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ACCOUNT BOOKS OF THE IMPERIAL WAQFS (CHARITABLE ENDOWMENTS) IN THE EASTERN MEDITERRANEAN (15th TO 19th CENTURIES) ¹

Abstract: The history of accounting in the Eastern Mediterranean has not been adequately studied through its primary sources, despite the fact that the Turkish archives house an enormous amount of material for exploring accounting practices in the Ottoman Empire. Ottomanists used the account books as sources for Ottoman socioeconomic and institutional history. They analyzed, fully transliterated and published the account registers of the central treasury, the Istanbul shipyard and the waqf institutions. Nevertheless, accounting historians did not even show interest into published archival sources up until recent years. Owing to a few recent works that were based on the primary sources, nowadays accounting historians are more and more aware of the richness and significance of Ottoman archives for accounting history and for comparative accounting research as well. This study introduces the account books kept in the Ottoman waqf institutions between the 15th and 19th centuries in order to raise awareness of the Eastern Mediterranean accounting tradition and to spark further in-depth and comparative works focused on the history, functioning, role and change of accounting in the Eastern Mediterranean.

INTRODUCTION

During the last few decades, the number of scholarly journals and conferences on accounting history and the emphasis on comparative research have increased, accompanied by a

¹ This article is an outgrowth of three papers presented at “the fourth Accounting History International Conference”, Portugal, at “the 11th World Congress of Accounting Historians”, France, and at “the 2nd Balkans and Middle East Countries Conference on Auditing and Accounting History”, Turkey.

substantial expansion of the research agenda [Carnegie and Napier, 2002; Napier, 2006]. However, the history of accounting in the Eastern Mediterranean during the 'Early Modern Age' has not received the same scholarly interest [Carmona, 2004; Napier, 2007; Napier, 2009, p. 122; Giovannoni and Riccaboni, 2009], though some Ottoman historians touched upon accounting practice in the Ottoman Empire [Barkan, 1953-54; Barkan, 1962-63; Finkel, 1987; Darling, 1996; Sahillioglu, 1999; Orbay, 2007c].

Accounting history research into the Ottoman centuries of the Near East, the Mediterranean and the Balkans has great potential due to an abundance of primary source material. It can enhance this field substantially and provide valuable cases for comparative studies. Research on the Near Eastern accounting system not only fills a gap in accounting history, but it may also reveal essential links between the accounting practices in different geographies and cultures.

Up to now, traditional historians, not accounting historians, transliterated, published and analyzed the original account books, employing them as primary sources [Barkan, 1953-54; Barkan, 1962-63; Barkan 1964; Erdogru 1996; Bostan 2012]. But they were not interested in the accounting system, or the function of, or changes in accounting. Accounting historians, meanwhile, unable to read Ottoman Turkish, could not use original sources.

Recently, because of an increasing interest in accounting history and inspired by the theoretical and conceptual frameworks that it offers, Yayla [2011] has studied Ottoman accounting history. However, not being trained as historian, he was not well informed about the primary sources. By selectively mining the archival material, he frequently misrepresented accounting practice, and overemphasis on methodology and weakness in primary research led inevitably to that empirical facts remained disconnected from the theoretical framework.

Yayla's work [2011] is the first article on waqf accounting with a Foucault-inspired conceptual framework that has been written in English for a wide audience of accounting and deserves attention. He looks at the accounting system applied in the waqf of Süleymaniye. A waqf is a charitable institution formed by a declaration by a person who endows his or her own property to some charitable service in perpetuity. It is the oldest and the most widespread form of institutionalized charity in the Ottoman Empire. The wealthiest waqfs, founded by imperial family members and high-ranking state servants, included vast

agricultural lands, a large mosque, public kitchen, higher-education center and sometimes a hospital.

In his paper, Yayla [2011] deals with a sultanic waqf, but in many parts of his paper, he does not make a clear distinction between the different types of waqfs. Most of the waqf literature examines the waqf system from the perspective of Islamic law, employs judicial terminology and classifies them according to a system which is of no use for the purposes of an accounting historian. Considering the economic weight and function, actual operations, and the accounting system of waqfs, an accounting historian should sort the waqfs into at least three groups: the ordinary waqfs which were made by the public and were mostly small; the cash waqfs of which the main object of the endowment was money; and lastly the imperial waqfs, founded by dynasty members and high-ranking state servants.

Yayla, “following Foucauldian accounting research” [2011, p. 5], explores “the relationship between accounting changes and ‘governmentality’ practices” [2011, p. 5] in the waqf of Sultan Süleyman. The restructuring regulations taking effect with the establishment of the Ministry of Imperial Waqfs in 1826 is pivotal in his examination for he argued that “accounting was a technique in the hands of the Ottoman government that facilitated the translation of imperial objectives of the 1826 regulation into practice, the formation of the waqf in tune with government’s desired outcomes, and the construction of governable bodies, as well as providing a controlling device from a distance.” [2011, p. 5] Yayla tries to show that the 1826 regulations led to fundamental changes in accounting and in the management of waqfs. In order to support his assumption, Yayla makes the distinction between the pre- and post-1826 waqf accounting sharper than it was. To make the change in the waqf administration after the regulations more pronounced, he quotes Yediyıldız [2003] who states that “among the selection criteria for the mütevellîs [waqf administrators], a close relationship between the founders and the mütevellî was more important than expertise in the management of the waqfs” [Yayla, 2011, p. 10]. Thus, his reader gains the impression that the management of waqfs was professionalized after the regulations of 1826. However, Yediyıldız made the above statement in reference to ordinary waqfs. He was well aware of essential differences between ordinary waqfs and Sultanic waqfs both in terms of administration and audit. A recent study on the waqf of Sultan Süleyman in Istanbul shows that its manager in the late 16th century was an experienced manager in the waqfs. After

years of successful management in other Sultanic waqfs, he was appointed as the administrator of the prestigious Süleymaniye waqf [Orbay, 2011].

Yayla [2011, p. 11] states that “It was sufficient for the *müt-evellis* to submit a brief account indicating just the income and expenditure of the waqf to the relevant authority, because they were expected to be reliable and honest, and were hence under no obligation to maintain detailed accounts. For this reason, the accounting books were never regularly reviewed; they were inspected by the *qadis* [local judges] and signed and approved only once every few years.” Because he confounds the ordinary and the imperial, he incorrectly asserts that there was no developed accounting and effective control mechanism in the waqf of the Süleymaniye before the regulations of 1826 and that it became a ‘governable body’ only later, after the regulations. The waqf administrators were indeed expected to be reliable and honest, however, the Ottoman central administration was not so naïve as to base its control mechanism over the Sultanic waqfs on the decency and morality of the waqf administrators. The main account book of the Süleymaniye was about twenty pages long and full of details (see MAD² 1954, MAD 2094, MAD 4503, MAD 5758, MAD 5832). Moreover, contrary to Yayla’s statement, the waqf of Süleymaniye was obliged to maintain additional accounts in several types of detailed registers called the “*müfredât defterleri*” [Orbay, 2005a; 2005b; 2007b]. The account books of the Sultanic waqfs were audited annually. Thanks to this regularity in keeping records, Ottoman historians are able to study their institutional and financial history year by year [Faroqhi, 1974; 1981; 1987, 1988; Yerasimos, 2001; Orbay, 2009].

Yayla [2011, p. 11] writes that “In the Sultan waqfs, the format of the accounting books was not defined anywhere because a mere income-expense statement was considered enough” and continues that “The types of entries in the books were also different, reflecting the characteristics of the persons who kept the books.” To support his statement Yayla provides the reader with the catalogue codes of a few account books pertaining to the different waqfs of Sultan Süleyman. The account books of Sultanic waqfs did have a specific format though it might change slightly according to the range of charitable services, methods of operation of revenue sources etc. Among the six account books referred to by Yayla, only the account book coded EV-HMH

² MAD for the “Maliyeden Müdevver” Section of the Prime Ministerial Ottoman Archive in Istanbul.

5592 has a different format due to the fact that it is likely that it is a synoptic book (*defter-i icmâl*) presenting a summary of the main account book. Yayla seems unaware of this distinction. The format of all the other books fits quite well into the accounting format that is explained below.

Yayla [2011, p. 17] is impressed by a register (EV 19139) he found in the archive. He writes: "It can be seen that after the establishment of the ministry (that is, after 1826) more attention was paid to registering the salaries of the waqf employees... During the post-ministry period, details regarding the salaries of the SSW employees were maintained regularly by the accountant of the waqf in the salary registration book...." Then, Yayla [2011, p. 17] proceeds further commenting on "the salary registration book" through a Foucauldian approach that "The salary calculations and records support the contention that, during the post-ministry period, accounting was used for disciplining the use of human resources and that these procedures established a system to identify, assess and report human performance... It is evident that the new system, based on the salary information that the central authority receives and reorders, was developed as a control technique aimed at "measuring" the performance of *mütevellîs*, rather than simply requiring them to "render an account" in a more transparent manner than before." The salary registers that Yayla considers as a "new system" and through which he draws a strict line between the accounting practices of pre- and post-Ministry period and upon which he bases Foucauldian concepts were the registers that had already been kept regularly for centuries before the establishment of the ministry (see inter alia MAD 18097 of Mehmed I's waqf in Bursa, MAD 114 and MAD 5103 of Süleymaniye in Istanbul, MAD 6778 of Süleyman Pasha in Gallipoli).

This should convince researchers that the accounting system of waqf institutions deserves more serious archival research. Hoskin and Macve [2000, p. 128] maintain that "The new conventional wisdom is that plurality of conceptual perspectives, research questions, and methodologies is now to be regarded as a sign, not of intellectual weakness, but rather of both the maturity of accounting history and of its consonance with the state of social science research and wider historical research." The aforementioned case of Near Eastern accounting historians does not necessarily refer to an intellectual weakness, but clearly demonstrates that plurality of conceptual perspectives may lead to grave weakness in research and inappropriate conclusions if the accounting history is not mature and sup-

ported by archival evidence [Also see Boyns and Edwards, 2000, p. 155]. Therefore, accounting historians have to revisit “the primary archive to examine whether it will bear the weight of the new interpretations.” [Hoskin and Macve, 2000, p. 129]

As Napier [2006] rightly notes “Because accounting researchers are not normally trained as historians, they are not necessarily aware of methodological debates in ‘mainstream’ historiography.” Nevertheless, before accounting historians, particularly those examining the history of accounting in the Eastern Mediterranean apply conceptual frameworks and methodologies to their research field, they need to extend their research into the ‘dusty account books.’ Napier [2009, p. 124], writing about the gap of works on Islamic accounting in accounting literature states that “This gap is beginning to be filled through the work of scholars who are able to make use of archival material and secondary sources in local languages and scripts, and we should celebrate the pioneering work of such scholars as forming a basis upon which future historical research into Islamic accounting may be founded.” Napier is completely right, especially in stating that such works of scholars form a basis upon which future research may be founded. However, as explained just above, there is a danger of misrepresenting accounting practice due to lack of particular skills and weak and hasty research. The same is true for the works of historians who are unfamiliar with accounting terminology. Accounting history is an interdisciplinary research area, therefore the collaboration of accountants and historians is imperative.

Another side of the limited literature of Near Eastern accounting history, are works based on accounting manuals and mathematical treatises which contain sections on accounting [Otar, n.d.; Erkan et al., 2006]. The explanations and generalizations on the so-called Islamic accounting systems published in accounting journals are based on the principles and instructions contained in these manuscripts of scholars of the Middle and Late-Middle Ages [Solas and Otar, 1994; Hamid et al. 1995; Zaid, 2000a; Zaid, 2000b; Zaid, 2004; Nobes and Zaid, 2001]. There are many treatises that still remain intact in the archives. Examining these manuscripts can significantly contribute to accounting history research. However, the accounting history of the Near East cannot be written through the accounting manuals, and accounting historians need to delve into archives to see the actual diversity of practice and changes in accounting practice. In the same vein, seeking the foundation and principles of the sophisticated accounting system of the Near East, which has its

roots in pre-Islamic times, in Quranic verses and in the hadiths of the prophet Muhammad is in vain [Also see Napier, 2009, p. 123f].

One of the primary sources for the period between the 15th and 19th centuries is the account books of the waqfs (charitable institutions). These account books (*defter-i muhâsebe-i mah-sûlât ve ihrâcât*), which are now generally accepted as the most fundamental sources for economic and social history, have not been widely utilized in Ottoman historiography, let alone in accounting history. In recent decades, studies on the waqf system in the Ottoman Empire have entered into a new phase in which a growing number of historians working on the waqfs made use of these relatively less-known sources of the waqf institutions [Barkan, 1964; Faroqhi, 1974; Faroqhi, 1981; Faroqhi, 1987; Faroqhi, 1988; Yerasimos, 2001; Orbay, 2007a]. However, neither the accounting principles and procedures in these books, nor the relationship between different sorts of account registers, nor the relevant organizations and practitioners have been treated in detail.

WAQF INSTITUTIONS

Before examining their accounts, a description of waqf institutions for the wider audience of accounting historians is in order. The waqf system occupied a central place in the economic and social order and in the institutional texture of the Ottoman Empire [Yediyıldız, 1986; Singer, 2002]. The imperial waqfs in particular were active economic and social enterprises managing extensive revenues from many sources and providing social, educational and religious services. Thousands of waqfs were established in the Ottoman Empire, however, the imperial waqfs were remarkably larger than the ordinary waqfs that were founded by the public. The difference between the imperial waqfs and ordinary waqfs was not only in their size. The imperial waqfs, founded by the Sultans and their family members, as well as the large waqfs of high-ranking state servants formed a league of giants in the Ottoman waqf system. Their organization and administration was wider, more complex and dependent on different authorities and rules. Their account books and auditing processes were also subject to different rules and procedures from the ordinary waqfs.

The imperial waqfs were active economic agents both in rural and town economies deriving their income from vast agricultural lands, thousands of villages and farmlands, and from

numerous revenue-yielding urban properties. They were used as an instrument to extend and strengthen political influence and state authority. Economic considerations played a major role in their establishment, however, the personal economic interests of the founders were not pursued – particularly in the case of Sultanatic waqfs – but rather waqfs were endowed to serve public welfare and utility. The founders' purpose was to support economic and commercial activity and urbanization by re-distributing, into the town economy, the revenues collected by the waqfs from different regions. With their extensive budgets and purchasing power, they backed the local economy and urban commercial development.

These institutions constructed and ran hospitals, large public kitchens, mosques, libraries and schools of high education. Around these buildings were the residences of the waqf employees, turning the area into a complete urban district. The imperial waqfs distributed food from their public kitchens. They provided free education and health care in their schools and hospitals, thus they served as poor-relief social organizations. They paid stipends to retired officials and to the needy. These entities did not serve personal economic and commercial interests, and were not designed for profit maximization. Running like an extension of the state's institutional structure, they were social welfare institutions, endowed and supported directly from the state-owned revenue sources and closely supervised by the central authority.

WAQF FINANCIAL ACCOUNTS

The imperial waqfs prepared a main account book at the end of each accounting period, which covered usually a solar year and sometimes a lunar year. Thus a concept of "periodicity" is featured in their accounts. However, each waqf administrator was responsible for the account of his period. Therefore, when an administrator left his post, the account book was closed though it did not cover a full year yet. The concept of "responsibility accounting" was followed as well. The length of the account books varied from a page to nearly twenty pages depending on the size of the waqf and on the range of its charitable services.

THE INCOME SIDE OF THE MAIN ACCOUNT BOOK

The introductory portion of the main account book provided basic information about the waqf and the accounting period

covered.³ Then followed the main entry of total expected income (asl-ı mâl). Total income consisted of the expected income from the current term and the account balance transferred from the previous period. The prior account balance included the cash remaining in the waqf's safe box at the end of the preceding period and the uncollected revenues of the former years. The amount of cash reserve in the prior balance was usually stated separately. The uncollected revenues were stated on the income side but details were usually given only if there were a collection in the current term. Otherwise, the details for the uncollected revenues were provided in the last part of the account book where they were registered to balance the account. In the case of an actual collection from the uncollected revenues in the current term, the relevant record of collection in the income part contained detailed information.

Income structure or revenue sources of waqfs and monasteries such as the monastery of Silos in Spain were similar [Bisaschi, 2003; Prieto et al., 2006, pp. 232ff]. The imperial waqfs were endowed agricultural holdings of large farmlands and villages. They usually collected their agricultural taxes through the tax-farming system. All the transactions related to the revenue from tax-farming and also renting of waqf properties were made in the presence of a local judge. The judge provided notary service. These commercial transactions were recorded in the court registers (sicil defterleri) and all parties involved in the transaction received judicial documents (hüccet) as receipts.

If the agricultural revenues were farmed out, first the total amount of all the tax-farming revenues was recorded. This amount did not refer to the realized collection but to the sum total amount agreed on and fixed in all the tax farm contracts. The book singled out this total revenue giving in detail the income from each tax farm contract under the main entry of the

³ The accounting system explained in this article can be seen in hundreds of bounded volumes that contain thousands of account books and pertain to different waqfs. Just to cite a few of these volumes housed in the Prime Ministry's Ottoman Archive in Istanbul: MAD 512 of Murad II's waqf in Edirne, MAD 4716 of Bayezid II's waqf in Edirne, MAD 2094 and 5758 of the Süleymaniye in Istanbul, MAD 2245 of the waqf of Emir Sultan in Bursa, MAD 5457 of the Sultan Orhan's waqf in Bursa, MAD 5470 of Mehmed I's waqf in Bursa, MAD 5933 of the waqf of Saruca Pasha and MAD 5451 of the waqf of Süleyman Pasha in Gallipoli, MAD 469 of Bayezid II's waqf in Amasya, EV-HMH 828 of the waqf of Hagia Sophia in Istanbul, EV 701 of the waqf of Mercan Aga in Istanbul, MAD 6513 of the waqf of ehabeddin Pasha in Plovdiv, MAD 302 of Süleyman II's waqf in Damascus.

tax farm revenues ('ani'l-mukâta'ât). The book detailed the name of the contractors, the term of the contract, the total sum for the contract period, and the sum that was to be paid for the current term.

The tax farm contracts were arranged usually for a three-year term. The book sometimes stated the total sum for the whole term at the outset and noted later if an increase or decrease occurred in the contractual value. Sometimes part of the tax farm revenues were received in advance and were separately recorded in the first part of the income side. All the records of tax-farming incomes in the main account book were compiled from the more detailed tax-farm registers (*defter-i mukâta'ât*).

At the end of the current fiscal year, some revenues would remain uncollected. The uncollected revenues were registered in the end of the book in order to balance the account. Arrearages, deemed uncollectable, were written off from the accounts. They were accompanied by an explanatory note which contained the approval of the write-off by the local judge referring to the document he issued on the case.

All unpaid revenues together with the cash surplus were carried over into the following accounting period. In the following period, these arrearages were treated like an income item. For the uncollected revenues the waqfs kept an arrears register (*defter-i bakâyâ-i mukâta'ât*) where more details about the arrears of the former years were given [Orbay, 2005a].

In another method of income collection called the *emânet* method (direct tax collection), waqfs employed salaried tax collectors among their permanent staff to collect the revenues. In this case, the account book grouped the agricultural revenues in two categories as cash and in-kind revenues. First the total amount of cash and in-kind revenue was stated. Then, the book sorted out first the cash income coming from taxes such as the sheep tax, poll tax etc. and secondly the in-kind revenue as the tithe on wheat, rice, barley etc. Afterwards, every single village of the waqf was registered as a separate sub-entry under which the agricultural revenues from each village were itemized again with the main distinction of cash and in-kind. The uncollected revenues in kind were registered in the end of the main account book and transferred to the account of the following period. Two types of registers, the register of tithe on grain (*defter-i a'sâr-i hubûbât*) and the register of taxes (*defter-i rûsûm*) were kept and summed up in the main account book.

Monthly Revenues: The rent income from the urban properties

was recorded under the heading of “monthly revenues” (‘ani’l-müsâherât) or “income from the rents” (‘an mahsûl-i icârât) and were registered item by item. If there were some unpaid rents, they were registered either immediately after the relevant record or at the end of the book where the all uncollected revenues were listed.⁴ The waqfs, which held numerous rent-producing properties, employed a scribe (kâtib-i müsâherât) who was charged solely with keeping the records of rent collection.

Miscellaneous Revenues: The account books registered money donations, monetary contributions from the central administration, income obtained through the sale of used furniture and tools, etc. under the main entry of miscellaneous revenues. In some cases, the central treasury made regular monetary contributions and significantly supported the annual budget of some waqfs as seen in the waqf of Sadre’d-dîn-i Konevî and in the hospice of Mevlânâ [Orbay, 2007a]. Therefore, the account books of the latter waqf registered the monetary contribution at the beginning of the income side as a regular income item rather than as miscellaneous. Similar to the account registers of the Monastery of Silos in Spain, inheritances were recorded as miscellaneous revenues [Prieto et al. 2006]. Fees for the performance of religious services produced income for the Monastery of Silos. The waqf of Mevlânâ in Konya profited from the religious activities of its dervishes recording the income under miscellaneous revenues [Faroqhi, 1988; Orbay, 2007a]. The waqfs sold the grain remaining in their storehouses and those revenues, sometimes substantial, were recorded separately under miscellaneous income. The waqfs kept a register of grain sales (defter-i fûrûht-ı hubûbât) for the grain that they sold from their in-kind collection and from their own grain stocks.

THE EXPENDITURES SIDE OF THE MAIN ACCOUNT BOOK

Salary and Stipend Payments (be-cihet-i vazîfehârân): The expenditures side of any account book opens with the total amount of salary and stipend payments. Following that, the number of employees and the total amount of salary payments on a daily, monthly and annual basis was given. The salaries whose pay-

⁴ Beside the simple renting method, another method called the double-renting (icâreteyn) was also applied. In this method, the renter made a down payment or prepayment amounting to large sums. The contractual term was arranged for longer periods. Each year, the renter paid very small amounts as regular installments. The revenues coming from down payments and from other regular rent payments were registered separately in the account books.

ment period did not match the date given in the main entry of salary and stipend payments, were separately stated. Monthly stipends went to beneficiaries: retired waqf employees, retired state officials, widows, religious persons and the needy. The stipend payments and the total number of beneficiaries were recorded in the same manner as salaries and employees.

Detailed records followed. Waqf employees were grouped according to their offices of employment. The total amount of payment for each office and the number of employees in this office was stated. Then, each employee was recorded with his name, his position and his daily salary level. Beneficiaries were also listed in the same way.

The salary payments were recorded in an even more detailed fashion in the salary registers (*defter-i vazifehârân*). The register contained the list of employees with their names and daily salaries under their relevant offices. All changes in employment, appointments, dismissals, and salary arrangements were recorded. The register of stipendiaries (*defter-i zevâ'idhârân*) containing the list of the persons who were paid a monthly stipend from the waqf budget provided detailed information on the stipend receivers such as the date of entitlement, increment in stipend level etc.

Kitchen Expenditures (harc-ı matbah): Waqf kitchens served bread and a meal to their employees, to beneficiaries including the poor and needy, to guests and merchants lodging in waqf buildings. The main account book stated first the total cost of food purchases and then recorded the amount of foodstuffs purchased, their unit price and the total cost for each item under their relevant headings. In some account books, meals, bread and soup given out everyday were separately recorded from meals for specific festive months, feast days and for guests.

The waqfs maintained a register of those who received food (*defter-i ta'âmhârân*), a register of those receiving bread (*defter-i fodûlahârân*), and a register of those received cash in lieu of meals (*defter-i ta'âmbahâhârân*) [Orbay, 2007b]. A storehouse account (*defter-i muhâsebe-i anbâr ve kilâr*) was kept detailing movement of the inventoried goods of the storehouse.

Miscellaneous Expenditures (ihracât-ı sâ'ire): In some large waqfs, which maintained higher education centers and hospitals, purchases for these institutions were registered under their respective main headings. But, if there was no separate entry for the expenditures for hospitals or schools, then they together with every type of current expenditures for the upkeep of the

waqf services and buildings was itemized under the main entry of miscellaneous expenditures. Miscellaneous expenditures consisted of spending for every sort of material needed for the regular function and upkeep of the waqf. These were payments for tinning, carpets, bricks, timbers and nails, cauldrons, paper, brooms, candles and wicks, olive oil for illumination etc. and occasional wage payments. In some cases, the account books registered the wage payments for porters and tinsmiths etc. under a separate heading of “wage payments.”

Repair expenditures (el-meremmât): The waqfs registered their regular repair costs under “repairs” (meremmât). The account book first stated the total cost of all repairs and then itemized the repair expenditures by opening a separate entry for each repair project. In the cases of undertaking large repair projects or when the cost of regular repair works amounted to great sums, the waqfs prepared detailed repair registers (defter-i meremmât).

Other expenditures: The imperial waqfs transferred large sums from their income surpluses to the central treasuries. Such money transfers took place at the end of the expenditure records after the waqf registered all the expenditures relevant to the services and payments designated in the waqf’s endowment deed. Debt repayments, late salary and stipend payments were also recorded at the end of the expenditures side under their relevant heading of “debt repayments” (edâ-i düyûn).

Recording Arrears: Uncollected revenues were listed at the end of the book in order to balance the account. So, the total expected income of the current period plus the income transferred from the previous period whether the latter consisted of cash or arrears or both were balanced through the expenditures and payments plus the arrears remaining at the end of the current term.

Besides the main account book and all the detailed registers, the waqfs maintained daybooks (defter-i rûznâmçe) which were usually bound as monthly volumes and which were kept for recording income and expenditures on the daily basis.

WAQF ADMINISTRATION, FINANCIAL DECISION MAKING AND SPENDING CONTROL

With regard to administration, the Sultanic waqfs were somewhat different from charitable foundations in the West. For instance, the administration of hospitals in France was under the authority of the church or the town council, or both [La-

combe-Saboly, 1997]. In English hospitals, which were largely financed by voluntary subscriptions and donations, governance was in the hands of benefactors [Berry, 1997]. General courts of governors convened on a regular basis and appointed the members of hospital committees [Berry, 1997]. This management committee met regularly and held the real power in the hospitals. [Lacombe-Saboly, 1997]. The administrative system was different in the imperial waqfs. Administrators of most of the Sultanic waqfs were appointed by the Chief Black Eunuch who was in charge of the supervision of many imperial waqfs.⁵ All the positions in the imperial waqfs were paid. Successful waqf administrators were promoted and appointed to the administration of larger and more prestigious waqfs [Orbay, 2011].

An imperial waqf, just like the ordinary waqfs, gained its irrevocability through the legal approval of its waqfiyye (endowment deed) by the judge. The waqfiyye was the primary restrictive factor for the actual operation of waqfs. The stipulations in the waqfiyye were enforced through the central administration and local judges. The administrator had to adhere to the stipulations declared by the founder and contained in the waqfiyye. It was the waqfiyye that designated an imperial waqf as an institution performing social services. The waqfiyyes of the imperial waqfs spelled out in detail instructions and rules for almost all kinds of waqf affairs. The waqf administration was not independent or flexible in actual operation and decision-making and had to follow the stipulations in the waqfiyye. A waqfiyye typically listed the revenue sources devoted to the waqf and sometimes predetermined even the method by which these sources should be operated. The range of services to be performed by the waqf was stated in the waqfiyye. Sometimes even the quality of the services was described in detail. The offices of employment as well as the number of employees in each office together with their salary levels were also fixed in the waqfiyye. In short, the waqfiyye established the scope of the waqf's activity, and defined the waqfs not as profit-seeking institutions but as social welfare institutions. This point is particularly important to understand that why the account books of the waqfs differ from the account books of factories and commercial ventures developed in the West. At the same time, such minutely defined regulations and sets of rules required keeping equally detailed

⁵ Sultanic waqfs were under the supervision of some central offices. Some of these central offices were the office of Chief Black Eunuch (Dârû's-sa'âde Agası), Chief White Eunuch (Bâbü's-sa'âde Agası), the office of *Seyhü'l-Islâm*.

registers to prove that the waqf operations complied with the conditions contained in the waqfiyye.

The Sultanic waqfs were subject to central administration in their financial affairs and in making many administrative decisions. They could not employ people at will. The central administration appointed the waqf employees. Any increase in the number of employees, establishment of a new employment office, as well as salary levels of the employees were arranged by the central administration. The waqfs could not undertake large repair works, buy new properties or exchange a property in order to increase their revenues without having legal approval from the local judges and from the central administration. The waqfs were only able to release funds for expenditure purposes on the basis of prior authorization which was an effort to exercise "spending control."

If the Sultanic waqfs under the supervision of Chief Black Eunuch met their expenditures and achieved budget surpluses, they were bound to forward certain sums to the treasury of the Chief Black Eunuch. Therefore they usually could not keep large cash reserves as safety funds. When for instance a major earthquake damaged the waqf buildings and a large repair work was needed, the waqf ceased to perform some services, suspended salaries and stipend payments in order to accumulate a repair budget [Orbay, 2009]. However, all these financial and administrative decisions required authorization from the central authority. Upon receiving a petition for repair approval, the central administration appointed an architect who, together with the local judge and experts, investigated the damage and the extent of repair work, and estimated its overall budget. It was usual for the central administration to order the delivery of a detailed register of repair work after a waqf completed the project and to check that final repair account.

Audit and Inspection: Since the imperial waqfs were very influential economic institutions and performed social services, and since they were efficient tools for applying several state policies, the central authority had a strong interest in their proper functioning. In French hospitals, the treasurer gave a report on his management of the funds to the committee every three months [Lacombe-Saboly, 1997]. The treasurer submitted an account of his administration to the general assembly, and a copy was lodged in the archive. Accounts were sometimes verified by royal stewards. Nevertheless, Lacombe-Saboly contends that the hospitals remained largely free and no real supervision existed.

The Ottoman central administration, on the other hand, closely supervised the Sultanic waqfs because they were like a part of the state structure. The Sultanic waqfs as well as some other imperial waqfs submitted annual account books to some central offices in charge of supervising them. One of these offices supervising almost half of the Sultanic waqfs was the office of the Chief Black Eunuch. The Chief Black Eunuch had professional auditors below him who audited the waqf account books. The central authority was interested in the well-being of the imperial waqfs for one more reason; it received the budget surpluses of many imperial waqfs.

When the annual account was balanced and closed, the account book was signed and stamped by the waqf administrator, and sent in a sealed bag to the central offices in the imperial capital of Istanbul. Sometimes, the local judge checked the account book and attached a document, in which he stated his views about the current administrator's performance, and even interviewing with the waqf employees the judge mentioned in his report the content or discontent of the employees with the current administrator.

Specialized scribes audited the account book in the central offices. The scribes of the central offices prepared a draft copy and crosschecked the account. The account book contained a built-in control mechanism. The total income is balanced with the total expenses plus the account balance. The revenues and expenditures were classified and recorded under separate headings as explained above. Sub-totals were stated for each income and expenditure item and the terms "from this, from that" (*minhâ*), "deducted therefrom" (*min-zâlike'l-bâkî*, *vuzi'a min zâlike*) and "remained" (*el-bâkî*, *nassü'l-bâkî*, *sahhü'l-bâkî*) were employed in the account registers.

The auditor made some small corrections and changes on the original account book or prepared a fair copy and corrected the small errors and inaccuracies in the calculations made by the waqf's scribe. Because the auditors in the central offices kept the former books in the archive, they could easily list all the revenue sources and compare the current income figures with the previous ones.

After the account book was audited, a final copy or if the account book was voluminous, a synoptic (summary) book was submitted to the high imperial council (*divân*). When the accounts were approved, the account book was signed and sealed, and then it was archived. If it was deemed necessary, the scribe (*kâtib*) and/or administrator of the waqf was called to the center

and asked to bring together all the detailed registers, vouchers and other relevant documents. In some cases, the waqf administrator conducted an interview with their supervisory office about the financial situation of the waqf. Sometimes an inspector (müfettis) was appointed or the local judge was charged with the intermittent audit of the accounts in their place. When a new administrator was appointed, the outgoing one had to account for the cash reserves and food stocks in the presence of the local judge and he was bound to deliver the cash in the safe box and in kind stocks in the pantry to the incoming administrator.

The main account book and the other detailed registers functioned as a part of a control and evaluation mechanism. The account registers enabled the central authority to follow the financial performance of the imperial waqfs and to see whether the waqfs regularly performed their services and thus fulfill their economic, social and political functions as stipulated and purposed by the founders and the central administration.

The central treasury received funds from the budget surpluses of several imperial waqfs. In the case that the treasury needed additional revenue, for instance due to the costly military campaigns, the financial situation of the waqfs was reviewed through their account books and additional monetary contributions could be demanded from them [Orbay, 2006].

CONCLUDING REMARKS

The management of imperial waqfs relied upon a complex system of bookkeeping. The main account books were compiled from several types of account registers which contained detailed information on the operation and transactions of the waqfs. Keeping account records was mandatory for most of the imperial waqfs and the annually submitted account books were the primary tools for the control and monitoring mechanism. Therefore, specific types of books and standard record keeping methods were assumed for the imperial waqfs. The main account book indeed presented a high degree of standardization of accounting rules. The main layout and terminology remained unchanged for centuries. However, at the same time, since the waqfs adapted their bookkeeping arrangements to suit their particular needs, the format and layout of the books might slightly differ in some details from each other.

The specialized scribes kept the records. Receipts and payments were grouped and itemized. Detailed descriptions and

explanatory notes were written down or relevant documents were attached when this was deemed necessary. Much more detailed registers than the annual account book containing records of every single transaction were kept and submitted to the supervisory authorities whenever they were asked for. Thus, separate sets of comprehensive accounts were kept and the accounting system was based on an interlocking network of books of account.

The imperial waqfs were closely supervised by the central administration. Corruption was a widespread phenomenon despite the seemingly effective control mechanism of its age. Therefore, besides the auditing of annual account books together with the detailed registers, upon complaints of corruption, an inspector or local judge was charged to check the accounts. When needed, the number of sub-ordinate books increased.

It is a fact that more research in the waqf accounting system is needed. Further research will demonstrate the function of accounting by reference to practices in an actual waqf and enable to recourse to the diverse conceptual frameworks of accounting history.

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