

The State and its Servants

Administration in Egypt from Ottoman Times to the Present

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The *Siyasatname* and the Institutionalization of Central Administration under Muhammad 'Ali

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The Background for the *Siyasatname*

This paper analyzes the reforms brought about by the *Siyasatname* that Muhammad 'Ali issued in 1837. This document formed the basis of the administration until the end of the nineteenth century.¹ It therefore represents an important point in the development of the governmental system. The analysis of this document shows the attempts of Muhammad 'Ali to develop a government administration that was adapted to the new functions that the government was taking up. The innovations that Muhammad 'Ali was introducing were facilitated by the fact that he controlled both the political and the administrative structures. This essay will argue that even though the *Siyasatname* introduced a new model of administration, it was essentially the result of a pragmatic approach and was introduced in order to bring together a number of policies set up by Muhammad 'Ali at an earlier stage of his career. In spite of its shortcomings, it formed the basis for the central administration until the end of the nineteenth century.

From earlier on in his reign, it was becoming evident that the governmental system that Muhammad 'Ali had inherited from his predecessors was not fulfilling his needs. This system followed the broad outlines that had been set up by the *Qanunname Misr* of Sulayman the Magnificent in 1525. The *Qanunname* served as a blueprint of administration, even though many amendments had been introduced in the course of the three centuries of Ottoman rule. The power conflict between the Ottoman government and the Mamluks in Egypt had modified some features of the Ottoman administration, which eventually lost part of its grip on central administration. This paved the way for a de facto

¹ The *Siyasatname* was published by a lawyer, Ahmad Fathi Zaghloul, in his book *al-Muhamah*, Cairo, 1900, pp. 4-26.

decentralization of the administration, represented in the growing power of the Mamluk beys and amirs in the eighteenth century.²

By the time that Muhammad 'Ali had become ruler of Egypt in 1805, the state of disorder within the traditional Ottoman central administration was widespread. The central bureaucracy had become inefficient and was unable to perform adequately. Aiming at making Egypt a strong and prosperous base for himself and his family, Muhammad 'Ali took great care to tighten his grip on the administrative apparatus. He made sure that the agents entrusted with the collection of taxes could be relied upon to deliver what they owed, especially after the abolition of the tax farming (*iltizam*) system and the elimination of the Mamluks. Significantly enough, it was upon the traditional elements of the Egyptian administration, the Coptic clerks and the village shaykhs, that he relied on to run his new system, a factor which affected the way the new administration was run.³ In other words, he was instituting important changes to the existing system, but the implementation of his new ideas was expected to be carried out by the people who had been trained to run the administration under his predecessors.

Although the plan to establish a new administration was the result of a decision that the ruler made, it emerged because of the situation he was facing at the time and because of a real need for new ways to approach his problems. That need had been created by Muhammad 'Ali's plans to have a modern army and navy, and the monopoly that he had instituted over the country's productive resources. Agriculture, industry, and commerce were placed under his control and direction.⁴ With these new functions that the government now had to fulfill, the traditional Ottoman administration was not capable of meeting the growing demands. The Ottoman government, as it had been set up in Egypt ever since the early sixteenth century, had not had such functions to deal with prior to the nineteenth century, and it was not equipped for an administration of such a scope. What in fact Muhammad 'Ali had been doing was to bring about a steady and gradual change, founding departments for the administration of particular activities (*diwans*), and creating consultative bodies such as *majlis al-mashura* and the *majlis al-'ali*. These were created to confront a particular situation. They do not seem to have been structurally related to each other except insofar as they all answered to him, nor to have been organized along similar lines. The administration of Muhammad 'Ali, therefore, before he introduced the *Siyasatname*, was neither uniform nor coordinated.

² Shaw, *The Financial and Administrative Organization and Development of Ottoman Egypt*, Princeton, 1962; Laila 'Abdul Latif Ahmad, *al-idara fi Misr fi-l-'asr al-'uthmani*, Cairo, 1978; Ahmad Fu'ad Mitwalli, ed. and trans., *Qanunname Misr*, Cairo, 1986.

³ H. Rivlin, *Agricultural Policy of Muhammad Ali in Egypt*, Cambridge, 1961, p. 77; P. Hamont, *L'Egypte sous Mehmet Ali*, Paris, 1843, p. 26.

⁴ Charles Issawi, *An Economic History of the Middle East and North Africa*, New York, 1982, p. 4.

In other words, one can discern a pragmatic approach on the part of Muhammad 'Ali. He was feeling his way as he went. When he was confronted with a problem that needed to be solved, he was ready to create a body of some sort. As a result of this approach, a number of new departments were created as the need arose. Among these, the department of the navy and naval schools (*diwan al-bahariya wa-l-madaris al-bahariya*) was created in 1814; the department of agriculture (*diwan al-zira'a*) in 1817; the department for the army (*diwan al-jihadiya*) in 1822; the department of industry (*diwan al-fawriyat*) in 1824; the department of the gazette (*diwan al-jurnal*) in 1828; and the state archives (*daftarkhana*) in 1829.⁵ The evidence, in other words, does not point to a preconceived overall plan of what the administration should be like, or a model that should be followed, but to a step-by-step approach.

In addition to these diwans, Muhammad 'Ali created a number of smaller departments to handle those activities which were new to the government. They were called *masalih* (sing. *maslaha*). There was a department for silk, a department for gunpowder, and a department for shipyards. There were also departments for the manufacture of rifles and cannon, for sugar, for coffee, for tanneries, for bakeries, for ironworks, for waxworks, for saddlery, for buildings, for storehouses, and for viceroys' kitchens.

Muhammad 'Ali's policies were directed toward extending the functions of the state to a number of new domains that had not been within its competencies before. This created various problems as far as the bureaucracy was concerned, both with regard to how the bureaucracy was run and who was in charge of running it. It seems that from quite early on, he became, with his usual perceptiveness, aware that there were a number of weak points in the system he had set up. Muhammad 'Ali had entrusted these departments to his deputy (*katkhuda*) Muhammad Laz Uglu, who was assigned the duty of reorganizing them. In an order dated September 1823, Muhammad 'Ali expressed his appreciation for the work that his *katkhuda* had done, but he was critical about the complications in the way these departments were run, and in particular of their bookkeeping system.⁶

His comment was, in fact, quite perceptive in pinpointing an essential problem. This was that the innovations he was bringing about, which in a way were so dramatic, were not touching all the levels of the bureaucracy in the same way or at the same speed. At one level, in the higher bureaucratic levels, for which Muhammad 'Ali was personally responsible for most of the decision-making, the changes were as rapid as he wished them to be. This level of the bureaucracy was in the hands of members of his family as well as members of

⁵ Amin Sami, *Taqwim al-Nil wa 'asr Muhammad 'Ali basha*, Cairo, 1928, vol. II, pp. 246, 247, 304, 339, 348.

⁶ *Taqwim al-Nil*, II, pp. 309 and 315.

the Turkish military elite (*zawat*). But at the grassroots level of the people who were actually running the bureaucracy on a day-to-day basis, change was not permeating in the same way or at the same speed. For one thing, the soaring number of new administrations was using traditional methods that dated from before Muhammad 'Ali's rule. Also, there had probably not been a change in the lower-grade personnel and the same people were running the lower levels of administration; their bookkeeping therefore, as he had quite rightly pointed out, followed the methods that they had been trained in all their lives. The result was that the government administration seemed to be unable to keep up with the present needs. Muhammad 'Ali had identified a problem that, in spite of the many changes he brought about, would persist for a long time to come, the problem of communication between the lower and upper levels of administration, or between those who made the decisions and those who implemented them.

At the top of the hierarchy, all the powers of government were concentrated in the hands of Muhammad 'Ali, the members of his family, and members of the Turkish military elite. The viceroy himself was the focus of the whole process, occupied continually with the supervision of all the affairs of his state. He received weekly reports from each one of his departments, addressed to his chancery (*al-ma'iyah al-saniyah*). He issued numerous orders and directives and made regular tours of inspection in the provinces. With the continuous expansion of the scope of government activity, this over-centralized style of administration proved more and more difficult to maintain. It also came to be vulnerable to external pressure, both economic and political.⁷

These were the background circumstances that the administration was faced with at the time that the *Siyasatname* came into being. In 1836-37, moreover, Muhammad 'Ali had particularly difficult problems to confront, making it essential to reorganize the administration in a more practical way and to help the government to overcome these serious difficulties. The export oriented economy that Muhammad 'Ali introduced had paved the way for Egypt's integration into the world market. One result of this integration was that it became vulnerable to economic crisis affecting its trading partners. In 1836-37 a sudden fall in the price of cotton in the international market created a severe economic crisis in Egypt. For several months Muhammad 'Ali tried to keep Egyptian cotton from being sold in the market, with the hope of selling at a better price later. All this did was aggravate an already difficult financial situation. The military expenditures for the campaign in Syria, in addition to the failure of the Egyptian peasants to pay their land tax for three successive years, had deepened the financial crisis. The peasants' situation was made more difficult by several factors; the system of conscription and the *corvée* labor had

⁷ Roger Owen, *The Middle East in the World Economy 1800-1914*, London, 1981, p. 73.

created a shortage in manpower. The drought of 1836 and the plague that same year had deepened the crisis. The heavy tax burdens on agriculture (which provided 50 percent of state revenue) had been hard on the peasants even under more favorable circumstances. The peasants reacted by fleeing from their villages, which in turn made things more difficult for the government. Muhammad 'Ali's situation was worsened by the fact that many of the merchant houses in Alexandria, to whom he used to turn when he needed credit, had been forced into bankruptcy.⁸

To overcome these serious difficulties, Muhammad 'Ali instituted a major reversal of policy to find a way out of the crisis and to consolidate his own power. He introduced two major developments. The first was aimed at gaining the support of the *zawat* by strengthening their economic position. In January 1837, he issued a decree making the usufruct of *ab'adiya* land⁹ donated to them a hereditary tenure. A little later, in March 1840, Muhammad 'Ali handed large tracts of land of those villages which had accumulated tax arrears to members of his family and to senior officials, providing that they paid tax arrears.¹⁰ The interests of these groups were consequently closely allied to the ruler. They became personally interested in seeing that his policies succeeded because they were deriving benefits from him.

The second development was aimed at the reorganization of the central administration and the reform of the government machinery. A French expert in government finance and administration was entrusted to study the government machinery and to make suggestions as to the reorganization of the central administration within the framework of Muhammad 'Ali's aims and objectives. The identity of this expert is not clear. In the Arabic sources his name is Rosah;¹¹ he was said to be a teacher in the school for bookkeeping (*madrasat al-muhasaba*).

The French expert who was chosen for this job started off by making a thorough investigation of the prevalent conditions. He met and questioned the heads of government departments and collected information to get a clear picture of what was going on. When he had finished doing that, he submitted a report to Muhammad 'Ali, suggesting the institutionalization of the central administration in order to secure more adequate performance by the government machinery. In

⁸ Owen, p. 73.

⁹ In the cadastral survey of 1813, the unit of measurement, the *qasaba*, was reduced. The result was a nominal surplus of arable land, which Muhammad 'Ali took over then donated as *ab'adiya*.

¹⁰ Raouf Abbas Hamed, *al-Nizam al-ijtima'i fi Misr fi zill al-milkiyat al-zira'iya al-kabira*, 1837-1914, Cairo, 1973, pp. 40-41; Y. Artin, *La propriété foncière en Egypte*, Le Caire, 1889, pp. 129-30; Rivlin, pp. 64-66.

¹¹ This could also be Rouse, Rouser, or Rousset.

the light of this report, Muhammad 'Ali issued a decree in 1837, for the implementation of the new regulations: it was called the *Siyasatname*.¹²

It is difficult to tell to what extent the *Siyasatname* was based exactly on the advice of the French expert's report. One can of course question the degree to which he would have centralized all power in the hands of Muhammad 'Ali, which the *Siyasatname* in fact does. But then, we know that Muhammad 'Ali very often did not take the advice that he was given; he tended to modify it and to adapt it so as to fit his needs, and it is very likely that the degree of centralization that the new system provided around the person of the ruler was his own doing. However, the coordination that the *Siyasatname* provided between the various departments was certainly new and can safely be attributed to the model that the French expert had provided.

The *Siyasatname*

This document consists of three chapters: the first one is on the basic organization of administration, (*'an bayan al-tartibat al-asasiya*); the second chapter covers administrative performance (*'an bayan al-'amaliya*); and the third chapter is on the punishment of government services for administrative offenses (*'an bayan al-siyasatname*).¹³

The first chapter deals with the structure of central administration and the question of coordination between different departments. It is quite significant in that it shows the degree to which this new administration remained centralized. What seems to have been a problem in the older administration was therefore apparently not addressed. The viceroy kept his position as the single decision-maker and as the head of the new administration, which was coming into being. To assist him was a committee of counselors (*shura*). The government function was entrusted to seven major departments (*diwans*), with a general manager (*mudir 'umum*) at their head. Each of the diwans had a number of divisions (*maslahas*) which were run by managers (*mudirs*), and each of these divisions had a number of sections or workshops (*warshas*), each one run by a chief (*nazir*).

The first department was the khedival chancery (*diwan al-khidiwi*). It combined new elements with traditional elements. On the one hand, this chancery was responsible for the functions held by the ruler (*sultat waliy al-amr*), in the Islamic state, as set up by the Islamic shari'a. This included the treasury

¹²The term *siyasatname* was first coined by Nizam al-Mulk, minister to the Seljuk Sultan Malik Shah (1072-1092). It was applied to a special code of administrative regulations alien to the Islamic shari'a. The Ottomans often used it, together with the term *nizamname* (which Muhammad 'Ali also used) with the same meaning.

¹³ The text of the *Siyasatname* in the Egyptian archives, *Dar al-Watha'iq al-Qawmiya* is the main source for this article; see *Daftar majmu'at tartibat wa watha'if qanun, al-tartibat al-asasiya*, unclassified record, pp.1-15.

(*ruznama*), the state domain (*bayt al-mal*), the endowments, (*waqfs*), the mint (*al-darbkhane*), and the functions of the markets inspection department (*hisba*), as the *Siyasatname* abolished the position of the market inspector (*muhtasib*). On the other hand, the other functions of the khedival diwan included new features, such as the administration of urban areas, notably of the city of Cairo (*mahrusat misr*) which had been the task of the katkhuda, and the supervision of the provincial administration, including deciding the cases which had to be reported by the mudirs of the provinces. Its other divisions were responsible for transportation and commerce; these were the Mahmudiya canal, the postal service, the caravans, the council of merchants (*majlis al-tujjar*), and the council of European merchants (*majlis tujjar urubba*), both councils being established by Muhammad 'Ali to serve as commercial courts. In addition, the khedival department was charged with miscellaneous divisions such as buildings, the viceroial bakery and kitchen, the slaughterhouse, the livestock farms, the alabaster quarries, the limestone quarries at Tura, the shipyard of Bulaq, and the civil hospitals.

Obviously the khedival diwan was made the core of the central administration by its control over the treasury, currency, domestic trade, and the administration of the capital and the provinces. It contained the administrative divisions controlled directly by the viceroy, with financial, judicial, and service functions. Although Deny and Rivlin maintain that the khedival diwan was carrying out the functions of a ministry of interior, there is no evidence in the document for such a statement.¹⁴

The second department was the department of revenues (*diwan al-iradat*) which consisted of two equal branches. The first was charged with auditing Sudan. Syria was excluded as all Syrian affairs were entrusted to Ibrahim Pasha with a certain degree of autonomy. Consequently, Syrian finances were kept separately by an official (*mubashir*) who received all taxes, paid all expenses, and rendered an account at the end of the year to the viceroy at Cairo.¹⁵ The other branch of the department of revenues was charged with the revenues of Alexandria and Cairo, including all kinds of customs, taxes, and dues. Each of the two branches was headed by a general manager (*mudir 'umum*), who acted independently of each other and each reported directly to the viceroy. According to the *Siyasatname*, the department of revenues, with both branches, was charged with all the receipts of the government except those from the sales of agricultural crops by the department of trade. The section of financial and other material charges entrusted to personnel (*warshat al-zimamat*), which was once affiliated with the council of civil affairs (*majlis shura malakiya*), came under the

¹⁴ Deny, *Sommaire des Archives Turques du Caire*, p. 116; Rivlin, p. 80.

¹⁵ For further details see Latifa Salim, *al-Hukm al-misri fi-l-Sham 1831-1841*, Cairo 1983, pp. 117-20; Perrier, *La Syrie sous le gouvernement de Mehmet Ali jusqu'en 1840*, Paris, 1842, p. 56.

department of revenues. When this department failed to improve a deteriorating financial position, the two branches were integrated in 1844 in a unified department of Egyptian finance (*diwan al-maliya al-misriya*) headed by Sherif Pasha as general manager.¹⁶

The third department was the department of the army (*diwan al-jihadiya*). It was in charge of military affairs, including recruitment, military training, drills, and organization of the troops. All activities and services related to the military, such as military education, hospitals, factories and workshops, and storehouses, were entrusted to the various divisions of this department.

The fourth department was the department of marine (*diwan al-bahr*), charged with the navy, the shipyard of Alexandria, marine education, stores and supplies, and the marine hospital, with its headquarters in Alexandria.

The department of education was the fifth in the administrative structure set up by the *Siyasatname*. It was charged with all functions of education and research including all divisions which "required knowledge of modern European sciences." The *Siyasatname* entrusted the department of education (*diwan al-madaris*), with the administration of all modern schools, libraries, laboratories, the government press at Bulaq, the journal *al-Waqa'i' al-Misriya*, and all kinds of experimental farms. In addition to this, the department of education had to serve as a department of irrigation and public works, being in charge of the barrages and other irrigation projects.

The sixth, the department of foreign affairs and Egyptian trade (*diwan al-umur al-afranjiya wa-l-tijara al-misriya*) was in charge of marketing all Egyptian products. The department had to render all accounts related to its deals to the department of revenues for auditing. No information on the nature of foreign affairs entrusted to this department can be found in the *Siyasatname*. It seems that it was concerned with matters related to foreign trade and did not have any diplomatic functions.

The department of industry (*diwan al-fawriqat*) was the last in the structure of central administration, charged with running all factories of civil production in the capital and the provinces. A copy of all the accounts had to be submitted to the department of revenues for auditing.

The *Siyasatname* therefore covered a wide range of duties that the government was to undertake. Because, unlike the earlier bureaucracy, it was set up as a preconceived system, it integrated in a logical way similar activities. Whereas before there had been a department for gunpowder, another for rifles and cannons, and a diwan for war (*jihadiya*), the *Siyasatname* integrated the three.

¹⁶ Rivlin, p. 83.

Questions dealing with the personnel who were running the diwans were also included in the document. According to the articles of the first chapter of the *Siyasatname*, all general managers of the diwans, managers of the divisions, chiefs of sections, and their subordinates were responsible for adequate performance of their respective duties. Any incompetent behavior was to be subject to punishments that were set up in the articles of chapter three. Each department had to submit a weekly report on Thursday to the viceroy, briefing the major achievements and problems. In order to coordinate between the various departments, an annual meeting was to be held by the viceroy to which the general managers of the diwans and certain number of the high-ranking Turkish officials were invited to discuss major questions and make decisions.

Concerning the financial affairs of the diwans, chapter one of the *Siyasatname* provided for the preparation of an estimated annual budget by each department to be submitted to the viceroy for ratification. Each department was committed to the items of the budget and it was not allowed to exceed the limits unless they obtain viceroial permission. Statements of total monthly accounts had to be reported regularly to the viceroy, but the final annual statements had to be rendered to the branch of inspection of accounts at the department of revenues for auditing. All the statements of accounts and their related documents had to be deposited in the state archives by the end of the fiscal year.

The *Siyasatname* made provisions to allow a degree of coordination between the departments which were carrying out various functions, often unrelated to each other. The first chapter of the *Siyasatname* provided for the establishment of a committee of counselors (*shura*) composed of seven members of the high-ranking Turkish elite and headed by a distinguished member of the same elite. Though the number of members corresponds to the number of the diwans, none of them was a general manager of a diwan. The main task of this committee was to discuss all matters related to administration, including careful study of the weekly reports submitted to the viceroy by the diwans, and suggest necessary procedure. The committee could also act as an administrative court to judge cases of administrative offenses committed by senior officials, such as general managers of the diwans, managers of maslahas, and nazirs of sections.

Personnel and their Duties

The second chapter of the *Siyasatname* (*'an bayan al-'amaliya*), deals with the performance of all senior officials of both the central and provincial administration. It states that they must do their best to collect all required taxes and dues, take good care of irrigation, make sure that peasants fulfill their agrarian duties, and refrain from doing injustice to the subjects, such as forcing peasants to work for them without pay or abusing them in any way. This chapter also includes articles on the performance of junior officers such as village tax-

collectors (*sarrafs*) and the storehouse keeper (*kuttab al-shuna*), and provided for the fair treatment of peasants.

It also regulated tax farming (*iltizam*) of certain divisions, sales of the products, procedures of commercial deals for marketing crops, procedures of government purchases and supplies, affairs of industry, and industrial production. It had provisions on how to encourage personal initiative in the workers. Other articles regulated matters related to the system of government accounts, such as clearance of financial and material charges entrusted to personnel (*zimamat*), the settlement of tax arrears, the procedures for keeping records and handling documents, the rules and procedures for the inspection of accounts, and the regulations for storehouses and storekeeping. It also regulated the payment of salaries and wages by a card, called a *sarki*, which mentioned the amounts paid to each government official and the back pay to be cleared by the end of the year or on dismissal. It is obvious that the second chapter of the *Siyasatname* provided the code of administrative procedures for all functions of both central and provincial administration.

The third chapter (*'an bayan al-siyasatname*), consists of articles on the punishment of government servants who committed administrative offenses. There were two kinds of penalties: imprisonment for major offenses and crimes, and flogging for minor ones. Imprisonment was for crimes such as embezzlement of government funds (2-5 years); bribery (1- 3 years); forgery of documents or records (2-5 years); murder of a subject (lifetime or 2-5 years if the convict paid blood money, *al-diyya*); any acts which caused the treasury to lose money (6 months-2 years); and nepotism (one year). Flogging was used as a punishment for employees who did not perform their duties adequately (25-500 strokes of *kurbaj*, or lashes).

The Impact of the Siyasatname

The reforms that the *Siyasatname* put forward were, as mentioned earlier, based on the report that the French expert had written. It reflected a certain degree of Western influence, but this was also combined with its ties to the past and its continuity with the previous administration, both the administration that Muhammad 'Ali had set up prior to 1838 and the Ottoman administration that existed before Muhammad 'Ali's rule. This continuity was evident both in the methods and in the personnel of the new administration.

In evaluating the *Siyasatname* one must make a distinction between two points, first, the success of this enterprise and second, its impact on the future administration of Egypt. The extent to which the *Siyasatname* was successful in the reforms it established is questionable. Although it aimed at the institutionalization of central administration by reorganizing the major government departments and establishing a certain degree of coordination, the

new reforms were not much help in solving the major problems of the government. The financial difficulties and inefficiency of administration were aggravated by the over-centralization of government. The problems of efficiency in administration which had plagued it from the start continued to be a problem for a long time to come. In the 1840s, Muhammad 'Ali tightened his grip on administration more than ever before, thinking that it was the only way to get better government. Salaries and wages of the government servants of all ranks were not paid regularly, and pay arrears continued to accumulate month after month. In order to make ends meet, the government officials continued to impose illegal levies, known as *firda* or *'awayid*, on the people, which inevitably led to additional suffering among the populace. The indications are that the level of corruption was high. It was estimated, for instance, that nearly 40 percent of the amount taken from the taxpayer never reached the viceroy's treasury. The coordination committee, whose role would have been of fundamental importance, was in fact inefficient. Its members were frequently charged with corrupt practices. They were said to be using their positions in order to increase their own fortunes. The frequent punishments that the khedive continued to mete out did not seem to deter them.¹⁷ The expectations of Muhammad 'Ali were therefore not quite fulfilled with regard to the changes that he had hoped to see with the implementation of the *Siyasatname*.

The reorganization of central administration as it was set up by the *Siyasatname* did not actually create an efficient instrument that could help Muhammad 'Ali carry out his ambitious schemes. There was a wide difference between the provisions of the law and the actual practice of the government, between the plan as it had been set up and its implementation in the various departments. Despite the articles on punishment for administrative offenses in chapter three, disorder could be seen in every section of the government. Moreover, it was also obvious that with time the situation, rather than improving, was becoming gradually worse.

Ten years after the promulgation of the *Siyasatname*, Muhammad 'Ali, well aware of the direction that things were taking and wishing to put a stop to the deterioration he saw around him, asked the same French expert to look into the financial and administrative problems and to suggest a solution. In July 1847, the French expert submitted a report in which he suggested that an annual budget for the government be made by the department of finance with fixed figures for expenditure and potential revenues, in consultation with all diwans. Items of expenditures should not be exceeded by the respective departments without viceregal permission. In this case extra expenditure must be covered by the surplus of other items. The department of finance would prepare a balance

¹⁷ Rivlin, p. 86.

sheet by the end of a fiscal year showing assets and liabilities, with adequate inventories of detailed items.¹⁸

To ensure that the government machinery was performing its functions adequately and that government personnel had some form of security, the French expert suggested limiting the number of jobs in order to make them meet the real demands of administration. He also suggested that salaries should be paid regularly and pay arrears abolished. His proposals included the introduction of a system of promotion and regular pay raise. He also suggested replacing physical punishment, which was meted out to incompetent employees or those who performed inadequately, with financial penalties, that is, pay cuts. To control the government machinery in an efficient way, he suggested the establishment of a parliament with two assemblies, modeled on the French system.

A special committee of high-ranking Turkish officials (*jam'iyah 'umumiyyah*) was formed by Muhammad 'Ali to study the report and to suggest suitable actions. They accepted the introduction of a general estimated budget and related reorganizations of finance, but they turned down the proposal of a parliament, because they thought that it would not be suitable for Egypt at that time. Instead, they suggested a certain degree of decentralization by delegating more powers to the general managers of the diwans. Each diwan was to have a committee composed of three to five people whose function it would be to help the general manager make decisions. An inspector general (*mufattish 'umum*), helped by four assistants and a number of clerks, was appointed to evaluate the performance of each diwan.¹⁹

Needless to say, this new reorganization did not produce the anticipated results. Neither was the reform of the government machinery successful, nor were the financial and administrative problems solved. And yet, in terms of its impact, the *Siyasatname* was nevertheless a very important step. For many decades to come, it became the framework of the Egyptian central administration, the basis upon which further changes by Muhammad 'Ali's successors were brought about. The institutionalization of central administration designed by the *Siyasatname* continued to be the basis of the government machinery until the introduction of the ministerial system in August 1878. It was thus one step further in the process of state-building that Muhammad 'Ali had started and that his successors continued throughout the nineteenth century.

¹⁸ *Dar al- Watha'iq al-Qawmiyyah, daftar majmu'at tartibat wa watha'if*, pp. 14-45.

¹⁹ *Ibid.*, pp. 46-57.