stipulated the following:

> The whole of a village or of a town cannot be given in its entirety to all of the inhabitants nor to one or two persons chosen from among them. Separate pieces are granted to each inhabitant and a title is given to each showing his right of possession. (Warriner, 1966: pp. 73-74)

With this move, the state hoped to increase its revenue by taxing every piece of land individually,instead of the previously practiced method where one general fee was collected from the whole village or group of villages. While in the long run these legal measures left their imprint on the general socio-economic structure of Palestine and on production relations in particular, their short term aim, i.e., generating cash desperately needed by the Ottoman state, was not realized, leaving the state no alternative but foreign help. In 1851, Sultan Rashid Pasha signed an agreement with a French and a British bank for a state loan of 55 million Francs (Suvla,R.S.,1966: 100). In 1854, soon after the Crimean war, he signed another agreement for a loan of 3,300,000 Turkish Pounds (one Turkish Pound was equivalent to one British Pound). Of this loan, however, only 2,514,913 Turkish Pounds were cashed by the Ottoman state and the rest were deducted as interest on previous loans (interest rates imposed by these banks ranged between 10 and 12 per cent). By 1875, the Ottoman state had amassed a total external debt of nearly 242,000,000 Turkish Pounds. (Suvla, R. S. 1966: 104)

The inability of the Ottoman Empire to repay its debts to the European governments pushed it to deal with private capitalists. In 1855, the Ottoman state agreed to a loan of about 5,500,000 British Pounds from the Rothschilds of London (Suvla, R.S.,1966:100). Interest accumulated on this loan was estimated at B.P 6,948,612 by

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