

## Notes and communications

### Some research notes on Carl A. Trocki's publication *Opium, empire and the global political economy*<sup>1</sup>

Carl A. Trocki's recent publication *Opium, empire and the global political economy* (London and New York: Routledge, 1999) is in many ways an exceptional work. Its central thesis is controversial: 'Without opium there would not have been a [British] Empire'.<sup>2</sup> However, Trocki does not dedicate his book to a study of the early history of the British opium trade as one might expect from his thesis. Instead, only two of the eight chapters deal with the crucial period of the late eighteenth to early nineteenth centuries, and only one of these chapters (Chapter iv) deals directly with the topic. Trocki's primary documentation is largely based on relevant East India Company (EIC) documents related to opium production and the opium trade. He tells us in his bibliography that the collection he consulted in the National Archives of India (NAI) in New Delhi was designated the 'Secret Revenue Collection'.<sup>3</sup> The crucial documents cited by Trocki are the letters of 24 October 1817, 8 April 1821, 30 January 1822 and 11 July 1827.<sup>4</sup> Trocki's EIC documents belong to a collection known as the 'Letters from the Court of Directors' (LCD), which refers to directions sent to the Governor General of India (previously the Presidency of Bengal) from the Court of Directors (the main controlling board of the EIC) in London. In due course a number of problems emerged, both with Trocki's interpretation of the evidence contained in them, but also with his citations of these documents.

The difficulties presented by Trocki's EIC documents and their ramifications are the subject of this research note. It is not the intention of this author to present a new thesis in this context; the purpose of this study is rather to demonstrate that Trocki's document selection does not in fact favour his interpretation of the early opium trade, and that a limited further study of some of the related letters shows that the discourse within the Company was at least in part motivated by concerns (e.g. the issue of smuggling within Company territory) that go unmentioned in Trocki's publication. One can, of course, question the degree of honesty within the communications between the Board of Directors and the Presidency; nonetheless, the issues voiced should be given consideration.

Some of the problems are presumably copying mistakes. Other errors are more serious, since they do not favour Trocki's representation of the historical context of the early British opium trade. Trocki uses a number of the letters

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<sup>2</sup> Trocki (1999: 17).

<sup>3</sup> The National Archives of India do not have a 'Secret Revenue Collection'. Trocki's selection was located in the 'Separate Revenue Consultations'. These documents, like all the rest, are stamped 'secret'. There has never been a 'Secret Revenue Collection'. The incorrect identification of the collection from which Trocki obtained his sources considerably hindered this author's efforts to follow his research.

<sup>4</sup> No letter was found dated 8 April 1821.

(in conjunction with one secondary source) to construct an extensive list of prices of chests of opium from 1787–1822. He gives the prices as:<sup>5</sup>

<i>Year</i>	<i>Price per chest in Rupees</i>
1797	286 Rs.
1798	414 Rs.
1799	775 Rs.

In fact, the correct numbers are:<sup>6</sup>

1797	286 Rs.
1798	367 Rs.
1799	781 Rs.

These are not the only minor errors to occur. On the next page Trocki states: ‘Exact figures for the amount paid to peasants prior to 1820 are unavailable, but the cost to the government per maund [of opium] fluctuated between Rs 85 and Rs 112 between 1814 and 1822’.<sup>7</sup>

In fact, the data that Trocki claims do not exist are available in the 1 March 1804 Letter to the Court of Directors (LTC), which forms the second half of the EIC correspondence and which Trocki does not apparently consult at all. The document that Trocki quotes in his table actually states a minimum cost per maund of 89 Rs. (1819–20) and a maximum of 112 Rs.<sup>8</sup>

These minor errors have no great bearing on the subject matter, but the issue becomes considerably more serious in the following pages. The quotations offered not only provide the main evidence and the title for this particular chapter (‘In compassion to mankind’), but are essential to establishing the ‘legitimacy’ of Trocki’s thesis as a whole. It is necessary to quote Trocki here in full:

Realising that the Chinese market had become far more elastic than they had previously imagined, the government decided to increase production in order to meet competition from foreign and Malwa opium. And, rather than attempt to restrict the supply and maintain the price, they adopted the opposite strategy: of producing as much as possible and hoping to drive the competition out of business by running down the price. Despite the usual blandishments about native welfare, increasing blocks of land were brought under opium cultivation, particularly in Bihar state, and more peasants were dragooned into the business of poppy cultivation.

‘we are of the opinion that the principle ought to be invariably adhered to, not to introduce the culture of the Poppy into any District where it has not hitherto been obtained, but that the Provison should be increased, either by improved management in those parts of the Country where Agencies are already established, or by the introduction of Government Agency into districts where the Plant is known to be cultivated for purposes of clandestine trade.’ (NAI, SRC, Letters from the Court of Directors to the Governor-General in Council, 24 Oct. 1817, para. 77).<sup>9</sup>

To begin with, it is unclear how Trocki’s opinion is supported by the quote he chooses. Without adding any new information to it, we might ask ourselves how Trocki considers his argument supported when he publishes an account

<sup>5</sup> Trocki, 1999.

<sup>6</sup> LCD, 27 December 1799. The document states: ‘this year the price rose by 414 Rs to 781 Rs per chest’.

<sup>7</sup> Trocki (1999: 66).

<sup>8</sup> LCD, 11 July 1827.

<sup>9</sup> Trocki (1999: 74).

stating that further territory was not to be opened up to cultivation (see above), contrary to what he says just prior to this. The matter is, however, considerably exacerbated by parts of the paragraph which Trocki does not mention. The paragraph actually reads:

*With respect to the means of providing a future and permanent supply for internal consumption, we are of the opinion that the principle ought to be invariably adhered to, not to introduce the culture of the Poppy into any District where it has not hitherto been obtained, but that the Provision should be increased, either by improved management in those parts of the Country where Agencies are already established, or by the introduction of Government Agency into districts where the Plant is known to be cultivated for purposes of clandestine trade. In conforming with this principle we entirely approve of your having rejected the proposition of the agent in Bihar to establish a factory at Manghyrs, a District in which it does not appear that the poppy is cultivated. [emphasis added]*<sup>10</sup>

As can be seen, paragraph 77 actually states explicitly that the opium in question is not intended for external trade (to China) as Trocki says, but for internal consumption. Also, at least at this stage (although this was to change later), the British were not expanding production to meet the Chinese market, but rather were trying to prevent the spread of illicit cultivation within India itself. Paragraph 77 continues and concludes:

On the other hand, in authorising the provision of opium to be revived in Rungpore, where every endeavour to prevent the illicit cultivation of the Poppy is stated to have proved ineffectual, the only object (and it is surely a fair one) is to substitute an allowed instead of illegal proceeding to restrain an evil which cannot be repressed to place under regulation a habit of indulgence from which the people cannot be wholly weaned, and to employ taxation less as an instrument of raising revenue than as a [preservative] of the health and morals of the Community.<sup>11</sup>

As can be seen, the paragraph that Trocki chooses, and which constitutes his sole primary source for this vital chapter (it is entitled, somewhat sarcastically, ‘In compassion to mankind’ after a quote taken from para. 85 of the same letter), actually says the opposite of what Trocki implies. It states, firstly, that although the output was to be expanded it was to be done not by bringing new land under cultivation, but by bringing under the control the illicit poppy fields that already existed separately from the Company. These fields were intended more for local consumption than for export, and the Company had powerful political (if not only moral) motives to prevent the spread of opium consumption in India, as the legitimacy for its production rested upon the beneficial aspects of controlling opium use within its territories.

Secondly, the paragraph, which of course is only part of a longer letter (24 October 1817) does not actually deal with the subject of the Chinese opium trade at all, as Trocki infers. China is hardly mentioned in the 92 paragraphs of the letter. Instead, it deals overwhelmingly with the problem of smuggling, and here principally with the smuggling of salt. Illicit opium cultivation and smuggling was seen by the British as proof of the ‘inevitability’ of opium being traded (and consumed) even under a ban. These documents show that their concern was not completely unjustified. This crucial issue is completely

<sup>10</sup> LCD, 24 October 1817.

<sup>11</sup> *ibid.*

ignored by Trocki, who only discusses opium smuggled into China on behalf of the country traders<sup>12</sup> instead of the opium being smuggled within India and from India, and by Indians. Given the insights into the concerns of the EIC that Trocki's documents provide, it is a critical omission.

Furthermore, there is the issue of Trocki's moralizing statements, such as repeatedly arguing that the British position was hypocritical, e.g. 'despite the usual blandishments about native welfare' (see above). One question is the extent to which retrospective morality has a place in historical research. The other is how far these comments are actually justified given the available data. Paragraph 77 quoted above shows that the British were very much concerned about the spread of the illicit opium trade, as they should have been, even if only for practical reasons. Some of the opium smuggled for both external and internal trade was not from the illicit poppy fields, but was in fact 'stolen' Company property, as they had paid advances on the crop which was not being delivered.

The East India Company's view (expressed initially by Hastings)<sup>13</sup> that the opium trade could not be prohibited has been the subject of much derision. Trocki does not even mention Indian smuggling, perhaps viewing it in the same way as smuggling from the princely states of Malwa. This, of course, would be incorrect, as Malwa opium was (at least in theory) produced outside of the British dominions and thus cannot constitute a 'smuggled' commodity, as the British had no jurisdiction over it.

Trocki does, however, dedicate the whole of his Chapter iv to ridiculing the position on the opium trade. As discussed previously, he takes the title of the chapter 'In compassion to mankind' from paragraph 85 of the 24 October 1817 Letter from the Court of Directors to the Governor General. His misquotation of part of that letter, as discussed above, distracts from its actual central topic: namely, the problems posed by Indian opium smuggling within British territories.

Just two paragraphs after the one Trocki quotes we see perhaps the most explicit statement yet as to the actual condition of the EIC opium monopoly at this time:

We are satisfied from the perusal of the papers now before us, as well as those which accompanied your letters of the 23<sup>rd</sup> June and 29<sup>th</sup> November 1814, that there is no occasion whatever to extend the poppy cultivation in the territories under your Government to procure a supply of Opium completely adequate for the purposes both of exportation and internal consumption, but that your endeavour should be confined to the collection on account of Government of the Opium now manufactured and which, in part, finds its way into consumption through illicit channels. Besides the large quantity of Land which as already noticed is appropriated to the illicit cultivation of the Poppy in Rungpure and Dinagepore, the Agent in Bihar estimates that there may be 6–8,000 maund [3–4,000 chests] annually smuggled from the provinces ... and he describes it as a '*growing mischief*' [original emphasis].<sup>14</sup>

As can be seen, the document acknowledges that, from its own territories, opium was being produced illegally and for the export market. Indeed, if the

<sup>12</sup> Trocki (1999: 90–1).

<sup>13</sup> 'I must add my own firm persuasion, that it is not in the power of this Government, constituted as it now is, to abolish the monopoly altogether, but that it will subsist by secret influence; the effects of which would be much more than those of an allowed monopoly under proper regulations'. (Ninth Report, Appendix 59 A, p. 268).

<sup>14</sup> LCD, 1817, para. 79.

opium agent's estimate of 3–4,000 chests being smuggled was accurate, then the British were already losing the battle against 'illegal'/Malwa opium. The British themselves were lucky if they managed to produce 4,000 chests a year.<sup>15</sup>

Singh, whom Trocki often quotes, dedicates four pages to the phenomenon of opium smuggling<sup>16</sup> and was probably the first scholar to see the impact that it might have had in the evolution of the British trade. Although his interpretation was not uncontroversial, he broke new ground with the topic and helped illustrate its importance within the current debate. Trocki ignored this. Singh also comments on the efforts made by the British to suppress consumption, although '[the consumption of opium] spread to all classes of people in Bihar. Gradually it dawned on the officers of the East India Company that the spread of opium consumption in Bihar considerably increased the efficiency of local labour'.<sup>17</sup> Despite this 'efficiency increase', Singh points out, the British redoubled their efforts in combating both legal and illegal opium consumption, and were largely successful.<sup>18</sup>

Amar Farooqui has recently made the issue of opium smuggling the basis for a publication.<sup>19</sup> His analysis and his work should remove any doubt as to the extent of Indian opium smuggling and its potential impact.<sup>20</sup> Although it is understandable that Trocki had not read Farooqui's research, it was not necessary for him to do so as the former's primary source material deals with precisely this topic anyway.

Trocki also uses a letter dated 11 July 1827. However, he does not tell us (although he uses some of the figures) what the actual context of the discussion was. Although the issues debated in the letter make only cursory reference to it, the theft of what was in effect Company property, in support of opium smuggling, was a serious issue and had been discussed within the EIC for well over a decade by this time.<sup>21</sup> The magnitude of the opium loss is apparent, although Trocki does not seem to mention it when he uses the letter (not completely correctly) for production figures (see above). The original data in Table 1 illustrate how widespread the problem of production loss was.<sup>22</sup>

As can be seen, the Company was ordering (and paying for) a large portion

TABLE 1.

<i>Year</i>	<i>Chests ordered</i>	<i>Chests delivered</i>	<i>Costs per maund</i>	<i>Clear profit (million Rs.)</i>	<i>Average selling price (Rs.)</i>
1817–18	4,900	3,563	91	5.57	1,785
1818–19	4,900	4,060	95	7.37	2,065
1819–20	4,900	4,309	89	9.62	2,389
1820–21	4,900	3,359	102	12.3	4,259
1821–22	4,900	3,989	112	9.9	3,089

<sup>15</sup> There is some confusion as to how the illicit opium was treated on the market. As the differences in quality between Company and 'Malwa' opium were based largely on actual refining/production techniques, it would appear likely that the illicit product was also known as 'Malwa' opium. Given the letter cited previously and the sum of 3–4,000 chests mentioned, this raises the intriguing possibility that much of the 'Malwa' opium traded to China actually had its origins within Company territory. Thus, rather than only a problem of 'extra-territoriality' (and thus an excuse for expansion), Malwa opium might also have been a 'failure of management' issue, encouraged by the Company's inability to control its own territory effectively.

<sup>16</sup> Singh (1956: 170–4).

<sup>17</sup> *ibid.*, p. 78.

<sup>18</sup> *ibid.*

<sup>19</sup> Farooqui (1998).

<sup>20</sup> Farooqui sees opium smuggling as a direct cause of the Opium War (*ibid.*, p. 6).

<sup>21</sup> *ibid.*, para. 53.

<sup>22</sup> LFC, 11 July 1827 (NAI).

of its production that never seemed to have been delivered. Although some of this was perhaps genuine ‘wastage’, on average the EIC was losing 22 per cent of its production each year for at least five years. However, the Company did not raise the prices to compensate for the loss, as might be expected. This intriguing question is answered in some of the later documents. On the question of the main cause of the smuggling, the EIC documents report unequivocally:

The inadequate (remuneration) of the Opium *ryot* comparatively with that of the other branches of Agriculture labour, and the consequent impossibility of his providing for his family without having recourse to illicit traffic.<sup>23</sup>

This could be seen, taken in isolation, as an admission of guilt by the Company. Such a view would, however, be based on an inaccurate picture of the EIC procurement process. As Owen and Allen both point out,<sup>24</sup> the EIC did not in fact pay the *ryots* (cultivators): the Company would pay the *gomostahs* (agents, former tax-collectors of the Mughals) who were usually members of the semi-aristocratic *zamindars* (landholding class). They in turn would pay the *sudder mattus* (village elders) who in turn paid the *mattus* (villagers) who parcelled it out to the low-caste cultivators themselves, the *ryots*. Very little was left by the time the *ryot* received his wages. Raising the price paid for opium did not therefore bring increased productivity, although it was tried between 1820 and 1822.<sup>25</sup> The Company also did not (and could not) raise the selling price at the Calcutta auctions. The only other way of clamping down on smuggling was draconian punishments for those presumed or found guilty. However, and this would surprise any reader of Trocki, the Company came to the conclusion that these measures would simply not be ethical, given the difficulty in establishing guilt in many cases. The punishment regime was therefore relaxed, with approval from London: ‘The case recorded in your Consultations of the 24<sup>th</sup> October 1817 shows to what extreme hardships innocent individuals might be subjected under the strict operation of the former rules’.<sup>26</sup>

The only option left to the Company was to tolerate the status quo. It was not a satisfactory solution, but everything they had attempted previously had failed. It was therefore decided to turn a blind eye to the *ryots*’ activities and allow them to proceed with their illegal practices although if not quite with a nod, then at least a wink, from the Company: ‘...the illicit practices of the *ryots* must to a certain extent be tolerated, and that, in a practical view of the Subject, their gains in this way must be actually estimated as a portion of their reward’.<sup>27</sup>

There have been some indications that the *zamindars* themselves were engaged in the illegal opium trade. Although they were often the first of a number of middlemen in the chain between the EIC and the *ryot*, and the EIC held them responsible for the hardships of the *ryots*,<sup>28</sup> there is no direct evidence for their involvement in the illegal trade. Curiously, recent developments in the international art market have shown Chinese artefacts being

<sup>23</sup> LFC, 21 May 1824, para. 119–20.

<sup>24</sup> Owen (1934: 34–7); Allen (1850: 7).

<sup>25</sup> The Directors were displeased with these measures, having always believed that they would not work (LFC, 21 May 1824, para. 46).

<sup>26</sup> LFC, 21 May 1824, para. 69.

<sup>27</sup> LFC, 21 May 1824, para. 119–20.

<sup>28</sup> *ibid.*



offered by descendants of nineteenth-century *zamindars* from Bihar. One cannot help wondering if there is a link between the acquisition of these objects and *zamindars'* involvement in the opium trade. This is particularly interesting as the *zamindars* did not constitute the urban trading houses of Calcutta and elsewhere who actively (and legally) traded in the drug with China. As their name implies, they were simply the rural land-owners whose only contact with the drug should have been in its pre-processed (poppy) stage. Further research into the role played by the *zamindars* in the opium trade would be most interesting.

The inevitability of smuggling was the main British excuse for being involved in the opium trade. Their professed aim: 'to substitute an allowed instead of illegal proceeding to restrain an evil which cannot be repressed and to place under regulation a habit of indulgence from which the people cannot be wholly weaned'<sup>29</sup> was a valid excuse, for although they were benefiting increasingly from the drug, prohibition was impossible, and an open market potentially destructive. The wish to discourage an indigenous 'opium culture' by limiting the market was as real as the desire to make a profit from it, but by introducing industrialized standards and high quality they also created a greater market demand in China than the Company was initially prepared to meet. This led to the rise of Malwa opium, which after 1823 and for well over a decade, constituted the majority of opium sold in China.<sup>30</sup> In 1825 this forced a corresponding increase in EIC opium production which could well have been characterized as a 'defensive' move, although it was the Company's own monopoly system that contributed to the rise of the unwelcome competition. After this there was no turning back and, as Trocki rightly says, the British became as hooked on opium as their consumers.

#### REFERENCES

N.B.: While at least some of the National Archives of India primary sources are available in the Oriental and India Office Collection I have only listed them under NAI, as these were the original papers Trocki consulted. Similarly, although letters to the sub-continent are generally known as 'Despatches' ('Letters' referring to correspondence from the sub-continent), I have kept Trocki's original notation.

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<sup>29</sup> LFC, 24 October 1817.

<sup>30</sup> From 1823 onwards more Malwa than British opium was sold in China (Sinha, 1956: 144).

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