

continued to form the most prevalent form of loan-banking during the Mandate period, despite attempts by the British to build up a formal agricultural-loan system.⁴¹⁵ He makes a compelling argument regarding credit in the Mandate period, based in part on a series of interviews with Nazarene wholesale merchants. He argues that fallahīn preferred to take non-institutional credit, with its variable interest rate tied to the harvest and payable in kind, rather than fixed-rate loans from banks (when they could be secured), repayable only in cash.

It is not surprising, then, that in the 1890s when formal loan-granting institutions for Palestinian farmers were in their infancy in the Empire, this was likewise the case. In Hebron's court, the mortgage/loan business, known both as *bay' w'ad* (lit. sale of promise) and *bay' wifā*, was booming throughout the period under discussion. To term this system an "informal" loan system in the Ottoman period would be a misnomer. It was mainstream.

Further, the Ottoman judicial system was flexible, aiming for agreed-upon settlements.⁴¹⁶ Automatic forfeiture of the mortgaged property would have been contradictory to this principle. The loanee continued to have rights, even when unable to repay the loan. For one, moneylending was a cash business. As Iris Agmon has observed, "the fictitious buyers expected to get their money back because their investment was based

⁴¹⁵ Amos Nadan, "The Competitive Advantage of Moneylenders over Banks in Rural Palestine", *Journal of the Economic and Social History of the Orient*, 48/1 (2005): 1-39.

⁴¹⁶ Abdülmecid Mutaf, "Amicable Settlement in Ottoman Law: *Sulh* System", *Turcica* 36 (2004): 125-140; Boğaç Ergene, "Why did Ümmü Gülsüm Go to Court? Ottoman Legal Practice between History and Anthropology", *Islamic Law and Society* 17 (2010): 215-244.