Barrage enabled more water to be diverted into Hilla River, the marshes did not disappear, limiting land use along the Euphrates River and major canals. Major canals surveyed by Namik Pasha for crop sharing disappeared from the map in the Young Turks period. Even those canals recorded in the map edited by Captain Felix Jones in 1874 no longer had been in use. (See Maps 2.3 and 6.1.)

By the time Sultan Abdülhamid's rule effectively ended in 1908, his estates occupied no less than one-third of the whole cultivated area of Baghdad province. They included the greater part of the Samarra district; the Shadi and Bughaila estates on the Tigris; the estates of Aliawa in Khanaqin, the lower part of Mahrut, and the Uthmaniya and Waziriya estates in Ba'qūba on the Diyala; the Tash Canal in the Ramadi district; the Abu Ghraib estate in Fallujah; almost the whole of the Musaib district on the left bank of the Nil Canal; the Quss and Jurbuiya estates in

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<sup>17</sup> TNA: FO 195/2367, Baghdad, 20 Mar. 1911, Enclosure III, dated 7 Feb. 1911.

the Hilla district; and the greater part of the Shamiya district on the Euphrates.<sup>18</sup> As the largest landowner in the province, the sultan looked to foreign investment as the key to economic growth, particularly foreign aid for water-control projects to harness the abundant waters of the rivers and canals. However, foreign capitalists were reluctant to commit to agricultural projects without access to landholding. Instead, they recognized that the construction of railways could open the way to substantial development and set their sights in that direction.

The sultan's land policies and the growing international presence had a mixed impact on the people of the Baghdad province. In a marsh area, for example, the anthropologist Shakir Mustafa Salim insightfully observes, in the late nineteenth century, peasant tribesmen who once had migrated from area to area still could maintain a certain level of income by making cash-bearing goods such as mat weaving. They could substitute the cultivation of land and supplement income from agricultural activities, probably owing to the expansion of regional trade and marketing.<sup>19</sup>

In the winter of 1904–5, the first feasible irrigation and land reclamation projects were designed by a British engineer, Sir William Willcocks, for the irrigated area between the Tigris

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<sup>18</sup> Jwaideh, "Sanniya Lands of Sultan Abdul Hamid II in Iraq," pp. 326–36.

<sup>19</sup> Shakir Mustafa Salim, who lived in the village of Chibayish tribesmen in 1962, describes a change that followed Sultan Abdülhamid II's measures in the late nineteenth century:

The history of Beni Isad in ech-Chibayish region shows that they had cultivated a large area of their enemies lands in il-Mijarra, Amara and il-Hwaiza districts for varying periods. However, towards the close of the last century and after the defeat of Shaikh Hasan Ahl Khayūn by the Ottoman army, they gave up the rich lands of Obū Ijaj, il-Abid, il-Hmaila, il-Awaidiya, etc., and utilized a much smaller area of hitherto uncultivated land in the vicinity of ech-Chibayish. In these new conditions, under which winter cultivation almost disappeared and summer cultivation could be carried out only occasionally, owing to successive flooding, mat-weaving was adopted as a means of livelihood, thus making cultivation less vital.

Shakir Mustafa Salim, *Marsh Dwellers of the Euphrates Delta* (London: Athlone Press, University of London, 1962), pp. 83–84.

and Euphrates Rivers in the vicinity of Baghdad. Submitted to the sultan through British Ambassador Sir Nicolas O’Conor, the proposal was virtually rejected by the sultan’s request that the British set up a capital fund sufficient to carry out the plan. Some two years later, the sultan sent a French engineer named Cugnin to fix the Hindiya Barrage on the Euphrates River, but his repair lasted less than a year. Concerning a general reform of agriculture, when the sultan finally set out to implement it by establishing a reform commission, it soon ran into difficulties. According to the commission, because the system of state land had produced poor returns with little incentive to improve land productivity, the solution was the repeatedly proposed privatization of state land by sale and permanent settlement of tribesmen on the land.<sup>20</sup> In 1905, towards the end of his reign, Sultan Abdülhamid finally agreed to the planning of general reforms in three provinces by reform commissions but did not implement any of the commissions’ proposals. In 1908 the Young Turks took over the government and began new land policies.

### *The Trade and Agricultural Policies of the Young Turk Government*

While preserving the former sultan’s land system, the Young Turks’ government steadily increased foreign trade, particularly with the Germans. The Germans’ commercial activities expanded for several years under the Young Turks, with practical effects on agriculture, manufacturing, infrastructure, and transportation, and trade grew in quantity and value as a result of increased German transactions in local markets. The German trading houses Berk, Püttmann & Co. and Robert Wönckhause and Company both had established operations in Basra to import sugar, spirits, wood, china, glass, machinery, iron, steel, coal, and hardware. Soon German

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<sup>20</sup> Longrigg, *Iraq, 1900 to 1950*, pp. 62–63; Çetinsaya, *Ottoman Administration*, pp. 38, 43, 46–47.

interests increased their share in the Anglo-Turkish Commission for the navigation of the Shatt al-Arab, extended a cable to connect the Gulf with Europe, and undercut the rates charged by the British Lynch Brothers to ship freight on the Karun River from Muhammara to Ahwaz. In addition, by offering more generous credits than their rivals, the Germans bolstered demand for their manufactured goods. Having closely studied the local market, they knew how to maintain relations with the merchants by dealing in a diversity of articles and taking even small orders. Their elaborate showcases let them display more samples than the British, with prices quoted in local currency written in Arabic. In Basra, the German merchants' extensive trading network provided a variety of small articles and hardware that the British merchants did not supply. Credit was furnished by the Baghdad, Basra, and Mosul branches of the Ottoman Bank and the Baghdad branch of the Deutsche Orientbank.<sup>21</sup>

By the autumn of 1913, German operations, particularly in the trade of indigo and cotton, had penetrated into the other Persian and Arab ports on the Gulf, where the British had enjoyed commercial dominance, and so had taken away much of the Lynch Brothers' forwarding business from Ahwaz to Isfahan. Railway construction was expected to stimulate the Germans' trade and commerce even further, although the customs duty had been raised from 8 per cent to 11 per cent in 1906 and to 14 per cent in 1914. By 1916, the Hamburg-America Line was handling the largest imports of sugar and grains in the Gulf, and the German Robert Wönckhaus owned the dominant trading house in Basra.<sup>22</sup>

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<sup>21</sup> Çetinsaya, *Ottoman Administration*, pp. 46–47; Eugene Stanley, “Business and Politics in the Persian Gulf: The Story of the Wönckhaus Firm,” *Political Science Quarterly* 48, no. 3 (1933), pp. 367–76.

<sup>22</sup> Çetinsaya, *Ottoman Administration*, pp. 109–12; Stanley, “Business and Politics in the Persian Gulf,” pp. 377–85.

Meanwhile, diplomatic negotiations on the exploitation of oilfields also had raised German influence in the region. Negotiations between the Ottoman government and the Anglo-Persian Company that began in 1907 failed in the wake of the Young Turk Revolution. In 1912, Ernest Cassel, an English banker of German birth, formed the Turkish Petroleum Company in collaboration with the Deutsche Bank and Royal Dutch Shell in order to acquire oilfields throughout the Ottoman Empire. Since the Deutsche Bank group had already obtained the right to exploit minerals within twenty kilometres on both sides of the Baghdad Railway, which was then projected to extend to Basra or Kuwait, Germany was poised to expand its political influence and general position in the region through the exploitation of oilfields. In the end, however, a new Turkish Petroleum Consortium was formed by the Anglo-Persian Company, the Deutsche Bank, and the Turkish Petroleum Company with shares of 50, 25, and 25 per cent respectively.<sup>23</sup>

Increased interest in trade and commerce triggered further agricultural development by the public and private sectors after the end of Sultan Abdülhamid II's reign. Some six years after irrigation engineer Sir William Willcocks studied the old Hindiya Barrage and other irrigation facilities in 1902, he and a team from the Mesopotamia Irrigation Survey proposed repairing the barrages, reinforcing the embankments on the rivers, and installing escapes for floodwater, and the Ottoman government finally started rebuilding the Hindiya Barrage. Anticipating the project in 1907, the government had enacted a regulation requiring tribesmen living in the project areas either to serve as labourers on the public works or to build the facilities themselves. The tribal sheikhs of Najaf and Hindiya were summoned to the administrative headquarters of their districts

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<sup>23</sup> Charles Issawi, *The Fertile Crescent, 1800–1914* (New York: Oxford University Press, 1988), pp. 367–72; Marian Kent, *Oil and Empire: British Policy and Mesopotamian Oil, 1900–1920* (London: Macmillan, 1976), pp. 33–94; Longrigg, *Iraq, 1900 to 1950*, pp. 65–66, 174.

to furnish lists of their tribesmen, whose labour the sheikhs were paid a lump sum for organizing.<sup>24</sup> Completed in 1912 under the Young Turks, the greatly improved Hindiya Barrage diverted a large volume of water down the Hilla Branch and opened more land to cultivation.<sup>25</sup>

On the Diyala River basin, where Reşit Pasha initiated a new policy of private landholding by *tapu* on state land during the Tanzimat period, numerous canals were pulled from the river for irrigating the lands of the private landholders (Map 6.2). There, varieties of cash crops, vegetables, and fruits were produced and sold in markets in Baghdad. Demand for their produce was high and brought large profits in this area, since Baghdad had developed as a provincial capital and accommodated a large urban population. Wheat had been the main locally grown crop, and dates continued to be the major product for export from Basra, Karbala, and Mandali. Barley now became a competitive crop for export because of its low prices and because of increased demand generated by military expansion and urbanization. Its production rapidly prevailed in the irrigated areas of the central and southern regions as the main crop, due to low production costs and peasant tribesmen as a cheap labour force for its cultivation.

The extension and improvement of agriculture following the successful reconstruction of the Hindiya Barrage in 1912 further strengthened the buying power of part of the population, while incomes generally increased thanks to the growth in trade and investment. Residential rents more than doubled, and the demand for building sites tripled the price of land in the city of Baghdad during the last two decades of Ottoman rule. Revenue from income and property taxes rose as well. At the same time, the influx of Europeans inspired local residents to purchase imported apparel and wares of all descriptions as tastes and fashions began to follow the

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<sup>24</sup> TNA: FO 195/2367, Annexure B. Copy of a Decision Passed by the Commission of Public Works for the Sanjaq of Karbala, 11 July 1907.

<sup>25</sup> Longrigg, *Iraq, 1900 to 1950*, pp. 63–64.

Continent, and Syrian and Turkish traders set up branches in Baghdad to handle German, Austrian, and French goods. New townships and police stations were established in rural areas, and despite turnover in the governorship, the tribal sheikhs became less resistant to the government amid the widening prosperity.

As the Young Turk government pursued additional efforts to revitalize uncultivated land, in 1911 it auctioned off scattered large parcels of 800 to 70,000 dönüm of state land in Mosul, Kirkuk, Baghdad, Hilla, and Basra, but mostly in Baghdad and Hilla along the Middle Euphrates.<sup>26</sup> It also encouraged the use of engine-driven pumps. After twenty-six of the pumps were installed on the Hilla Branch for the extension of water channels, improved production made the area one of the largest revenue-generating areas in the province. The selling price of the pump was reasonably set, based on the size of the pump, and instalment payments were arranged to the advantage of the buyer. The pre-war prices of Messrs. Blockey Cree & Co., who had sold many pumping sets, including the piping and erection but not the foundation bolts and foundation, are shown in Table 6.1.

Table 6.1. Prices of Pumps

Size of Pump (in inches)	Turkish Lira
4	110
5	145
6	185
7	215
8	280
9	320
10	380
12	570

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<sup>26</sup> “Liste des Domaines du Trésor mis en vente aux enchères,” *La Gazette Financière*, quatririème anne, no. 201, 5 Aug. 1913.



Note: The pump in the report was centrifugal with the size of its impeller diameter.

Source: John P. Hewett, *Report for the Army Council on Mesopotamia*, BL: IOR/L/PS/20/35, Baghdad, 1919, p. 20.

Although the purchaser of irrigation pumps had to accept certain restrictions, he could benefit from the favourable payment schedule of his loan. As an example, the repayment schedule by eight-year instalments for a ten-inch pump is assessed according to Table 6.2.

Table 6.2. Typical Loan Repayment Schedule

	Surcharges (Interest)	Principal	Total Payment
Year	Kuruş	Kuruş	Kuruş
1	2,625	3,625	6,250
2	2,250	4,000	6,250
3	1,875	4,375	6,250
4	1,500	4,750	6,250
5	1,125	5,125	6,250
6	750	5,500	6,250
7	375	5,875	6,250
8	0	6,250	6,250
Total	10,500	39,500	50,000

Source: *Baghdād Vilāyeti Dākhilinde Arāḍiniñ Sūret Idāre ve Taşarrufuna dā'ir Ta'limāt <Lā'ihāsi>dir* [Memorandum of Regulations concerning Land Administration and Landholding in the Province of Baghdad], prepared by Baghdad treasurer (*defterdar*) Ahmed Fahmi (date unknown), Art. 88.

Considering the official rate of 1 Turkish lira to 100 kuruş, a purchaser of the ten-inch pump at 380 lira (38,000 kuruş) in Table 6.1 would have a loan of 39,500 kuruş, as the listed price excluded foundation bolts and other costs. The average rate of the annual surcharge (i.e., the interest rate) is estimated at 5.5 per cent in Table 6.2, which was considerably lower than

borrowing from a private moneylender.<sup>27</sup> While repayment over eight years was standard, the purchaser could apply for a longer schedule at the same rate if he purchased infertile land.

For land on which large-scale irrigation was necessary, the purchaser was only required to make payment in the second year, when the produce was put on the market, and a repayment schedule covering between twelve and eighteen years was permitted. Because the deposit was only 5 per cent of the purchase price, and because the favourable annual rate of interest – as low as about 3 per cent – was better than the rate offered by private lenders, people without capital and tribal sheikhs could purchase the pumps. Both the pump owner and the *tapu* holder, moreover, were allowed a tax reduction of 18–20 per cent, which helped both to offset the high operating and maintenance costs of the pumps and to recruit peasant tribesmen to cultivate the reclaimed land. Since such loans were favourable to the borrower, even taking into consideration the weaker *kuruş* in Baghdad, irrigation pumps began to prevail along the major rivers and canals and furthered the progress of land reclamation in these areas.<sup>28</sup>

While irrigation agriculture was becoming the major objective of the government, the reorganization of land registration had become an immediate issue due to the former sultan's three decades of mismanagement. As more pumps were installed, the areas they irrigated extended over vacant land without registered landholders, spurring an interest in land acquisition, which had been banned for many years. Many laws were enacted accordingly, but without altering the foundation of *tapu* established by Midhat Pasha. They included the law on the delimitation and registration of immovable property of 5 February 1913, the law authorizing

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<sup>27</sup> The annual rate of surcharge (interest) is calculated by the equation:  $\text{Principal} = \text{Total payment} \times [1/(1+r) + 1/(1+r)^2 + \dots + 1/(1+r)^8]$ , where  $r$  is the rate of surcharge.

<sup>28</sup> “*Bağdat Vâlî Mu‘vân Âlîsi Sa‘âd Beğ Efendi Hazret Yede Takdim,*” 15 Mayıs 1332 (15 May 1332 AH [1917]), Art. 88.

corporations to own land of 16 February 1913, the law on succession to real property with explanatory tableau of 6 March 1913, the law on mortgages of 10 March 1913, the law on the ownership of real property of 12 April 1913, and the law on the division of jointly owned real property of 1 December 1913.<sup>29</sup> In addition, regulations on landholding were enacted recurrently, based on the Land Code of 1858, Tapu Law, and amendments made by Namık and Midhat Pashas. Although these laws were effective on most state land, they were inapplicable to local practices regarding the reclaimed land that had expanded rapidly along with the introduction of pump irrigation and repairs to the Hindiya Barrage and other weirs.

### *Modification of the Land System*

With increasing agricultural production a primary objective of development, the Young Turks paid more attention to land problems than former officials had. While the deficiencies of the land administration they had inherited prevented them from dealing with the complicated issue of land rights, confusion grew out of a series of new land laws issued shortly before the war. According to the memorandum prepared by Baghdad treasurer (*defterdar*) Ahmed Fahmi, *Baghdād Vilāyeti Dākhilinde Arāḍiniñ Sūret Idāre ve Taşarrufuna dā'ir Ta'limāt <Lā'iḥası>dir* (Memorandum of Regulations concerning Land Administration and Landholding in the Province of Baghdad), the Young Turks continued the principles of *tapu* laid down by Namık and Midhat Pashas and put other lands under legislative controls while deregulating tribal holding.<sup>30</sup>

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<sup>29</sup> “Note on the Extent to Which Ottoman Law is in Force in Iraq,” in CO 730/125/16, 28 Dec. 1927, 13 Feb. 1928, pp. 5–6.

<sup>30</sup> The title page states, “The copy is sent to the member of the administrative council of the province to scrutinize and the original one is submitted to the Ministry of Finance. [This memorandum is] written by Baghdad treasurer (*defterdar*) Ahmed Fahmi Bey.” Although the exact date of issue is unclear, a handwritten note on the front page, “*Baghdād Vālī Mu'āvın 'Ālīsi Sa'ād Beğ Efendi Hādret Yede Taqdīm,*”

The memorandum is composed of three parts: general principles of land administration (Arts. 1–43); rules on lands (Arts. 44–185); and penalties (Arts. 186–204). It acknowledges nine categories of landholding, a clear distinction from the Land Code of 1858, and lists them in the second part: (1) land possessed by *tapu*; (2) state land cultivated by way of crop sharing; (3) land cultivated and irrigated by tribal sheikh (*serkâr*) and tribesmen; (4) land put under crop-sharing contract; (5) *uqr* land; (6) uncultivated vacant land; (7) land to be transferred to individuals in small pieces; (8) state land to be transferred by concession in large pieces; and (9) uncultivated vacant land to be cultivated by settling migrant workers and tribesmen. The government’s aim was to put under legislative control agricultural landholding, customs of crop sharing, *uqr*, and tribal leaseholding, which the Land Code of 1858 and other state laws had been unable to do. It recognized the crucial role of the tribal sheikh and peasant tribesmen in advancing agricultural production along with the expansion of irrigation and land reclamation.

As a general principle, unlike the Ottoman Land Code of 1858 and other laws, the memorandum copes with new agricultural situations such as improved means of irrigation and the expansion of cultivated areas owing to it; increased demands for cultivating peasants, financial needs, resolution of land disputes; and preventive measures to avoid tribal breakdown. The government’s institution of a water and land committee independent of the justice department dealt with the land issues, since the *tapu* office had been unable to deal with such complex procedures.

Combining new agricultural policies with the basic norm inherited from the Land Code of 1858, the memorandum divides the type of lands according to the means of irrigation, land use, and the size of the land, and it considers land irrigated by pump equally important to other

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dated 15 *Mayıs* 1332 (15 May 1332 AH [1917]), suggests that the articles in the memorandum might have been written late in the Young Turks period.

land. To promote the cultivation of the pump-irrigated land and recruit peasant cultivators for it, the Young Turks enacted legislation intended to deregulate tribal landholding. Although the legislation granted the tribal sheikh, the tribal bailiff-*serkâr*, and the tribesmen a discount of one-fourth to one-third of the market value of the land if they purchased it jointly and exempted them from the registration fees if they reclaimed at least one-fourth of the land on their own, a household or family group in a village could claim the right of possession as an individual entity. That individual landholder could then cultivate the land by leasing it to the tribal sheikh or peasants in the village and reporting the leasing contract to the Committee of Land and Water Administration in Baghdad, which would examine the lease, request any needed amendments, and issue the permission. If the contract was made with a tribal bailiff-*serkâr* and unsettled peasant tribesmen, the committee also supervised the contract.

The maximum allowable area of landholding doubled from 500 müşâra to 1,000 müşâra and increased to 3,500 müşâra if the land had been uncultivated.<sup>31</sup> However, because the tribal custom of *niren* (fallow) was accepted, a tribal sheikh could register up to 2,000 müşâra of cultivated land and 7,000 müşâra of uncultivated land. Upon the transfer, the land committee recorded the method of crop sharing, the land's productivity, the size of the canal, and the power of the irrigation machine. To facilitate the transfer of uncultivated land for pump irrigation, the pump owner and the peasants were entitled to bid first, and the purchase price was the value of the land (i.e., the official price) plus the registration fee. For registered land whose area exceeded the maximum area of 1,000 müşâra, the landholder had to offer the peasants any of the land in excess of 1,000 müşâra for the market price. A person who resided outside the fields was

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<sup>31</sup> The müşâra was measured by a unit called *zirâ'i*, approximately 0.5 metres, and one müşâra was 2,500 square metres, equal to one dönüm. An area of 1,000 müşâra or more was called *arâzi-i cismiye* (i.e., large land). Fahmi Bey, Memorandum, Arts. 15, 16.

allowed to purchase the land but was not allowed to resell it for five years, mortgage it, or give it to a religious endowment, except as the government permitted.<sup>32</sup>

The deregulation of tribal landholding certainly helped the pump owner arrange for tribal workers to cultivate the land after he purchased it. Due to the worsening labour shortage, however, the contract he made with the tribal sheikh was often to the advantage of the tribesmen, usually for a half-and-half division of the produce. In addition, it granted the tribesmen a prescriptive right to claim the possession right to a part of the land, typically half, for from twenty to ninety years of cultivation, much longer than the period for the prescriptive right under the Land Code. In fact, because the tribal sheikh bore the entire expense of planting and cultivation, he took half the produce and all the vegetables unless there were conditions to the contrary. After the term of the contract expired, he also had the right to register half the property as his own with the province's department of land registry, which the sheikh more frequently exercised where peasant tribesmen were in short supply, especially in the vicinity of Baghdad.<sup>33</sup>

Under the Young Turks, the procedure for land registration was as strict and complex as before, as British political officials later observed in their administrative report:

After the purchase, the buyer obtained a certificate from the village headman describing the right that he held in the land and certifying that the land was unburdened except for his right. He then took this certificate to the Department of Land Registry, which referred the certificate to the administrative council of the subdistrict or district. The council considered the validity of the certificate and reported on it to the Department of Land Registry which then made sure there was no claim over the land as *vakif*, state land, etc. The case was then referred to the Islamic court, which called two witnesses as to the title to the land, inscribed its

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<sup>32</sup> Fahmi Bey, Memorandum, Arts. 76, 77.

<sup>33</sup> Charles Issawi, *The Economic History of the Middle East, 1800–1914* (Chicago: University of Chicago Press, 1966), pp. 171–78, quoted in Saleh Haider, “Land Problems of Iraq,” Ph.D. diss., London University, 1942, pp. 556–660.

conclusions in the certificate, and returned the certificate to the Department of Land Registry.<sup>34</sup>

But for a transfer by inheritance, the certificate that the village headman issued to the heir was accepted as sufficient for the title deed, unless the right was contested at the time of the request. The Department of Land Registry then sent the certificate back to the administrative council of the province to be formally and finally admitted as correct. After that, it was returned to the Department of Land Registry, which surveyed the land, recorded it, and issued the title deed.<sup>35</sup> In the tribal area below Baghdad, where there was no village headman, the administrative council in the district or sub-district processed the initial land registration application.

The convoluted registration procedure was intended partly to retain the government's power to prevent the transfer of land to objectionable persons or unqualified tribal sheikhs and partly to prevent complications of title by secret mortgages and the like. Every transfer of land or immovable property by inheritance, sale, gift, exchange, or mortgage, and every partition of it, had to be registered to obtain the title deed. The price at transfer, the area of transferred property, and the boundaries were set forth, and the courts were prohibited from recognizing any transaction not supported by a title deed. In the end, the procedure protected the interests of the government, the purchaser of the land, the qualified tribal sheikh, and the tribesmen against fraud.

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<sup>34</sup> Great Britain, Office of the Civil Commissioner, "Review of the Civil Administration of the Occupied Territories of al 'Iraq 1914–1918," compiled in the Office of the Civil Commissioner, Baghdad, Nov. 1918 (Baghdad: Government Press, 1918), p. 41.

<sup>35</sup> In assessing the land value, the local land committee estimated the total production over twenty-five years of the land in each *müşâra*, as well as the market value of the land, trees, stream, and gardens, evaluating each tree in a *feddân*, if necessary. In order to estimate the land productivity, they calculated the quantity of the produce for a year, its average price in a period from ten to twenty years, and the total value during the period. TNA: FO 371/4150/187296, Administration Report, p. 13.

A reliable title deed made cultivable land a marketable commodity in high demand, particularly in urban areas and along the projected line of the Baghdad Railway, and that demand was lessened neither by the higher purchasing costs of land nor by decreases in grain prices. There were numerous pieces of *tapu* land in the districts of Erbil, Kirkuk, Baghdad, Dulaim, Karbala, Shamiya (Najaf), Samarra, and Hilla, but there were few in the tribal districts of Sulaymaniya, Amara, and Muntafiq, except for the sub-district of Suq al-Shuyukh, because the government did not transfer the possession right in those districts. Although Sheikh Mahmud of the Hamawand had been granted the possession right on the tribal land, his holding was seized by the government after his rebellion. There were reportedly only two *tapu* lands in Shamiya, where the sheikh and *saiyids* had feared that the registration of their lands for *tapu* would make them liable for military service. In contrast, the district of Hilla contained more *tapu* land than any other district, along with large areas of *mudawwala* land and private land, but the right of *uqr* established on all kinds of uncultivated private land caused endemic disputes over the shares.<sup>36</sup>

The Young Turk government could alter neither the *uqr* share nor the complicated procedure for placing a mortgage on *tapu* land. Upon foreclosure, the province's *tapu* (land title) department could sell mortgaged land without resort to the courts, because to mortgage his land, the landholder (or the landowner) had made over his title deeds to the mortgage broker. The landholder then obtained from the *tapu* office a printed form (*ilmühaber*) describing the location, boundaries, and value of the property to be mortgaged. This *ilmühaber* was signed by the village headman (*muhtar*) and imam of the district in which the property was situated and returned to the

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<sup>36</sup> Reports of administration in the districts of Sulaymaniya, Erbil, Rawanduz, Kirkuk, Baghdad, Hilla, Dulaim, Diwaniya, Shamiya, and Basra in BL: IOR/L/PS/20/250, *Reports of Administration for 1918 of Divisions and Districts of the Occupied Territories in Mesopotamia. Volume 1* (1919).



*tapu* office together with the title deeds (*hüccce*). After the *tapu* office endorsed the *ilmühaber*, the landholder, mortgage issuer, and broker appeared before a council consisting of the *tapu* office director (*müdir*), the chief clerk of *tapu*, and the head clerk of the court with jurisdiction over any outstanding liabilities such as for taxation. If the council's inquiry was satisfactory, the formalities were completed on payment of the fees: 0.25 per cent of the mortgage value, 10 kuruş for the acquittal form, and various stamp duties. Interest on the mortgage was from 7 to 12 per cent, depending on the financial reputation of the client. In theory, the issuer of a mortgage could be a foreigner, but the *tapu* authorities were to raise all possible obstacles to such a transaction.<sup>37</sup> As the land market was commercialized, the rigid regulation of mortgages constrained the expansion of credit, because neither the purchaser of land nor the mortgage issuer wanted to risk having a faulty title, so both insisted on getting a title deed. On the other hand, enquiries and surveys did bring to light cases of illegal encroachment or occupation, enabling the government to recover fees due or to evict occupiers without title.

### *Agricultural Taxation and Revenues*

Demonstrating the government's command over agricultural resources, in the province of Baghdad the tithe revenue from grain production continued to be the largest in total and steadily increased. The government's taxation scheme was based on the type of landholding: *mudawwala* land, *tapu* land, other state land, or *mülk* (private) land. For the *saniyya* land of the former sultan, as well as for *tapu* and *mülk* land, the methods of tax collection remained mostly unchanged from the previous periods, namely, direct collecting by officials, tax farming, and leasing. For

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<sup>37</sup> Halil Cin, *Osmanlı Toprak Düzeni Ve Bu Düzenin Bozulması* (Istanbul: Boğaziçi Yayınları, 1985), pp. 259–64; Great Britain, *Report by His Britannic Majesty's Government to the Council of the League of Nations on the Administration of Iraq for the year 1925* (London: HMSO, 1926), pp. 98–99.

the remaining areas in which crop sharing had been practised, the land was now designated as state domain, and the tribesmen cultivating the land were nominally considered lessees of the state land. Crop sharing was applied in the same way, but because the government share was now considered a tax, rent, or leasing fee, the tribal sheikh, or *serkâr*, of the cultivating tribes made a contract to determine their amount, and the state domains were listed in chapter VI of the state budget. (For a list of the chapters in the Ottoman budget, see Table 7.4.)

British officials who surveyed taxation in the late Ottoman period in search of a model for their own system found it was complicated but reasonably conformed to previous customs. On land irrigated by a lift and pumps, the tax was a fixed assessment according to the number of lift buckets or the size of the pump engine and paid by each owner of the lift either in cash or in kind. Crop inspection was unnecessary except when remission was claimed due to failure of a crop. In other areas, the rate of tax was determined customarily. One form of the assessment based on produce involved measurement by the irrigation department or by the political officer of the crops in each holding. Later the crops were classified as first class (good), second class (average) or third class (bad) just before harvest by an inspection committee, and the tax was set for each class of produce. Alternatively, relatively large croplands of no less than two müşâra (an acre and a quarter) were estimated by eye, rather than measured, and the whole operation of harvesting was supervised by the political officer and his assistant to ascertain the weights of the unthreshed crop, threshed grain, and straw in order to determine the rate of tax.<sup>38</sup> Yet another familiar method, *kharas* or *takhmin*, combined the estimation of area and quality. In it, the standard yield per dönüm was assumed to be 500 kilos for both wheat and barley, and from these amounts, a deduction (*tajbir*) was made according to the quality and quantity of crops estimated

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<sup>38</sup> TNA: FO 371/4150/187296, Administration Report, pp. 14–18.

by eye for each area of 100 dönüm: (1) *Ala* (very good, 1/6 deduction); (2) *Ausat* (good, 1/5); (3) *Adna* (average, 1/4); (4) *Adna al-Adna* (average, 1/3); (5) 1/2 *Aid* (poor, 1/2), 1/3 *Aid* (2/3), 1/4 *Aid* (3/4), 1/5 *Aid* (4/5), 1/10 *Aid*, (9/10); (6) *Adim* and *Bor* (vacant; no revenue). Because these Ottoman tax customs were formulas that the people understood, and so were easier to use than other methods, British officials documented them as feasible measures to be followed.<sup>39</sup>

In practice, however, the Young Turks' efforts to formalize taxation caused problems that were worse than those under tax farming. In Hilla, where the cultivating peasant tribesmen saw their tax, rent, owner's share, and other fees greatly increase, their lease was usually disadvantageous to them since a *tapu* holder retained the right to evict his tenants, and a tax farmer could charge fraudulently higher taxes after the rapid break-up of the tribal system without provision of an effective substitute. Meanwhile, heavier taxes did not diminish the popularity of land acquisition, for the taxes on the purchased land were passed on to the cultivating peasants, even on the land of tribal sheikhs, which fuelled the discontent of the peasant tribesmen against their sheikh.

Even more serious examples of the deteriorated relations between peasant cultivators and landholders could be found in Suq al-Shuyukh, where the Sadun tribe acquired the possession right over land from the border of Nasiriya downward along the Akaika and Mazliq Canals as far as Hammar Lake in the former Muntafiq tribal domain. Now established as regular landowners, the Sadun took a one-half share of the dates and a one-third share of the grains, far larger owner's shares than the Muntafiq tribesmen ever fully accepted, spurring their constant struggle against the imposition of the Sadun and the government.<sup>40</sup>

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<sup>39</sup> Iraq, Department of Agriculture, *Report on the Mesopotamian Spring Harvest, 1919* (Baghdad: Government Press, 1919), pp. 1–2.

<sup>40</sup> Çetinsaya, *Ottoman Administration of Iraq*, pp. 88–92.

For the government, higher taxes did not always yield larger revenues. Despite the priority placed on agricultural production in irrigated areas, it continued to be curtailed by the customary practice locally called *niren* (fallow), in which about half the irrigated land was left uncultivated each year. Net revenues were further decreased by the reduction of seed stocks for the next year's cultivation, various fees, damage to the crops, flooding, and other factors. Taking into account the fallow land and these reductions, according to a feature article in *La Gazette Financière* on Iraqi agriculture, in 1911 net revenue was only about one-fourth of the average total, and the government's tithe revenue, reduced by the input paid by the government, averaged less than 9 per cent of the revenues in the irrigated areas where fallow was practised (Tables 6.3 and 6.4).

Table 6.3. Net Revenue of Selected Areas, 1911 (in Kuruş)

	Cost of Irrigation	Cost of Agriculture	Total	Net Revenue & Its % of Total		Land Value
Falluja	5,084,580	5,500,000	10,584,580	3,080,000	30	42,900,000
Hai	2,757,980	2,500,000	5,257,980	1,400,000	26.7	19,500,000
Basra	1,996,960	900,000	2,896,960	504,000	17.4	7,020,000
Euphrates	425,000	250,000	675,000	280,000	41.4	3,900,000
Beled	2,118,240	1,700,000	3,818,240	952,000	24.9	13,260,000
Nahrwan	1,817,120	2,000,000	3,817,120	480,000	12.5	6,600,000
Tigris East	1,006,760	1,000,000	2,006,760	560,000	28	7,800,000
(Navigation)	(48,380)		(48,380)			
Total	15,255,020	13,850,000	29,105,020	7,256,000	24.9	100,980,000

Source: *La Gazette Financière*, no. 110, 7 Nov. 1911, p. 8.

Considering the cost of irrigation funded by the government's agency for public works and the cost of agriculture furnished by individuals in the private sector engaged in cultivation, such as

the landholder, tax farmer, tribal sheikh, and peasant tribesmen, agricultural costs were shared by the government and the private sector, with the government always providing at least half. Although these agricultural costs were high, the estimated value of land also was very high, more than enough to cover the costs of agriculture for the private investor. The sale of state land yielded large revenues to the government at a time when net tithe revenue was only between 11.9 per cent and 3.3 per cent, far below the cost of irrigation, as shown in Table 6.4.

Table 6.4. Tithe Revenue of Selected Areas, 1911 (in Kuruş)

	Cost of Irrigation	Tithe	Input	Net Tithe & % of Irrigation Cost	
Falluja	5,084,580	770,000	165,000	605,000	11.9
Hai	2,757,980	350,000	75,000	275,000	10
Basra	1,996,960	126,000	27,000	99,000	5
Euphrates*	425,000	70,000	30,000	40,000	9.4
Beled	2,118,240	238,000	51,000	187,000	8.8
Nahrwan	1,817,120	120,000	60,000	60,000	3.3
Tigris East	1,006,760	140,000	30,000	110,000	10.9
(Navigation)	(48,380)		(5,000)		
Total	15,255,020	1,814,000	443,000	1,371,000	9

\*Marsh area irrigated by floodwater

*Note:* Input is estimated at 21.4 per cent of tithe for Falluja, Hai, Basra, Beled, and Tigris East, 42.8 per cent for Euphrates, and 50 per cent for Nahrwan.

*Source:* *La Gazette Financière*, no. 110, 7 Nov. 1911, p. 8.

In 1919, by contrast, according to the estimated expenditures on the production of wheat and barley for the harvest, the government still financed the cost of irrigation, £681,267 pounds including £66,667 pounds for construction and repair of roads and buildings. The agricultural

costs paid by the private landholder, or the advance in cash, seed, cattle, pumping sets, and ploughs, amounted to £1,066,040 pounds.<sup>41</sup> So, clearly, the Young Turk government contributed to agricultural development on a large scale, for the substantial public spending on the irrigation cost and the relatively small tithe tax encouraged private individuals to purchase agricultural land and make improvements. The estimated land value reported for the irrigated areas was about 7.3 times the total cost of agriculture and 13.92 times the total net revenue, possibly suggesting a high demand for agricultural land (calculated from Table 6.3). In light of the contemporary situation of low interest rates, stagnant international trade, and a downturn in the domestic market, as Şevket Pamuk has explained, land represented a secure investment asset for merchants, traders, and urban notables.<sup>42</sup>

A declining share of tithe revenues in the total also suggests a diminishing significance of state land as a source of government revenues. In 1911, for example, the tithe there amounted to 52,717,500 kuruş (34 per cent of the total) and was followed as a revenue source by the customs revenue, 38,062,500 kuruş (25 per cent); the lease of state property, 18,045,000 kuruş (12 per cent); and taxes on animals, 17,947,500 kuruş (12 per cent). Compared with revenue in the Tanzimat era, the tithe had increased in amount, but its share in the total receipts had shrunk considerably, due to a drastic increase in customs revenue. While leasing continued to be applicable to the management of *mudawwala* land, land tax under direct official collection was only 2,062,500 kuruş (1.3 per cent), which suggests that tax farming still predominated.<sup>43</sup> As

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<sup>41</sup> John P. Hewett, *Report for the Army Council on Mesopotamia*, BL: IOR/L/PS/20/35 (Baghdad, 1919), p. 21.

<sup>42</sup> Pamuk, *Ottoman Empire and European Capitalism*, p. 88.

<sup>43</sup> The government's control over tax resources did not, however, extend to agricultural trade. The Ottoman Bank estimated the government's share of the receipts from grain exports in 1911 to be 30 per cent, while the agriculturalists received 54 per cent, and 16 per cent went to the costs of internal transport

observed in the structure of the budget, however, large portions of indirect taxes were collected by the OPDA to repay public debts.

The variation in revenue sources caused by the expansion of trade was another noteworthy sign of agricultural progress. The value of date exports from Basra rose from £67,000 in 1868 to £328,000 in 1888, £386,000 in 1908, and £582,000 in 1913. Even more impressive, the value of wheat and barley exports reached £16,000 in 1868, £72,000 in 1888, and £612,000 in 1908, although it decreased to £373,000 in 1913 because of drought.<sup>44</sup> Wheat and barley were assumed to bear cash incomes for the landholder, tax farmer, tribal sheikh, and peasant tribesmen, thus cropland could yield large profits for them and its land value had increased, as observed in Table 6.3. Having become a tradable commodity, the possession right that Midhat Pasha intended to transfer to private individuals who would cultivate the land and pay taxes had become obsolete by the time of the Young Turks. Yet, in some cases, the purchase of state land was done without proper registration of the title, due to the deficiency of local land registries, which led to serious land disputes after the collapse of the Ottoman regime.

After the First World War broke out in 1914 and the Ottoman Empire joined the Central Powers, the Iraqi region became a battlefield in the conflict with Great Britain. The Ottoman

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and storage and the dealers' profits. TNA: CO 696/5, "Note on the Administration of the Public Finance of 'Iraq, 1 April 1924 to 31 March 1925" (Baghdad: Government Press, 1926), pp. 18–23.

<sup>44</sup> The net profits of local traders from the export of agricultural produce increased because of a reduction in the export tariff that actually had taken place decades earlier. Under the Anglo-Ottoman commercial treaty of 1861, the export duty had declined from 12 to 8 per cent and annually thereafter by 1 per cent until it became fixed at 1 per cent *ad valorem*. With the consequent expansion of trade and exemption of foreign nationals from the *temettü vergisi* (Ottoman income tax), introduced in the 1890s at the rate of 5 per cent and increased after 1907 to a maximum of 50 Turkish lira, the Imperial Ottoman Bank opened branches in Baghdad, Mosul, and Basra in the 1890s, and the Eastern Bank opened a branch in Baghdad in 1912. Issawi, *Fertile Crescent*, pp. 173–75, 199–200.

government, therefore, took hasty measures to win the support of the tribal sheikhs, sowing the seeds of future trouble in Baghdad. As the British found upon occupation, titles to land were transferred by special decree to pro-Ottoman tribal sheikhs, official favourites, and merchants who invested in the purchase of pumps and other irrigation facilities. Although the registration records of these hurried transfers were incomplete, and thus not accurate, some recipients resold the land falsely. Still worse, during battles, the government destroyed the registers and files that did exist, exacerbating the land disputes that erupted after the war.<sup>45</sup> As agricultural land had attracted private investment because of its higher value, the security of the land registration procedure had not improved since Sultan Abdülhamid II intervened in it. Consequently, provision of a reliable land registration system built on the *tapu* that Namık and Midhat Pashas had established became an urgent task for the British administration and made the British mandate period a crucial transition from the Ottoman province of Baghdad to modern Iraq.

The modification of the land system after Tanzimat engendered an unprecedented change in society from the standpoint of land and agricultural history. During the long reign of Sultan Abdülhamid, his own acquisition of agricultural land, the prohibition against the privatization of state land by *tapu*, and his agricultural development measures mobilized large tribal populations for agricultural production on his lands and drew them into expanded works in urban areas. The Young Turk government that succeeded him took over his *saniyya* land and administered it as state (*mudawwala*) land, believing that was the most competent way to sustain land use and

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<sup>45</sup> The emergence of large landholding under the Land Code of 1858 in the Middle East has been an important subject of research for historians. See Frederic M. Goadby and Moses J. Doukhan, *The Land Law of Palestine* (Holmes Beach, FL: Gaunt, 1998); Haim Gerber, *The Social Origins of the Modern Middle East* (Boulder, CO: L. Rienner, 1987), pp. 67–185; Marion Farouk-Sluglett and Peter Sluglett, “The Transformation of Land Tenure and Rural Social Structure in Central and Southern Iraq, c. 1870–1958,” *International Journal of Middle East Studies* 15, no. 4 (1983), pp. 491–505.



productivity. The Young Turks also maintained leasing and crop sharing in other state domains that the sultan had claimed in order to collect taxes and fees as rent, and they continued to recognize the *tapu* deed as the valid title to land, protecting the right of the landholder. While thus preserving the land system of the former sultan, the Young Turks' government steadily trudged forwards in agriculture and trade by encouraging pump irrigation and increasing the transaction of foreign trade by the Germans. Their administration is noteworthy as British officials later followed most systems innovated during this short period.