

Peasant indebtedness and Çiftlik Formation in the Seventeenth Century Karaferye (Veria)

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Money shortages and the need for cash were always an issue in early modern economies. People of all ranks participated in credit relations either because of urgent cash needs or lack of adequate resources. Peasantry was one of the most vulnerable groups in this credit market, especially during times of socio-economic crisis and uncertainties. Karaferye court registers host a massive number of debit entries in the seventeenth century. Lenders were mostly cash waqfs and rich local notables, who were predominantly members of the new çiftlik-owner group in the making. Peasants specifically needed cash to pay their taxes. Sometimes, it was individual borrowing; sometimes, peasants borrowed collectively. In all cases, borrowers also had to pay an interest rate of 15%. The debtors also had to put up their properties as security, which were usually gardens and houses in the case of peasants. When the harvest failed, or they could not sell their produce in return for desirable prices, their situation was quite fragile. They might not be able to pay their debt and could not pay the regular taxes, let alone excessively levied taxes in the first half of the seventeenth century. The debts were also inherited if their forefathers had not been able to pay. Indebtedness was quite a risk for peasant households, and many even fell into a debt spiral, losing their properties and usufruct rights on the land, which eventually led to dispossession and displacement. Some had to sell their lands, and some just left their villages due to the heavy burden of debts and excessive taxes. The long-term indebtedness was one of the causes of peasant dispossession, gradual peasant displacement, and çiftlik formation on these previously state-owned peasant lands in Karaferye, where these privately owned estates gradually replaced the peasant household as the main unit of agricultural production.