

given in lieu of cash, was indispensable. The *iltizam* system itself, started during Mehmed Fatih's period, had evolved from playing a small and limited role to the point where all kinds of taxes, not just *'ushr*, the tithe, were collected in this way. The greater the importance of *iltizam* in Ottoman financial and economic structure, the more critical and vital was the position of the *sarrafs* in the entire Ottoman governmental system.

In spite of this, the *sarrafs* were not perceived positively. They were, and still are, depicted as usurers who charged "des taux d'intérêt extrêmement élevés,"¹³⁷ made "enormous but unholy gains by a fictitious raising and lowering of the exchange, by elsewhere unheard-of-usury,"¹³⁸ and who were "magnates of compradorial capital."¹³⁹ According to a European contemporary historian, their influence was so corruptive that it "grinds the peasantry, puts hatred between the pashas and his province, degrades the character of the public service, and excludes from it character, honour and honesty."¹⁴⁰ Their role and place were perceived in such a distorted way that an English merchant resident in Istanbul argued that "one of the two reasons for Turkey's existence... was for the benefit of some fifty or sixty bankers or usurers, and some thirty or forty pashas, who make a fortune out of its spoils."¹⁴¹

These criticisms and, to some degree, accusations made against the *sarrafs* suggest that they were not as unselfish and disinterested as might appear. Contemporary western observers expressed indignation at the usurious rates the *sarrafs* were charging for their loans, but, as stated earlier, these rates were neither usurious nor outrageous. Actually, the *sarrafs* were making as much money from the commercial business connected to tax collecting (buying cheap and selling high the agricultural products peasants would give in lieu of cash) as from the interest on loans. But Europeans were struck by the high rates prevailing in Ottoman financial transactions. And since they had "surplus capital" to be invested, at the first opportunity, which

¹³⁷ Du Velay, *Essai*, p. 52.

¹³⁸ N. W. Senior, *A Journal Kept in Turkey and Greece, 1857-58* (London, 1859), p. 85.

¹³⁹ Ghazarian, *Arevmtahayeri*, p. 396.

¹⁴⁰ Urquhart, *Turkey*, p. 112.

¹⁴¹ Senior, *Journal*, p. 84.