

OPIUM'S SILENT PARTNERS: INDIAN MERCHANT CAPITAL, THE IBIS TRILOGY, AND THE ERASURE OF COMPLICITY IN COLONIAL DRUG TRADE

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Abstract :

The role of India in the poisoned bargain that happened amongst British East India Company, India and China, was both direct and indirect and it acted as an invisible support to the company that led to the opium wars. This paper explores how Indian merchant capital played a significant but often overlooked role in sustaining the colonial opium trade. It argues that indigenous traders and financiers were not just passive participants but active agents who helped maintain the networks of credit, supply, and distribution that made the trade possible. At the same time, the paper examines how such involvement tends to be muted or sidelined in literary representation, where the focus often rests on suffering and imperial exploitation rather than shared complicity. By bringing together economic history and literary analysis, the study highlights how narratives can simplify responsibility and obscure uncomfortable truths. In doing so, it calls for a more balanced understanding of colonial economies—one that acknowledges both exploitation and collaboration, and rethinks how accountability is remembered.

Keywords : Poisoned Bargain, Indian Merchant Capital, Indigenous Traders and Financers, Accountability, Colonial Economies, Economic History and Literary Analysis

The poisoned bargain, as this paper deploys the term, refers specifically to the triangular arrangement between the East India Company, Indian merchant capital, and the Canton trade — a structure in which profit and poison were not merely adjacent but inseparable, and in which Indian participation was sufficiently voluntary to constitute complicity rather than coercion. shaped by unequal power relations. In the nineteenth-century opium trade, this framework reveals the limits of narratives centred solely on the British East India Company by foregrounding the crucial yet underacknowledged role of Indian merchant capital, which sustained the trade through networks of credit, supply, and distribution. Far from passive intermediaries, these actors were structurally embedded in a lucrative but destructive economy. This tension between agency and complicity is also reflected in *The Ibis Trilogy* by Amitav Ghosh, where the opium trade is vividly reconstructed even as indigenous mercantile accountability is at times diffused. Using the lens of the poisoned bargain, this paper argues that Indian merchant capital functioned as “silent partners” in a morally fraught system, exposing how complicity is both enacted and selectively erased in colonial history and its literary reimagining.

India's role in the colonial opium trade was central and deeply structured. The East India Company created a coercive system in Bihar and Bengal, forcing peasants to grow opium under strict monopoly conditions through advance loans that tied them to fixed prices and prevented free trade. This opium was processed in large factories at Patna and Ghazipur and auctioned in Calcutta to private merchants, forming a key source of colonial revenue—up to 20% of British India's income. Alongside this, Malwa opium, produced outside direct Company control, was traded through Indian merchant networks based in Bombay, where Parsi, Hindu, and Muslim traders actively financed and profited from the trade. Unlike coerced peasants, these merchants were willing participants, forming partnerships with British firms and sustaining the commercial infrastructure of the opium economy. The trade extended to China via offshore depots and smuggling networks, with Indian capital, labour, and even soldiers playing key roles in its expansion and enforcement. This reveals a “poisoned bargain” in which India was not only a victim of colonial exploitation but also, through sections of its merchant class and military, an active participant—an uncomfortable reality often erased in nationalist historiography.

The absence of Indian merchant capital in postcolonial accounts of the opium trade is not because of missing evidence or lack of records. There is enough historical proof—such as the documented partnerships of Jamsetjee Jejeebhoy with Jardine Matheson, records of the Malwa trade, and accounts of Indian soldiers in the First Opium War. The real issue is not the absence of facts but the reluctance to interpret these facts as signs of Indian involvement and complicity, since that would challenge the dominant national narrative. This section argues that this erasure happens through four main mechanisms that work together.

The first and most structurally significant mechanism is the victimhood frame constructed by nationalist historiography. The intellectual architecture of the Indian freedom movement required, for its political coherence, a morally unambiguous account of colonialism: on one side, the British imperial apparatus as the agent of exploitation, extraction, and violence; on the other, the Indian nation as its collective victim. This was not a falsification — British colonialism was exploitative, extractive, and violent — but it was a simplification, and simplifications have exclusions. The tradition of nationalist economic history that emerged from this framework, most influentially in the work of Dadabhai Naoroji on the drain of wealth and subsequently elaborated by Bipan Chandra and Sumit Sarkar, directed its analytical gaze inward and downward: toward the deindustrialisation of Indian manufacture, the impoverishment of the peasantry, and the systematic transfer of Indian surplus to Britain. This was a historiography of what was done to India, not of what India did as a participant in the colonial economy. The outward-facing dimension of Indian commercial life — the merchant networks that operated not as victims of empire but as its commercial partners, accumulating wealth through the same imperial structures that impoverished others — fell structurally outside the frame. As Partha Chatterjee has argued in *The Nation and Its Fragments*, nationalist historiography is constituted as much by its silences as by its assertions; the figure of the Indian colonial collaborator is not simply unexamined but is, in a meaningful sense, unthinkable within the nationalist episteme.

The second mechanism operates at the level of community self-presentation, and it concerns specifically the Parsi mercantile elite whose commercial fortunes were most directly

bound up with the opium trade. The transformation of Jamsetjee Jejeebhoy from opium merchant to philanthropic benefactor is one of the more remarkable acts of collective narrative management in modern Indian history. Jejeebhoy endowed hospitals, built dispensaries, funded schools, and supported institutions of public welfare on a scale that genuinely transformed the social landscape of nineteenth-century Bombay. These philanthropic acts were real and consequential. But they also performed, whether by design or by the logic of social memory, a laundering of the commercial origins of the wealth they distributed. Parsi community histories — hagiographies of the great merchant families, institutional histories of the organisations they endowed, commemorative volumes produced for anniversaries — consistently foreground the philanthropist and the civic benefactor while rendering the opium merchant peripheral, euphemised, or absent. The source of Jejeebhoy's fortune appears in these accounts as "trade with China" or "commercial enterprise" — formulations precise enough to be technically defensible and vague enough to foreclose inquiry into what, specifically, was being traded and to whom. This pattern of strategic emphasis and selective silence produces a discursive image in which philanthropic destination wholly displaces commercial origin.

The third mechanism is disciplinary rather than communal. Indian economic history, as a scholarly field, developed its central problematic around questions of colonial extraction: the drain of wealth, the destruction of Indian industry, the impoverishment of the agrarian poor, the fiscal subordination of the Indian state to British metropolitan interests. These were the questions that mattered politically and morally, and the discipline organised itself around answering them. The consequences for the historiography of merchant capital were significant. A field oriented toward what colonialism took from India was structurally ill-equipped to ask what certain Indians gained from colonialism — and, in gaining, helped to sustain. The opium trade, viewed through the lens of drain theory, appeared primarily as a mechanism for extracting Indian agricultural surplus and transferring it, via the triangular trade, to British metropolitan coffers. What the same lens occluded was the intermediate layer of Indian mercantile accumulation — the commission agents, the financiers, the Malwa transport operators — who extracted their own surplus from the same chain before the remainder moved on to Britain. The discipline's inward orientation meant that Indian economic historians consistently produced accounts of colonial exploitation without examining the commercial actors through whom that exploitation was partly mediated, and from whose mediation some Indians profited considerably.

The fourth mechanism is political in the most immediate sense. The diplomatic framework structuring Sino-Indian relations since the mid-twentieth century has rested substantially on a narrative of shared colonial victimhood — two great civilisations subjected to Western imperial aggression, their common suffering the foundation of post-independence solidarity. This framework has been politically productive but historically selective. A candid account of the Opium Wars would require acknowledging that Indian merchants financed and supplied the drug, Indian labour crewed the vessels that carried it, and Indian soldiers enforced the military campaign that secured its continued importation. Such an acknowledgement would destabilise the symmetry of shared victimhood upon which Sino-Indian diplomatic solidarity has partly rested. The political incentive to preserve that symmetry has not required any coordinated act of suppression; it has simply made certain historical questions less available for articulation in official contexts, less likely to find their way into the curricula and

commemorative cultures through which national histories are publicly transmitted.

What is most significant about this architecture is not that any single mechanism falsifies the historical record — each can be individually defended — but that the four together foreclose the question before it can be asked. A nationalism that cannot imagine the collaborator, a community whose philanthropy overwrites its commercial origins, a discipline that looks only inward, and a diplomacy that requires shared victimhood — these do not need to coordinate in order to produce a consistent silence. They produce it structurally, by each making the same figure unthinkable from a different direction. It is the texture of that silence, across its specific textual instantiations, that the following section examines. The Parsi merchant community of Bombay occupied a position in the colonial opium economy that was neither peripheral nor passive. By the early decades of the nineteenth century, they were among the most commercially sophisticated actors in the Indian Ocean trading world — possessed of deep experience in long-distance maritime trade, established credit networks stretching from Bombay to Guangzhou, and a pragmatic orientation toward commercial opportunity that made them natural counterparts to the great British trading houses consolidating their dominance over the China trade. It was this convergence of Parsi commercial capability and British trading ambition that produced the partnerships at the heart of the opium economy, partnerships whose scale and significance subsequent historiography has consistently underplayed.

The central figure in any account of Parsi involvement in the opium trade is Jamsetjee Jejeebhoy, and his career repays close examination precisely because it resists the simplifications that subsequent hagiography has imposed upon it. Born in Bombay in 1783 to a family of modest means, Jejeebhoy made his first voyage to China as a young man of seventeen, travelling as a supercargo — a commercial agent responsible for managing cargo and negotiating sales on behalf of a merchant — on a vessel bound for Canton. He made this voyage several times before the age of thirty, building with each crossing both his personal fortune and his intimate knowledge of the China market. It was during these early voyages that he established the commercial relationship with William Jardine that would define both men's subsequent careers. Their correspondence, preserved in the Jardine Matheson archive, is remarkable for its register: these are not letters between a British principal and an Indian subordinate but communications between commercial equals, negotiating consignments, sharing market intelligence, managing credit, and dividing the risks and profits of a trade they were jointly sustaining.

The commercial terms of the partnership were straightforward in structure if considerable in scale. Jejeebhoy acted as Jardine Matheson's principal agent in Bombay, supplying opium — primarily from the Malwa producing regions of Central India — on consignment for export to China. He received a commission on each chest sold; individually modest, the figure became substantial when set against the volume of trade passing through his hands across more than two decades of active commercial partnership. The cumulative earnings constituted the financial foundation of one of the largest private fortunes in nineteenth-century India. The wider commercial infrastructure of Bombay — its warehousing facilities, insurance markets, credit networks, and shipping arrangements — was organised in significant part around the opium trade that Jejeebhoy and his counterparts sustained.

Jejeebhoy was the most prominent but not the sole Parsi merchant embedded in this trade. The Readymoney family, the Cowasjees, the Pestonjis, and members of the Cama family appear with regularity in Jardine Matheson's commercial correspondence as Bombay counterparts, co-investors, and credit providers. The Wadia family, whose shipbuilding yards produced vessels for both the Company and private merchants, supplied the physical infrastructure through which the opium moved — a contribution that extended the architecture of complicity beyond finance and trade into the very vessels of the commerce itself. The opium trade, in other words, was not a British system imposed upon a passive Indian commercial landscape; it was a jointly constructed apparatus in which Parsi merchant capital contributed indispensable components of finance, logistics, and commercial intelligence.

The partnership between Parsi merchants and British trading houses was characterised by genuine commercial interdependence rather than the asymmetric subordination that later nationalist accounts have sometimes implied. When Chinese imperial authorities moved to restrict the opium trade in the late 1830s, Jejeebhoy and Jardine corresponded anxiously about consignments in transit, the reliability of Chinese buyers, and the implications of Chinese policy for their shared commercial position — exchanges that presuppose equal stakes in the outcome. When Commissioner Lin Zexu's confiscation of the Canton opium stock in 1839 destroyed property valued at millions of rupees, Jejeebhoy's losses were substantial and direct. He was not a peripheral observer of the crisis that precipitated the First Opium War; he was a principal stakeholder whose capital was materially implicated in the events that brought the conflict about.

The philanthropic transformation of this commercial legacy is among the most instructive episodes in the history of Indian bourgeois self-representation. In the years following his ennoblement as the first Indian baronet in 1842 — an honour awarded, with considerable historical irony, in the same year the Treaty of Nanking concluded the First Opium War — Jejeebhoy redirected a substantial portion of his accumulated wealth toward public institutions of striking civic visibility. The hospitals, schools, dispensaries, and public works he endowed were genuine contributions to Bombay's social landscape. But they also performed, whether by conscious design or by the structural logic of philanthropic commemoration, a progressive displacement of commercial origin by charitable destination. The social memory of Jejeebhoy was reorganised around his benefactions; the opium merchant receded behind the philanthropist's portrait, and the origins of the wealth funding those benefactions became, in both Parsi community culture and broader public discourse, increasingly unavailable for direct acknowledgement.

Of all the characters Amitav Ghosh conjures across the three volumes of the *Ibis* Trilogy, it is Bahram Modi — the Bombay Parsi opium merchant who stands at the moral and narrative centre of *River of Smoke* — who most directly embodies the historical figure this paper has argued postcolonial Indian historiography structurally cannot accommodate. Bahram is not a minor character whose significance requires excavation; he is the novel's gravitational centre, the figure around whom the entire architecture of the Canton trading world is organised, and the consciousness through whom the reader is made to experience the opium trade from the inside — not as a system observed from without but as a commercial reality inhabited, negotiated, and morally reckoned with from within. That Ghosh chose to place this figure — a

wealthy Indian merchant whose fortune is built on opium, who has travelled to Canton to protect his investment in a shipment whose confiscation will ruin him, who understands with painful clarity both his commercial dependence on the trade and the human suffering it produces — at the very centre of his most ambitious novel is itself an act of historiographical provocation. Bahram Modi exists in *River of Smoke* because he cannot exist in the nationalist textbook. The novel is, among other things, an argument about that impossibility.

The biographical coordinates Ghosh establishes for Bahram are drawn with the precision of historical reconstruction rather than fictional convenience. He is a Bombay Parsi of modest origins who married into the Seth family — one of the great mercantile dynasties of Bombay — and built his commercial career through the opium trade, travelling repeatedly to Canton as a supercargo before establishing himself as an independent merchant of considerable means. His wealth is substantial, his social position secure, his identity organised around his identity as a Seth — a merchant, a man of commerce, a figure whose worth is measured in the language of credit, reputation, and commercial honour. These details are not invented. They map directly onto the historical careers of the Parsi merchants this paper has examined — Jejeebhoy, the Readymoney family, the Cowasjees — men who built their fortunes through exactly the commercial trajectory Bahram's biography traces. Ghosh is not imagining a type; he is recovering a historical figure whose actual counterparts are documented in the Jardine Matheson archive and in Farooqui's *Opium City*, and giving that figure the interiority, the moral complexity, and the narrative centrality that official historiography has denied him.

What makes Bahram irreducible to either villain or victim — and what makes him so structurally incompatible with the nationalist historical narrative — is the moral complexity Ghosh insists upon throughout *River of Smoke*. Bahram knows, with a clarity he cannot always sustain in full consciousness, what his trade does. He has seen the opium dens of Canton; he understands that the drug his ships carry is destroying the lives of the Chinese men and women who consume it; he is capable, in his most honest moments, of articulating the human cost of the commerce on which his prosperity depends. And yet he continues. He continues because the trade is the foundation of everything he is — his wealth, his family's security, his social standing, his identity as a Seth — and because the commercial logic of the world he inhabits makes continuation the path of least resistance and exit the path of ruin. This is not the moral situation of the coerced peasant cultivator of Bihar, who grows poppy because he has no choice. It is the moral situation of the voluntary commercial actor who has choices and makes them, whose agency is real and whose responsibility is therefore real, and who cannot be understood through the binary categories — victim or oppressor, colonised or coloniser — that the nationalist framework provides.

Ghosh develops this moral complexity through a series of interior reckonings that are among the most carefully written passages in the novel. In one of the most significant, Bahram reflects on the trajectory of his commercial life, tracing the path by which a young man of modest means became one of Bombay's wealthiest merchants, and confronting, in the privacy of his own consciousness, the question of what that path required of him. The reflection does not resolve into confession or self-condemnation; Bahram does not conclude that he has done wrong and must make amends. What it resolves into is something more historically truthful and more morally uncomfortable: an acknowledgement that the distinction between the

respectable merchant and the drug trader is a distinction his society has chosen to maintain by not looking too carefully at the sources of respectable mercantile wealth. Bahram has profited from the deliberate obfuscation of origin that this paper has traced through the discourse sites of Indian colonial memory. He is, in a sense, the living interiority of the philanthropic substitution — the man inside the hagiography, before the philanthropist's portrait was painted over the merchant's ledger.

The specific crisis that structures *River of Smoke* is the threat to Bahram's Canton consignment posed first by the tightening of Chinese imperial restrictions on the opium trade and then by Commissioner Lin Zexu's ultimatum demanding the surrender of all foreign-held opium stocks. This historical event — Lin's confiscation and destruction of twenty thousand chests of opium in the spring and summer of 1839 — is the pivot on which the novel turns, and Ghosh's handling of it illuminates the Indian dimension of the episode with a precision that no work of Indian nationalist historiography has matched. For Bahram, Lin's ultimatum is not merely a geopolitical event; it is a personal catastrophe whose stakes are existential. The opium in the Canton warehouses represents not only his current shipment but the entire financial structure of his commercial life — borrowed capital, extended credit, the accumulated obligations of a mercantile network reaching from Bombay to the Pearl River estuary. When that opium is surrendered and destroyed, Bahram is ruined. The historical Parsi merchants who held opium in Canton in 1839 faced precisely this situation; Ghosh's fictional rendering of Bahram's devastation gives that historical reality an emotional and moral concreteness that the archival record alone cannot provide.

What Ghosh refuses, crucially, is the consolation of allowing Bahram's victimisation — his ruin at the hands of Lin's confiscation, his subsequent marginalisation as the British move toward war — to cancel his complicity. Bahram loses everything, and the reader is made to feel the weight of that loss. But the novel does not allow this loss to transform Bahram retroactively into a victim in the nationalist sense — a figure whose suffering at the hands of colonial or imperial power constitutes the entirety of his historical significance. His suffering is real and the novel honours it. His complicity is also real and the novel refuses to dissolve it into victimhood. This double insistence — on the reality of both suffering and responsibility in the same figure — is what makes Bahram Modi the most historically honest representation of the Indian merchant in the opium trade that exists in any genre of Indian cultural production. It is also, precisely, what the nationalist historiographical framework cannot perform. A framework organised around the category of the colonial victim can accommodate a figure who suffers; it cannot accommodate a figure who both suffers and is responsible, whose agency and whose victimisation are simultaneous and inextricable. Bahram occupies exactly that position, and his occupation of it is the novel's most significant historiographical intervention.

The implications for this paper's central argument are direct. If Bahram Modi exists in *River of Smoke* as a fully realised, morally complex, historically grounded figure — the voluntary Indian commercial participant in the opium trade, the silent partner of empire whose interiority the nationalist narrative has no room to imagine — then the novel is doing something more than telling an untold story. It is demonstrating that the story can be told; that the figure can be imagined; that the moral complexity the nationalist framework has treated as inadmissible is in fact available for representation, for inhabitation, for reckoning. In making

Bahram legible — in giving him consciousness, history, desire, guilt, and dignity simultaneously — Ghosh performs the act of counter-memory that this paper has argued the official discourse sites have collectively refused to perform. He recovers, through the resources of historical fiction, the subject position that NCERT textbooks, nationalist historians, Parsi community hagiographies, and national memorial culture have each, in their different registers, worked to keep vacant. The vacancy, the novel implies, was always a choice. The figure was always there. He had simply not been allowed, in the official telling, to speak.

Conclusion :

The poisoned bargain of the colonial opium trade was never a purely British enterprise but a triangular system sustained by Indian merchant capital—particularly Parsi firms in Bombay—that supplied credit, logistics, and willing commercial agency alongside the East India Company's coercive apparatus. Nationalist historiography, Parsi community self-representation, Indian economic scholarship, and post-independence Sino-Indian diplomacy have each, through distinct yet convergent mechanisms, rendered this complicity structurally unthinkable, replacing the figure of the voluntary Indian partner with an unambiguous narrative of collective victimhood. Amitav Ghosh's Ibis Trilogy, and especially the character of Bahram Modi in *River of Smoke*, disrupts that silence by restoring the merchant's full interiority—his knowledge of the drug's human cost, his inescapable stake in its continuation, and the simultaneous reality of his suffering and responsibility. By giving narrative space and moral complexity to the very subject postcolonial discourse had evacuated, Ghosh demonstrates that the erasure of Indian agency was never inevitable but a deliberate historiographical and political choice. A more honest reckoning with colonial history therefore requires acknowledging not only what empire extracted from India but what certain Indians willingly contributed to it, and what such acknowledgements might mean for how accountability is remembered across the Indian Ocean world.

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