

The London School of Economics and Political Science

***Opium Poppy Husk Traders in Rajasthan:
the Lives and Work of Businessmen
in the Contemporary Indian Opium Industry.***

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Declaration

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Abstract

This thesis is about the men who participate in the state-licensed opium poppy husk business in the North Indian state of Rajasthan. By depicting the interactions amongst poppy husk traders, as well as the interactions between traders and regulatory officials, this thesis describes the composition of the poppy husk trading community, explains their distinctive methods of managing the risk of their work's extra-legal and illegal aspects, identifies characteristics that differentiate this commercial community from others, and delineates traders' position amongst the middle classes of Rajasthan and India.

Poppy husk traders resemble other upwardly mobile middle class Indian businessmen in their business organization and in their lives. Traders are, however, generally thought of and treated as something different and dangerous by Rajasthanis, State officials and legislators. This differentiation is rooted in powerful popular views of opium as a beneficial tradition, as a legendary source of wealth, and as a cause of corruption and violence. These views of opiate wealth and corruption are tied to expectations that the State should be accountable to the public, which are related to popular prescriptive beliefs about the legitimate use of violence and the acquisition of status and wealth. Such beliefs also explain traders' shared perceptions, justifications, and leadership strategies in the face of the high risks and opportunities associated with their various legal, illegal and extra-legal business structures and practices.

In analysing State regulation and popular perceptions of corruption, this study contributes to scholarly debates on how Indians view and interact with "the State", and to debates about the relationship between society, the State, informal economic activities, and social mobility. Through these contributions, this thesis strengthens the understanding of collaboration in high-risk commercial environments by providing a robust alternative to common but fallacious explanations based on generalized notions of trust and kinship.

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Any errors in this thesis are my own.

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List of Acronyms

The reader may find the following list of acronyms useful.

BJP: Bharatiya Janata Party

BPO: Business Process Outsourcing

CBN: Central Bureau of Narcotics

CND: Commission on Narcotic Drugs

EI: Excise Inspector

EIC: East India Company

EPA: Exclusive Privilege Amount

IMFL: Indian Manufactured Foreign Liquor

INCB: International Narcotics Control Board

LPH: Lanced Poppy Husk

LTTE: Liberation Tigers of Tamil Elam – a.k.a Tamil Tigers

MLA: Member of the Legislative Assembly

NDPS Acts: Narcotic Drugs and Psychotropic Substances Acts

NGO: Non-Governmental Organization

NOC: No Objection Certificate

OBC: Other Backwards Classes

POTA: Prevention of Terrorism Act

RSS: Rashtriya Swayamsevak Sangh

SC: Scheduled Caste

SP: Superintendent of Police

ST: Scheduled Tribe

TADA: Terrorism and Disruptive Activities Act

UNDCP: United Nations Drug Control Programme

UNODC: United Nations Office on Drugs and Crime

UNODCP: United Nations Office for Drug Control and Crime Prevention

VHP: Vishwa Hindu Parishad

Thesis Introduction

Introduction

From September 2003 to August 2005, I undertook fieldwork in Rajasthan, India, to study the cultivation, regulation and trade of the opium poppy and its products. The area of Rajasthan I chose for my study is part of a fertile geographical area known as the Malwa plateau, and extends southwards into the neighbouring state of Madhya Pradesh. Malwa has a tradition of opium poppy cultivation, regulation, trade and smuggling stretching back at least two centuries. I began my research on licensed opium poppy farmers and, for reasons I explain below, shifted my focus to state-licensed poppy husk traders. The opium poppy's spherical seed pod, locally known as *doda*, is officially known as lanced poppy husk (LPH) because the poppy head has been "lanced" (scratched) to extract the latex that is called *aphim* (opium) when it dries. Poppy husk is a mildly narcotic and cheaply sold by-product of the legal opium production for pharmaceutical alkaloids, which is controlled by the Indian Central Bureau of Narcotics under the 1986 Narcotic Drugs and Psychotropic Substances Act and associated laws in each state.

This thesis describes how, during my fieldwork, poppy husk traders organised their business, how they lived their lives outside the business, and what made them distinctive from other high-risk entrepreneurs who operate, in varying degrees, outside the law. I analyse this community of entrepreneurs in terms of the legal and extra-legal institutional context of the business; in terms of the moral ideologies behind the complex public perceptions of traders as an exceptionally dangerous force for State¹ corruption; in terms of the poppy husk business's relationship to traders' family lives, businesses and aspirations; and in terms of how traders lead and collaborate with each other to make money in the highly competitive and risky poppy husk business. This analysis shows that poppy husk traders are distinguished by the risks they run, their place in popular imagination, and their particular legal context, but that they are otherwise ordinary, ambitious, upwardly-mobile, middle-class Indians, and their corrupting impact on the State pales in comparison to that of

¹ I use "State" for the concept of sovereign government of a territory, but 'state' to refer to the state of Rajasthan and other Indian states.

others in far more mundane and less regulated businesses. Unlike much of the research on extra-legal or illegal high-risk communities of entrepreneurs, which argues or presumes that collaboration is achieved by shared norms and trust originating in religious, kinship and ethnic ties, I show that poppy husk traders reject these ties and build a shared style of behaviour that emphasises a particular kind of friendship that emphasises values of generosity, courtesy, dedication to family, and ambition, and which binds across religious, caste and kinship identities.

Part of the larger Indian opium industry, the legal poppy husk trade began in its current form with the regulatory constraints and incentives of India's 1986 Narcotics Drugs and Psychotropic Substances (NDPS) Act. This national act prohibits narcotics possession and sale except for licensed medicinal purposes, but allows each state to have its own narcotics rules licensing privatized trade of opium, poppy husk, and *bhang* (cannabis) for medical purposes. The Rajasthan Excise Department regulates the poppy husk trade in the state, and, until the end of my fieldwork, annually auctioned wholesale and retail licenses to private investors. These licenses provide local monopolies in legal poppy husk trade for specific geographic areas. Wholesale licensees buy from opium poppy farmers; retail licensees buy from wholesale licensees and sell to poppy husk consumers. Poppy husk traders, whether investors in the license or their employees, are called *doda chura thekadar*, *thekadar* or "contractor". I will translate *thekadar* as "trader" to differentiate them from liquor contractors. Rajasthani popular opinion accuses traders of trafficking; but, for clarity, I reserve the word trafficker for the *taskar* or "smuggler" of opium, brown sugar and heroin.

Poppy husk consumers, traders' market of end-consumers, are predominantly agricultural labourers and farmers in the northern and arid areas of Rajasthan, truck and rickshaw drivers throughout the state, and these same groups in neighbouring states where poppy husk is illegal. The vast majority of these consumers are not licensed to buy poppy husk legally from retail shops. Consequently, the profitable and dominant part of poppy husk traders' business is the illegal purchase, transportation and sale of poppy husk. Traders manage this illegal aspect of their business through ties with officials who accept bribes and facilitate these illegal transactions. Thus, traders' licenses provide legal cover for commodity trading that would otherwise entail the same penalties as heroin trafficking.

Although traders are peaceful, I was repeatedly told by all kinds of Rajasthanis that traders were dangerous traffickers, that the *sarkar* (the government) is the biggest trafficker, and that the *sarkar* secretly colludes in an unshakable conspiracy with traffickers who, possessed of vast funds, pursue their profits by violent and corrupt means. My analysis of popular Rajasthani ideologies of morally legitimate power helps to explain widespread Rajasthani perceptions of a corrupt relationship between poppy husk traders and the State. This analysis also provides a basis for explaining how traders justify the way they take and manage the high risks associated with the ways they use legal, extra-legal and illegal means to organise their collaboration in this very competitive business.

I do not argue that such ideologies of legitimate rule and friendship determine people's actions, but rather that they explain how traders talk and might think about, justify and accept decisions within the constraints and incentives of State and social institutions. An adequate description of the poppy husk traders' community requires a differentiation of their moral justifications and observable interactions from those of other business communities, and also requires the identification of characteristics that specifically identify traders as part of Rajasthani and Indian society. A brief historical background begins this process of differentiating and specificity by revealing that traders' business is the most recent phenomenon in the long history of the Indian opium trade. This background permits later comparisons with traders' commercial predecessors and their contemporary peers in different sectors of the opium industry, and allows for a comparative perspective of the relationship of these entrepreneurs to the State, to regulation, and to popular Indian and Rajasthani perceptions.

i-The historical opium trade, regulation and consumption

The current poppy husk business is not entirely new: it is just one of the more recent developments in the long history of opium production, consumption, commercial trade and State regulation in South Asia. The opium poppy was introduced to South Asia in the eighth century A.D. by Arab traders (Richards, 1981: 61), and is recorded in the sixteenth century by the *Ain-i-Akbari* as being a common cash crop in Agra, Oudh and Allahabad (Asthana, 1954: 1). The South Asian commercial opium trade expanded to other areas, including Southeast Asia and China, first with Portuguese and Dutch traders, then with the

British East India Company (EIC). By the late 18th century, the opium poppy was mainly commercially cultivated in two parts of India. The first part was the Benares and Patna area (currently in Uttar Pradesh and Bihar), where production was largely under the control of an EIC monopoly (Owen, 1934: 80). The second part of India producing opium was the Malwa area, where the indigenous states did not regulate production and trade, which were largely financed and controlled by local merchant bankers who also financed local states – and in some cases attempted to gain power for themselves by force (Farooqui, 1998: 39-41, 44-5, 144-5). In 1829, Malwa traders were allowed to export opium through British Bombay on payment of a tax, and from then until the First Opium War in China, the tonnage of Malwa opium exports to China exceeded tonnage from the EIC monopoly areas (Owen, 1934: 101-3, 110). The Malwa opium trade and its expansion acted as a catalyst for the development in South Asian finance, long-distance overseas trade, and heavy industry, benefiting British and Indian firms alike (Farooqui, 2006; Richards, 1981; Richards, 2002: 377).

The expansion of the commercial opium industry was accompanied by regulatory efforts of the EIC and from later governments. From its outset, it is clear that the industry gave rise to serious moral concerns from even its beneficiaries. In 1819, when the EIC's commercial board first decided to undercut competition from Malwa by increasing the production of deliberately scarce Bengal opium in order to reduce shippers' incentive to look to Malwa, the EIC explicitly considered the moral implications:

[...] the board was careful to point out that 'the comprehensive Policy aforementioned will not tend to increase the consumption of the deleterious Drug nor to extend its baneful effects in Society – the sole and exclusive object of it is to secure to ourselves the whole Supply by preventing Foreigners from participating in a Trade of which they at present enjoy no considerable share – for it is evident that the Chinese, as well as the Malays, cannot exist without the use of Opium, and if we do not supply their necessary wants, Foreigners will' (Owen, 1934: 87).

Officials in the EIC, from the Governor-General to most agents, objected to policies which they saw as putting opium revenues before more important political interests and dangerously undermining the general stability of states in Malwa (Owen, 1934: 97-98). Neither British nor Chinese merchants, however, "were much impressed by the preventive

activity of [Chinese] officials. It was all a kind of oriental *opéra bouffe*, in which authorities no less than opium smugglers played their announced rôles” (Owen, 1934: 111).

Beginning with the boom in EIC opium revenues in 1829, anti-opium political activists, lead by Protestant denominations (especially Quakers) in Great Britain, mounted increasingly vocal and effective political campaigns based on their moral objections to Indian opium production (Richards, 2002: 377, 382), resulting in the 1858 Royal Commission on Opium. The British Indian government’s argument to the Commission was similar to the EIC’s justifications in 1819. This time, however, they were supported by the English-language Indian press and by the Indian Congress Party itself, which attacked the anti-opium activists on grounds that Indians should not cause financial hardship to themselves when there was no reason to believe that these hardships would change anything in China (Richards, 2002: 381). Indians also objected to the prohibition of their own opium use, and pointed to significant clinical evidence to show that ordinary (as opposed to abusive) consumption prevalent in India did not have measurably harmful effects, and was even beneficial effects against malaria (Richards, 2002: 399, 401-404). Indian representatives further argued that the anti-opium lobby should shift its misguided opposition to opium and focus on alcohol instead, which, Indian representatives pointed out, was (unlike opium) considered morally objectionable in India on Muslim and Hindu religious grounds (Richards, 2002: 419-420). One prosperous Indian witness expressed his belief that alcohol was far worse than opium, that “the [Indian] people think that all of this [anti-opium] agitation has for its ultimate object the introduction of more whiskey and rum into this country”. In an interesting twist, this witness concluded by arguing that the British themselves should replace their alcohol consumption with opium, which presented medical and financial advantages (Richards, 2002: 419-420).

Medical reports (which were generally seen as being fair) submitted to the Commission described opium consumption as a men’s habit, with use being heavier in the Rajput states (now Rajasthan and parts of neighbouring states). Once they began the habit, men usually consumed opium twice a day for the rest of their lives, reaching and remaining at a dosage that marked the level of their tolerance (Richards, 2002: 402). The ceremonial use of an opium infusion was common at court audiences and receptions, certain religious festivals, births, funerals, and ceremonies marking the reconciliation of enemies, and all

participants usually consumed “even if they might not ordinarily take opium” (Richards, 2002: 406). In 1899, shortly after the Commission, a Captain Bingley published the Handbook on Rajputs, a manual to facilitate the recruitment and management of Rajputs in the British Indian Army. The author noted that “Rajputs are rather partial to drugs, and indulge in *ganja*, *bhang*, *post* [poppy husk] and opium”, but Bingley did not see these tastes as detrimental to their service in the military (Bingley, 1899: 165). Smoking opium, however, was seen as a “disreputable habit”: urban behaviour “engaged in by ‘the humbler grades of society’ who frequented unsavoury opium dens” (Richards, 2002: 406).

Some British officials favoured turning a blind eye to minor illegal diversion of opium by poppy farmers for their own use, and other officials insisted on a strict approach to prosecute, imprison, and deter the growth of illicit traffic and consumption (Richards, 2002: 414). Weighing the options, the Commission decided against activists’ pressure to restrict opium to medical use on the grounds that the separation of medical and non-medical use was impracticable (Richards, 2002: 399). The defeated anti-opium lobby accused the Royal Opium Commission of being a whitewash to protect an important stream of revenue, and Richards convincingly argues that subsequent scholarship has erroneously accepted these accusations at face value (Richards, 2002: 379-380).

Opium continues to be consumed today in small quantities in all parts of Rajasthan, whether in the ritual context described above, as a twice-daily tonic, as a cure for upset stomachs for all people, or by men who use it on an occasional basis as “strength medicine” or “natural Viagra”. Opium remains vital in the political context: just as alcohol is illegally distributed during election campaigns in southern Rajasthan, so it is necessary in many arid parts of Rajasthan to distribute opium to potential voters who have come to listen to speeches since they would otherwise leave or sleep. In addition, versions of the hospitality ritual (*manwar*) involving opium have become a staple of mid-level cultural tourism in Rajasthan, with tourists drinking a mock opium solution.

Smoking brown sugar (low grade heroin) has replaced opium-smoking as the disreputable opium habit. Contemporary popular Indian opinion portrays the Indian Government as abusing legal opium cultivation, corruptly benefiting from opiate revenues and hiding the dangers – accusations similar to British activists’ claims that the Royal Opium Commission was a whitewash. In an echo of EIC officials’ “if we don’t, others

will” justification for attempting to control the opium trade through an EIC monopoly, contemporary critics of narcotics policies argue that poppy eradication programmes are bound to fail because someone else will always rise to fill the demand.

What has changed most is that the production and trade of opium poppy products in India are now regulated by an integrated set of national and international laws administered by national authorities and monitored by international organizations. Successive Indian governments participated in the creation and ratification of the international treaties that are the legal basis of current international narcotics regulation, notably the 1961 single convention on Narcotic Drugs, the 1971 Convention on Psychotropic Substances, and the 1988 Convention. The international regulatory system formed by the above-mentioned treaties is administered by several international bodies: the International Narcotics Control Board², the Commission on Narcotic Drugs, and the United Nations Office on Drugs and Crime³. Under this international regulatory system, India is the only country to produce opium for the international pharmaceutical industry as well as its own⁴. The opium poppy remains the only economical source of morphine, codeine, thebaine and several other alkaloids essential to palliative pain care in modern medical practice; however, countries like Turkey and Australia differ from India in using the mechanized “concentrate of poppy straw” method to extract alkaloids from opium poppies, and thereby avoid the labour-intensive production of opium to economically produce most of the world’s pharmaceutical opiates.

² The International Narcotics Control Board (INCB) is an “independent and quasi-judicial control organ monitoring the implementation of the United Nations drug control conventions”, established by the Single Convention on Narcotic Drugs (1961), and further defined by the Convention on Psychotropic Substances (1971) and the 1988 UN Convention against Illegal Traffic in Narcotic Drugs and Psychotropic Substances. The INCB is independent of the UN and governments, and relies on the voluntary compliance of its member-states” (INCB, 2005).

³ The Commission on Narcotic Drugs (CND) was established by a UN Economic and Social Council resolution in 1946 as “the central policy-making body within the United Nations system dealing with drug-related matters. The commission analyses the world drug situation and develops proposals to strengthen the international drug control system to combat the world drug problem”. The CND became the governing body of the United Nations Drug Control Programme (UNDCP) in 1991. In 2002, the UNDCP’s successor, the UN Office for Drug Control and Crime Prevention, “was renamed the United Nations Office on Drugs and Crime (UNODC), which provides research, analysis, and training programmes to improve states’ control of narcotics and crime”(UNODC, 2007).

⁴ This integrated international and national regulatory system is also influenced by bilateral treaties and diplomacy: India’s licensed opium production is heavily dependent on bilateral treaties with the United States that secure a market of US pharmaceutical companies for Indian opium (Johnson, 2007). India’s internal legal opiate trade is unprofitable because it is handicapped by unwieldy state and national regulatory bureaucracy.

India's narcotics industry is established and regulated by the central government's Narcotics Drugs and Psychotropic Substances (NDPS) Acts, which apply to the whole country. The NDPS Acts are supplemented by each state's separate narcotics rules that specify the state variations permitted by the central act. Indian laws are in accordance with the international treaties mentioned above and as such form part of an international legal structure that defines the conditions of legal and illegal narcotics import, export and internal trade. To produce the opium that India and other countries require, the Indian central government's Central Bureau of Narcotics annually licenses farmers in the selected districts of the states of Rajasthan, Madhya Pradesh, and Uttar Pradesh to grow a prescribed and limited area⁵ of opium poppy per license. These farmers extract opium by the traditional and labour-intensive method of lancing the seed pod: the mechanized methods are not cost-effective for their small plots. The central government license also demands that farmers sell all of their opium to the CBN at the prices fixed by the latter. Any suspected violation of the area of cultivation or of sales conditions can be prosecuted as both embezzlement and narcotics trafficking. The CBN collects farmers' opium and passes it to the Government Opium and Alkaloid Works, which either refine it into medical opiates or sell the raw opium to foreign pharmaceutical companies.

Due to its morphine content (0.15-0.2% by weight), poppy husk falls under the national NDPS Acts and the Rajasthan state NDPS Rules and Acts. Other states have different laws, and most states have no provision for legal poppy husk sale or consumption. By Rajasthan's laws, consumers must have a license issued by their district of residence's specially constituted medical board. This license allows consumers to legally purchase poppy husk from licensed retail shops. Most consumers cannot obtain these licenses: officials are under pressure to produce statistics that show a declining addict population. In Rajasthan, the state Excise Department administers "the laws and rules relating to manufacture, possession, sale, import, export and transport of Liquor, intoxicating drugs", the collection of revenue from each of these, and the "prevention of illegal trade, trafficking and production of illicit liquor" (*Licensing Fees (Non-EPA Income Details)*, 2007).

⁵ The licensed area was 1/5 of a hectare at the beginning of my fieldwork. It was halved the next year.

As part of this regulatory system, the Excise department held (until 2006) an annual sealed-bid auction in which anyone could bid on a poppy husk license and watch as the bids were opened and read publicly on a pre-announced date. Wholesale licenses give a monopoly on buying from farmers in a given area and retail licenses give a monopoly on selling to consumers in a given area. Both categories of licensees must pay royalties and tax on each kilo they sell. These combined poppy husk revenues are far smaller than alcohol revenues but contribute to making the Excise Department Rajasthan's "second largest tax revenue earning department of state government" (*Licensing Fees (Non-EPA Income Details)*, 2007).

Poppy husk is highly valued by agricultural labourers and construction workers, who consume it by ingestion or as an infusion for the euphoric feeling and analgesic properties which mitigate the pain of their gruelling work. Agricultural labourers in the irrigated and intensively farmed areas of northern Rajasthan, Punjab and Haryana often demand a substantial daily allowance of poppy husk as part of their working conditions, or as a precondition for becoming a bonded labourer. Bicycle rickshaw drivers take poppy husk for similar reasons, and many truck drivers take it for haemorrhoids and back aches.

With the NDPS Act's restrictions in 1986, poppy husk changed from a cheap, unprofitable and unregulated commodity to a highly regulated, more expensive and very profitable one. During my fieldwork from 2003 to 2005, wholesalers bought poppy husk from farmers at 10 to 12 Rupees a kilo, and retailers sold it to consumers for 150-250 Rs./kg in different parts of Rajasthan, and for more than 800 Rs./kg in Punjab, where it is illegal. For comparison, a good daily wage for an unskilled labourer at the time was Rs. 150. Prices have risen dramatically since then.

This is the general historical, legal and social context in which poppy husk traders conduct their business. It shows the continuities of traders' business and lives with participants in the historical opium business, and reveals some of the difficulties of explaining popular Rajasthani views that traders and traffickers pose a new and unusual danger. Before moving to a more detailed outline of traders' lives in the contemporary context in the chapter outline, I will explain how I came to focus on this business community, and the methodology I used to investigate their work and lives.

ii-Methodology, obstacles and ethics

On an exploratory trip to India in January 2003, I met a fellow PhD candidate from the LSE Anthropology department who responded to my interest in extra-legal trade by suggesting that I meet two people in Rajasthan: one in Jodhpur and the other in Chittorgarh. In Jodhpur, I heard about the traditional importance of opium and about heroin trafficking from Pakistan. In Chittorgarh, I met a senior advocate who congratulated me on having come to a district “world famous” for opium production, and immediately declared that I needed to study the effects of opium smuggling. He convinced me to take the next long bus ride to the more remote town that I call Gopalpura, which he said was even more notorious for opium production and trafficking.

I returned in September 2003 to investigate how I could study the opium industry, and focused on licensed farmers rather than traffickers. I made Gopalpura my base, rented a room in a family home, took six weeks of intensive Hindi lessons from a retired schoolteacher, and learned about the area and began to cultivate informants. In December, I contracted a severe case of dengue fever, left India, and spent three months recovering at home.

When I returned in March 2004, my interviews at the Ministry of Education had been rewarded by a research visa permitting my proposed study of “informal sector trade networks”. Like the Rajasthanis and other Indians who directed me to the opium industry, I saw the topic as sufficiently intriguing and unexplored territory to sustain my interest through the inevitable difficulties. My intention has not been to unearth scandal, but to investigate an un-researched and little-understood group of people, to better understand how they manage high-risk extra-legal business dynamics, and to understand what place this business has in their lives. The fact that the poppy husk business is controversial has been convenient: it meant that people expressed themselves more strongly and more readily, making it easier to gauge traders’ position in wider society and their relationship to the State, and providing useful clues to Rajasthanis’ view of the State.

ii.a Difficulties and Adjustments

Equipped with my research visa and residency permit, I returned to the field and took a two-pronged approach. On one side, I visited different poppy-cultivating villages near

Gopalpura to learn in greater depth about cultivation, licensing and renewal practices, and the effect on factional village politics. I succeeded in finding a village that I could focus on. On the other side, I met with officers from the police and Central Bureau of Narcotics (CBN) to explain my research, secure their cooperation, and make sure that they realised I was not a drug user or aspiring trafficker. The police were extremely cooperative, understanding and friendly, but did not have the detailed licensing data I needed to understand the politics of license allocations. CBN officials, after a prolonged process whereby my requested formal application for data was passed up their hierarchy, sent me a terse e-mail in September 2004 informing me that my application had been rejected because of the sensitive nature of the information. The cultivation data in the *tehsildar's* office was too inaccurate to be of any value, so I abandoned the project of an ethnography of a poppy-cultivating village.

Fortunately, I had also been meeting local notables, opium smugglers and other people. This led to my being invited to deliver a speech at a celebration of the birthday of that important Rajasthani historical figure, Maharana Pratap. There, I met more influential notables, many of whom actively helped my research. I later discovered that their social support was vital in helping traders, whom I met shortly afterwards, form a good opinion of me. Thus, by the time the CBN rejected my request, I had been dividing my time between several poppy cultivating villages and one poppy husk office. My village research gave me the necessary background knowledge to shift my focus to the poppy husk business, where I concentrated on the extra-legally formed company of traders who referred to their group as “*hamari* Company”, or “Our Company”, and who controlled the Gopalpura poppy husk license.

ii.b Research methods and ethics

After shifting my focus to the poppy husk traders, I continued to stay in my rented room even though I spent most of my time in the poppy husk office in Gopalpura. This arrangement allowed me to write after talking with them all day and evening, and helped avoid their getting too tired of my questions and presence. Within several weeks of meeting these traders, I was travelling to their other offices for extended periods and accepting their invitations to travel with them on their regular visits to their homes. The traders were very

mobile, seemingly constantly dispersing in different directions and re-assembling in different permutations in Our Company's various offices. To learn about traders and their work, I followed them in travelling from office to office, retaining my focus on the small community of traders that was Our Company. Over time, I came to consider many of these informants as friends, but I will follow the convention of calling them informants.

The investing partners, employees and officials come from many parts and castes of Rajasthan. Among them are Muslims and Hindus; barely literate drivers and college graduates with fluent English; single men in their twenties and grandfathers in their sixties. Some of the most powerful investors were no longer directly involved but retained control through legally insulating layers of managers and lawyers. Government officials who collaborate with traders, also from a variety of backgrounds, kept a public distance from the traders but joined them to eat and drink. These officials maintained contact and friendships with their bribe-payers for many years, even when they had no direct business dealings. The employees usually lived in the offices where they worked, far from their home towns and villages. The investing partners, especially the bigger ones, spent more time in the hometowns, but still travelled a great deal between their offices.

The descriptions in this thesis concentrate on eight poppy husk offices which I knew well, a small sample of the total number of offices (between 35 and 50) that served the 25 poppy husk licenses in Rajasthan. An estimated average of six traders per office leads to a conservative estimate of a poppy husk trader community between 210 and 300, not counting associated officials and contracted truck drivers. Among the offices where I spent time were those in the top opium-cultivating districts of Chittorgarh, Bhilwara and Jhalawar; the transit and retail districts of Ajmer and Jaipur; and the top retail districts of Hanumangarh and Ganganagar. I gained a broader understanding of the sector's place in the opium industry by visiting officials, politicians, notables and ordinary people in other parts of Rajasthan as well as parts of the neighbouring states of Madhya Pradesh, Haryana, and Punjab. The offices I knew and their staff are illustrative of the whole business community, not because they are statistically representative, but because their lives and work broadly represent those of most traders, and raise questions that illuminate the business as a whole.

There were usually three or four operational staff in each office at any given time, not including the cook and warehouse manager, not including the constantly moving investors. The fact that traders lived together in their offices and were so generously hospitable made it easier to research their community. In all of these offices, we watched television, played cards, drank and ate, and chatted about local events. I overheard conversations, observed business activities and participated in leisure activities, asked about their lives and business, and answered their questions about my life and research. Many traders took pains to actively teach me about their work in the context of their wider lives by carefully describing their business activities, telling stories about their lives, and inviting me to many offices, business events, weddings and their homes.

The first trader I met was Chotu, an employee and a Distiller by caste in his early twenties from Chittorgarh district. Accepting Chotu's invitation to his poppy husk office, I met Vikram Singh, a Rajput caste employee in his early fifties; and Ghanshyam, a Gujar caste minor investor in his late 50s. Through these three, I met many others, including Chotu's two relatives Kamlesh and Pranesh, the two investors who owned most of the Gopalpura area poppy husk license. These are the main named characters in this ethnography. I have given pseudonyms to all of the characters in this thesis, and have in some cases combined attributes of similar people into fictional characters so as to better conceal informants' identities. I have also used pseudonyms for research locations in cases where the real name would undermine the effectiveness of individuals' pseudonyms. Except in cases where they requested it, I have not given pseudonyms to most elected representatives: their opinions and activities are public knowledge, and they have chosen to live in that limelight.

In addition to the poppy husk traders who form the core characters of this ethnography, much of my information on trafficking and regulation comes from many conversations and meals over the course of my research with four Superintendents of Police, two Assistant Superintendents of Police, four Deputy Superintendents of Police, four police Circle Inspectors, three Members of Legislative Assembly (MLA), three senior district-level political party officials, five senior central government narcotics enforcement officials, two Narcotics Public Prosecutors, over three dozen poppy farmers, and five confirmed high to low-level traffickers of opium, brown sugar and heroin. Many of these

people spoke to me or showed me documents in confidence, either under the condition that I would not reveal what I had been told and that I only use it as background knowledge, or that I not reveal who had told me. I have respected these conditions to the extent of erring on the side of confidentiality even when informants did not request it.

My fieldwork entailed a degree of risk, and I followed the Economic and Social Research Council (ESRC, 2005) ethical research guidelines which demand that researchers do not intentionally cause harm, and that researchers take adequate measures to avoid unintentionally harming their research subjects. My informants were as fully aware of my research objectives as I was: to study the practice and regulation of the poppy husk trade by observing the work and lives of those involved. I did not explain my research in terms of theoretical problems I wanted to address, but in terms of what data I wanted to collect, how I would treat that data and how I would make it public. Given the sensitivity this complex topic and the potential for misunderstanding, I erred on the side of caution when meeting new potential informants, and followed my informants' and friends requests that I describe myself as researching cash crops. When my informants introduced my research to one of their friends or contacts in a highly euphemistic and innocuous way, I did not contradict them. I was there at their sufferance and did not want to make things more difficult for them by breaking their social standards of discretion. This was no more unethical than omitting to answer "standing beef roast" to the Rajasthani villagers who asked what I missed most about my home country. Discretion is as much a part of local manners as it was indispensable to my research.

This said, I always discussed with new informants how my research would benefit me, how the research might put them and their business at risk, and how some of these risks could be mitigated by my taking precautions to protect their privacy and anonymity. Those who accepted these risks became my informants, bombarded me with innumerable helpful suggestions and anecdotes, and introduced me to people and activities that helped me learn. My informants introduced me to as many colleagues as they could, meaning that traders I did not meet knew about me and had every opportunity to object to my presence. No trader ever asked me to abandon my research. Poppy husk traders, I learned, make their living from evaluating and mitigating risk, and they were certainly competent enough to judge the risks I posed.

As for potential risks to the Indian population, the Government of India saw fit to give me a visa to research informal sector trade networks. I have only presented knowledge that is publicly available (albeit with some effort) and have not knowingly presented any information that is prejudicial to Indian national security or even embarrassing. In fact, this research shows that the current practices of poppy husk regulation are moderately effective under the circumstances, and well-suited to the context of consumption patterns. I will make the conclusions of this thesis available in easily comprehensible form to as many as possible of those who helped me in my research, and look forward to their criticism.

iii- Summary of Chapters

Each of the five following chapters examine different aspects of traders' work and lives: their context within State institutions and administrative practices, their context in Rajasthani public opinion and ideals of legitimate authority, the role of the poppy husk business in traders' lives and their place in wider society, and traders' business practices and interactions. Chapter 1 provides the detailed legal and institutional context within which people join the poppy husk trade and manage risks to increase their profits. This business, which Rajasthanis widely perceive as illegal, is licensed by legally established procedural structures, but it is also formed by extra-legal structures and illegal practices that traders use to increase their profits. These extra-legal structures entail severe and unique legal risks when compared to those of other legal private Indian entrepreneurs, and traders must run these risks to increase their profits.

Chapter 2 establishes the social and political context of poppy husk traders by describing the complexities of Rajasthani popular opinions about opium, heroin, poppy husk, traffickers, traders, the *sarkar* and corruption. Rajasthanis group poppy husk traders with opium and heroin traffickers, and condemn them all three as dangerously corrupting and violent people who undermine the desirable social and political moral order to promote their own private gain. From this, Rajasthanis conclude that state poppy husk licensing must therefore be corrupt, and that the State institutionalisation of poppy cultivation and opiate revenues is proof of corruption, complicity, and the unstoppable power of traffickers. In fact, traders and even traffickers are unable to protect themselves from damaging policy developments, and total poppy husk business revenues, whether for the

state, corrupt officials or traders themselves, are relatively minor when compared to other businesses, suggesting a proportionally smaller influence. Moreover, an analysis of bribery shows that money is not, generally speaking, sufficient to secure officials' cooperation, and that the reasons why officials and politicians do engage in limited cooperation with traders, and are reluctant to share narcotics information, are no different from why Indian officials cooperate with entrepreneurs who are not involved in narcotics. For a number of similar institutional reasons, traders' influence with officials does not extend so far as to sanction violence, and it appears that even the stereotype of the violent trafficker is overdrawn. The discrepancies between popular opinion and the observable poppy husk trade and regulation suggests that Rajasthanis' views of traders are based on a shared moral belief rather than shared factual knowledge.

Chapter 3 identifies popular Rajasthani political ideals manifested in important festivals and popular understandings of kingship as the moral basis for Rajasthanis' condemnation of traders, traffickers and State corruption. These contemporary popular ideals draw on widespread ideas about traditional rule in Rajasthan, ideas in which political authority is legitimised through an association with ascetics and practices associated with asceticism, such as self-sacrifice and disinterestedness in worldly gains. This moral standard of statecraft can be understood as separating the pursuit of the public good, associated with other-worldly moral order and transcendent status, from the pursuit of self-interest, which is associated with a debased worldly order. This division explains how politics can be considered by the public as a realm that *should* be moral, and as a realm where the shortcomings of officials and politicians can be legitimately criticised (in the popular view) as immoral. The fact that this moral standard of politics is explicitly expressed in terms of specifically Rajasthani traditions allows one to identify it as distinctively Rajasthani, even if the instrumental uses and underlying values are not exclusively so. These shared popular Rajasthani beliefs plausibly explain the similar structure of the accusations of corruption described in Chapter 2, even though these accusations come from a wide variety of people with different access to accurate information about the opiate industry and trafficking. Furthermore, this locally rooted analysis avoids explaining accusations of corruption in terms of foreign ideologies of statecraft that ordinary villagers are emotively unfamiliar with, even though their local

political mores can be instrumentally used to justify similar governmental practices and standards.

The first three chapters describe the gauntlet of legal, business, social and moral risks that traders must run to be successful in their business. Chapter 4 describes who these risk-takers are in terms of their backgrounds, family lives, other businesses, and aspirations. Many traders come from poor or very modest backgrounds, and none have qualifications that would allow them employment or participation in other businesses that are as lucrative as poppy husk. Traders do, however, have high ambitions for their families', and especially their children's, upward mobility. Traders therefore treat the poppy husk business as a stepping stone to investing in and switching to more socially acceptable and less risky businesses, even if the latter might be less profitable. Traders also see their business as their best means for funding their children's education and entrance into the ranks of middle class professionals. It is this concern for their families that allows traders to justify their risks and hardships. Traders' business and family lives, ambitions, other Indians' perceptions of them, and their views of the State all reveal that traders are in fact typical middle class entrepreneurs like those described in existing studies. Like many other upwardly mobile Indian groups, whether violent or peaceful, risk-prone or risk averse, traders are seen by more established segments and by envious segments as threatening the social order. What distinguishes traders amongst these middle classes is the typical scope of their income-generating opportunities, and the fact that, as Chapter 1 shows, they occupy a distinctively precarious legal position for a legally established group of entrepreneurs.

Traders come from many different areas, castes and religions of Rajasthan, and Chapter 5 describes their office lives to show how they collaborate to take all these risks and to work for their individual and collective goals. Traders' choices of friends and their differentiation amongst them, the values they adhere to and support, and the ways traders manage business conflicts all help to clarify this idiom of amity, and allow a comparison with other analyses of friendship. The relationship of traders' ideals of friendship to the popular ideology of legitimate authority described in Chapter 3 provides a plausible explanation for why this kind of friendship helps traders justify their work and interactions in the face of their own and others' criticisms. This association also explains how these ideals might hold such a disparate group of colleagues to common standards of behaviour,

and how these ideals help to peacefully reconcile conflicts between group and individual interests. Of course, these related ideologies do not explain *why* traders do things, but rather how traders justify what they do, and how their actions are tacitly accepted by others, within the wider context of the incentives and constraints of their business, the State and society at large.

The conclusion shows how this analysis of the work and lives of these ambitious, middle-class poppy husk traders of Rajasthan contributes to the study of high-risk extra-legal enterprise, to analyses of Indian social stratification and mobility, and to an understanding of the State and Indians' perceptions of it. More specifically, this thesis contributes to a growing body of historical and ethnographic literature that moves away from the traditional focus on Indian caste-based businesses, and joins in a current that focuses on communities of entrepreneurs whose participants do not share kinship, ethnic or religious identity, and where the creation of shared collaborative norms or mores must be explained rather than assumed. In joining this current by publishing the first study of poppy husk traders, I aim to contribute to a more robust understanding of entrepreneurial collaboration in high-risk extra-legal environments. This thesis also joins a current that promotes a combined understanding of the Indian State and of social stratification and mobility, integrating an understanding of administrative practices, regulatory changes and labour dynamics (including white-collar labour) with popular perceptions of corruption and the criminalization of politics.

iv- Context within anthropology and social theory

The subsequent chapters address parts of a the large bodies of existing work on the State, the informal sector, corruption, authority, social stratification and mobility, and affective moral ties of kinship and friendship. I have chosen the currents that helped to describe, distinguish, situate and explain the community of traders most simply. As a result, I have rejected certain popular approaches which the reader might expect to find, so I will list these and give my reasons for rejecting them before introducing the theories that I do work with.

Some of the most popular and influential views argue that collaboration requires trust, and that trust flows from kinship. I find it constructive to reject these views for reasons I

illustrate using two of their most influential exponents, Diego Gambetta and Anton Blok. The first problem with these views is the assumption that behaviour is ideologically determined. Gambetta (Bacharach & Gambetta, 1997; Gambetta, 1993) argues that the decision to trust is a necessary precondition to collaboration in high-risk situations, and to collaboration in general. He further argues that this decision-making process hinges on interpreting signs of trustworthiness, and that this interpretation can be explained by the signals-game theory branch of rational choice theory (Bacharach & Gambetta, 1997). Quoting himself, Gambetta asserts that “distrust may be an unaffordable luxury for those with no alternative course of action (Gambetta 1988)” (Gambetta, 1993: 26), which appears to claim that trust is not only a necessary precondition for business transactions, but that collaboration is also necessarily dependent on consistency with prior belief in such collaboration. This belief is also apparent in Gambetta’s assertion that betrayal, lying, and lack of secrecy as an indication that “the notion of *omertà* as a culturally specific code of behaviour essential to understanding the mafia seems to be, if not mistaken, at least superfluous” (Gambetta, 1993: 39). Thus, Gambetta fails to account for the fact that people act in spite of doubts or fears, the fact that people can and do act in a ways apparently inconsistent with beliefs, or the fact that even beliefs that are not entirely acted on can nevertheless remain socially important. It is surprising that Gambetta should make such an error of judgement given his familiarity with a Catholic society where the mysteries of Immaculate Conception and Trans-substantiation hold such importance. On a more abstract level, the incontrovertible weakness of this deterministic approach is that, as extensive literature in the Wittgenstinian tradition convincingly argues, behaviour is not rule-following because the complexity of a real situation can only be identified with a rule after the fact. For a summary and analysis of this literature, see especially Bernasconi-Kohn (2006; 2007).

The second difficulty with Gambetta’s and Blok’s views of collaboration, kinship and trust is a contradiction of their views with their own empirical data because their arguments lack specificity. Gambetta’s argument for the necessity of trust for collaboration is undermined by his own thorough data on the strong role, in everyday communication in the Mafia, of cryptic and misunderstood communications and rumours, and importance of suspicions and violent reprisals that follow (Gambetta, 1993: 39, 121-123). This suggests

that distrust is as much a norm of interaction as trust, and that the Mafia continues to function in spite of this distrust. In a similar way to Gambetta's emphasis on trust, Blok explains collaboration in the Mafia in terms of ties of blood as established by ritual imagery, and by agnatic kinship emphasizing alliances between mafia families based on agnatic ties, and cites the similar importance of agnatic ties in other parts of the world (Blok, 2001). He apparently forgets that, in Sicily and in other societies riven with blood-feuds, agnatic kinship is as much an explanation for conflict as it is for harmony, and that "blood" or "agnatic kinship" cannot explain collaboration, since it is necessary to explain when either of these result in conflict or cooperation.

Most disappointingly, Gambetta's and Blok's views do not attempt to describe the views of practitioners of high-risk collaboration and the relationship to their other social mores⁶, or describe what makes these practices and ideologies distinctive and specific to the population of practitioners described. Gambetta's rational choice model aims to assess, from an external perspective, the potential for trustworthiness in a given hypothetical interaction. Gambetta fails, however, to explain how people in real situations act and talk about the bases for their actions. He does not explain what the concept of trust means ideologically in any given society, what specific ideals it is linked with in different parts of different societies, or how these ideologies might encourage people to see decision-making not just in terms of success but in terms of more or less well accepted approaches in their social circles (Bacharach & Gambetta, 1997). Thus, Gambetta's ideologically determinist model of trust, and other models like it, precludes any empirical understanding of the distinctive and specific characteristics of collaboration, or of collaboration "from the native's point of view". Obviously, Gambetta's and Blok's reliance on kinship or fictive kinship is not conducive to the study of a group of high-risk entrepreneurs who are not related and who actively reject fictive kinship ties.

I do not make analytical use of the concepts of social capital, whether its "dark side" or otherwise, or the related view of civil society. These prescriptive ideologies hinder

⁶ Regrettably, these faults of Gambetta's, including his structural-functionalist logic, also hinder Volkov's analysis of his extraordinarily detailed data on the role of violence in the organization of Russian organized crime and protection rackets (2002: 59-63, 78-9). This has hindered what might have been an enlightening comparison with the use of violence amongst traders and traffickers.

description and analysis of empirical data because they rely for their coherence on assumptions about self-regulating markets and human behaviour that are far from self-evident (Harriss, 2002). In circles where these ideas have currency, one may view them as intriguing folk theories, but their prescriptive nature and their consequent tautologies means that they are not rigorous tools for analysis.

Perhaps more unexpectedly in a study of a business that relies heavily on illegal transactions and suborning officials, I do not use the common dichotomy of formal and informal sector. I agree with Hart's assessment that the dichotomy between businesses on the basis of these two ideal types of economic activity reflects a fruitless ideological opposition, has no basis in observable reality (Hart, 1992: 217), and therefore impedes effective empirical research and analysis. On another level, I find unreasonable the idea of an "informal economy" or "informal sector" that invokes a group of whole legal or physical persons, institutions or sectors that exist outside the reach of taxation and State regulation, an image that Harriss-White partially invokes in her articulation of informal sector boundaries (2003: 4-6). A large number of transactions certainly do occur outside the formal regulatory structures of State law and revenue collection⁷, but this category exists as the sum of discrete transactions from many different physical and legal persons, not necessarily these persons' whole beings or activities, a point De Neve also makes (2005: 26). Given the indispensable role of extra-legal processes in running state administrative bureaucracy, as Harriss-White points out, it does not make sense to oppose "informal" or extra-legal practices to the State; nor does it make analytical sense to relegate these practices to Harriss-White's "interstices of the State" (2003: 6). Where I do loosely use the word "informal", it is to refer to interactions outside the *de jure* rules and procedures established for regulating the opiate industry. This perspective is appropriate for the study of a legally sanctioned business used for private gain and State revenue, where many transactions are either not covered by legal regulation or are actually illegal.

This view of illegal and extra-legal transactions coincides with a way of understanding the State in terms of people's observed experience and expressions, in terms

⁷ See especially Harriss-White (2003: 97-98) for references to studies of the evasion of state revenue collection.

of explanations of regulatory and revenue-extraction capacity, and in terms of the fragmented and often competing factions of elected and unelected State officials (Fuller & Harriss, 2001: 22-3). I have taken this approach because it avoids the pitfalls of looking at the State exclusively in terms of *de jure* laws, procedures and territorial boundaries, and because it avoids the trap of thinking of the State as a discrete unitary actor separated from society (as noted by Fuller & Harriss, 2001: 1,22).

Accepting that the State is not a unitary actor leaves the challenge of explaining people's tendency to attribute unitary agency and intention to the State or any of its bureaucratic organizations, especially by accusations of corruption and malfeasance. Fortunately, anthropological studies of the State and corruption provide a basis for how these shared views, whether accurate or not, can be explained in terms of shared ideological convictions. I draw especially on de Sardan's notion of "moral logic of corruption" (Sardan, 1999) and Bloch and Parry's "morality of exchange" (Bloch & Parry, 1989) in discussing Rajasthani and Indian ideals of power and legitimate authority. Far from being ideologically deterministic of people's actions, this approach demands that views of legitimate power be understood as *post-facto* and often tacit justifications within the context of institutional constraints and incentives. The label of corruption is an ideologically-based accusation that people are competing for or gaining resources in a morally unacceptable way, or, in other words, that they are engaging in illegitimate politics.

Understanding people's ideological justifications within specific institutional settings provides, as Blau's (1963; 1966) critical interpretation of Weberian theory of authority argues, a robust model for understanding leadership and collaboration, whether in State bureaucracies or the organization of poppy husk traders. This approach also provides a way to explain people's views of the attractiveness of risks (c.f. Zaloom, 2004), the moral ties they tactically emphasise in collaboration (c.f. Eisenstadt & Roniger, 1984), and conceptions of social mobility (c.f. Fuller & Narasimhan, 2007). With this in mind, the following chapter begins the analysis of the work and lives of poppy husk traders by describing the legal, administrative and practical context of the poppy husk business in Rajasthan.

Chapter One:
The Structure of the Poppy Husk Trade:
Legal Licensing, Illegality and Risk Management.

“What’s good for M&M Enterprises will be good for the country.”

-‘Milo Minderbinder’, *Catch-22*

Introduction

Few people even in the opium-producing areas of Rajasthan have much knowledge of the poppy husk business, and even the more knowledgeable tend to equate the *thekadar* (poppy husk licensee or trader) with the *taskar* or “smuggler” (trafficker) of opium, morphine base or heroin. Shortly after I began my research, an apparently inconsequential incident alerted me to the practical consequences of the confused perception of the poppy husk trade’s combination of legal and illegal activities. Some notables and government officials in Gopalpura had set up badminton courts in an unused warehouse of the town’s state-owned agricultural market. One evening after matches, the ADM (Additional District Magistrate) informed the members present that the *doda chura* contractor wanted to rent the warehouse for storing poppy husk. The members cautioned him that although these contractors were licensed, they were also “illegal”, and that anyone who knowingly provided facilities for narcotics trafficking was also liable for prosecution on narcotics charges. Some members even asserted that traders concealed hard drugs in their truckloads of poppy husk. The ADM responded that he had hesitated to rent the warehouse for these exact reasons: he thought that he would be liable for prosecution. The next day, the ADM refused the traders’ request on these grounds⁸. Officials knew that traders were licensed but still thought of them as traffickers.

In spite of the fact that traders are licensed, Rajasthanis think of the poppy husk business as intrinsically *do nambar* (‘number two’, or illegal) because the opium poppy is considered *do nambar* and the realm of traffickers. The long and romanticised history of opium smuggling in Malwa before the current regulatory regime probably plays a role in

⁸ The ADM still moved the badminton courts to another vacant warehouse so that he would not be accused of misusing state property for trivial purposes when it could be rented profitably

this popular belief, as further discussed in Chapter 2. People also learn through newspapers or personal experience that narcotics trafficking is illegal and punished by lengthy jail sentences and confiscation of property. All Rajasthanis also know that ordinary shopkeepers break laws by evading taxes, and farmers are well aware of the prevalence of illegal practices amongst the merchants to whom they sell their crops. People expect businessmen to break laws that limit their profit, and might see them as lawbreakers but not as criminals in the same way as traffickers (c.f. Chapter 2).

This chapter describes the Rajasthan Excise Department's annual poppy husk licensing auction, the *de jure* procedures under which poppy husk traders were licensed during my fieldwork. This chapter also describes traders' reactions to these conditions, and the vital role of risk management in these reactions. Because of high minimum bids set by the Excise Department and intense competition amongst bidders, successful bids involve very large sums of money. Given the expense and business risks associated with this investment, even those who could afford to bid the entire sum prefer to join other aspiring investors to form an extra-legally⁹ constituted company (i.e. not incorporated under law) to bid. In a further attempt to mitigate risk, wealthier investors often belong to several such companies. Partners in these companies identify other companies with whom it would be beneficial to form syndicates to ensure stable supplies, distribution and prices for members of the syndicate. These companies and syndicates are not illegal, but investors prefer to organise companies and syndicates extra-legally to avoid evidence of their involvement in a business whose transactions are largely illegal. Investors enter the poppy husk trade with the intent of taking the legal risks of breaking narcotics laws in order to make large profits, and traders estimate the illegal volume of poppy husk traded to be eight times that of legal poppy husk. Much like other high risk and highly regulated brokerage markets, such as futures trading on the Chicago Board of Trade, legal structures establish the categories of risks that traders face: "aggressive risk-taking [in the context of commodities trading] is established and sustained by routinization and bureaucracy; it is not an escape from it" (Zaloom, 2004: 365).

⁹ Extra-legal activities fall outside the scope of laws, but are not proscribed by them.

As I will show, the fines and terms of imprisonment set by the NDPS Acts for breaking the legal conditions of their trade are far more severe than those for violating any other commercial regulations in India. The legal framework of traders' interactions with officials, traders and consumers constitutes part of this structure of risk, meaning that, even though traders organise themselves extra-legally to carry out illegal transactions, they do so on the basis of these distinctive legal conditions. The *de jure* structure of licensing procedures and enforcement are therefore the basis of a distinctive degree and structure of risk, risks that traders must mitigate to be successful, and risks in which no other Indian legally-based businessmen deal¹⁰. The ways that investors mitigate the risks established by legal regulations and procedures generate the observable phenomena and distinctive patterns of the poppy husk trade.

1.2: The poppy husk license auction

In January 2005, the members of "Our Company" began talking about the upcoming auction of poppy husk trading licenses. As soon as the Excise Department set the date for the middle of March, the members of Our Company insisted that I join them. Each January or February, the Rajasthan Excise Department published tenders in newspapers and on its website, inviting all aspiring poppy husk licensees to submit, by a given date in February or March, sealed bids for lanced poppy husk (LPH) wholesale and retail licenses throughout Rajasthan. For a bid to be considered, it must be above an Excise-established minimum price, the "reserve price". Hopeful bidders or their representatives must travel to Udaipur to submit their bids and ten percent "good faith" deposit, then gather the day after the submission deadline at the Rajasthan Excise Commissioner's office for the public opening and reading of the bids. The members of Our Company who encouraged me to attend first claimed it would be vital for my research; however, the poppy husk traders are a fun-loving group, and they were soon talking of the good dinners they would have during

¹⁰ Chemists who illegally divert controlled pharmaceuticals run similar risks, but the shortage of painkillers on the black market suggest that few chemists undertake such risks. It is precisely their fear of legal risks that, according to Dr Rajagopal of the Pallium palliative pain care institute, these regulations discourage chemists, doctors and hospitals from stocking even necessary painkillers, making it difficult for pain patients throughout India. Although *bhang* licenses are auctioned off along with poppy husk license, and often held by the same people, the legal and financial risks are much lower for this, and volumes and profits much smaller.

the days before the auction when investors meet to negotiate company memberships, shares of companies, and bid amounts. The other side of this festive anticipation is the tension and duplicity that accompanies the secrecy in which these negotiations are held. It will become evident below that, if these negotiations went badly or were exposed, the company's investors risked losing a lot of money, and their reputations or "standing" might also be destroyed.

Three of Our Company's partners, Kamlesh, Pranesh and Ghanshyam, along with some of the Company employees, had occupied a small hotel with air-conditioned rooms on a quiet side street in a commercial part of Udaipur. Their choice indicated that they were financially well-off, but wanted to remain inconspicuous. When I arrived, some were talking in twos and threes in the small street outside while smoking and drinking *chai*; others were inside. They were far busier than they looked or had expected to be. Traders appeared and disappeared, and nervous investors suddenly called emergency meetings. Those I called on their mobile phones were evasive about their location, but wanted to know which other traders I was with at the moment. Two traders who had told me that they would definitely be there were in distant corners of Rajasthan on business. Several members of Our Company who overheard me trying to track down other investors told me that they were "doing business" somewhere else in Udaipur – either talking to people from other companies, or, they added with a wink, "meeting a girl". Later, some of the absent investors told me that they used brothels and mistresses as a pretext to disappear for discussions with their current partners' rivals. When one of the senior partners stuck his head out of the hotel door to call a meeting, only investing partners were allowed in. The employees and I waited outside. The back-room negotiating and the danger of betrayal made the general atmosphere tense and busy. The unseasonable heat did not improve matters, nor did the frequent power outages and consequent failure of fans and air coolers. When the auction began at four P.M. on March 14, the traders had finished two full days and nights of high-pressured "secret investor meetings" in which they had formed partnerships with other traders to make companies. They would betray some of these alliances, and honour others overtly or covertly to form companies and to try to fix the bids at the auction.

Shortly before 4 P.M., as the hot day finally began to cool, over fifty men in suits, shirts and trousers and plain white kurta-pajamas gathered to talk in small groups in the empty traffic circle outside the Excise Commissioner's office. As they waited for the gates to open, two dozen policemen stood calmly next to their jeeps, looking on and providing security for the upcoming gathering. On the hour, the rest of the bidders and their employees arrived and walked into the office's large courtyard where the bids were to be opened. I estimated that there were a little over 1000 people, but some of my informants proudly claimed that there were over 2000. At least half of these were bidding for liquor licenses, which are separate from poppy husk licenses and were dealt with first.

At the excise office's compound gates, some of Our Company's investors hesitated, wondering whether I needed permission from the Excise Commissioner to attend, but Our Company's accountants whisked me past the uniformed Excise guards, merrily telling them that I had submitted a big tender, and that I was the *angrezi thekadar* (foreign or 'English' poppy husk licensee). Our Company's accountants were accustomed to visiting these offices to pay the instalments for the license fees, and were much more confident than some of the partners, who had suddenly become unusually self-effacing and timid. My fictitious *thekadar* status became a running joke and a way for traders to introduce me to others at the auction. I only later discovered to my nervous surprise that Our Company had seriously considered using my name as cover for submitting a bid. They had reluctantly abandoned the idea when someone questioned whether non-Indians were allowed to hold these licenses, and added that officials might make more difficulties for a foreigner. In any case, the rumour of the *angrezi thekadar* spread and somewhat improved my standing amongst the traders I knew less well.

The auction began with a panel of officials in sober shirts and trousers or safari suits taking their seats behind a table on a dais. They started by reading the liquor license bids to the seated aspiring liquor contractors, who were dressed more extravagantly than the poppy husk traders. One of the most ostentatious liquor bidders was also involved in tourism and wore an Australian bush hat with large coloured plumes. Those bidding on the low-end Country Liquor, rather than the hotel licenses and Indian Made Foreign Liquor, dressed more like the poppy husk traders (white kurta-pajamas or a shirt and trousers from small-town tailors), but had a rougher appearance than the poppy husk traders. As discussed in

Chapter 4, many poppy husk traders began their work in liquor; however, poppy husk traders see themselves as being different from liquor contractors. Although some traders paid attention to liquor bids and took notes, most walked about talking to colleagues they had not seen in a while. This wait was an important social occasion for traders, a time when they could talk with old friends or colleagues who worked with other companies or in distant parts of Rajasthan. In general, the poppy husk traders kept their distance from the liquor traders, who left at the end of their bid reading. The distance that the traders marked between themselves and the more ostentatious liquor merchants, both in their interactions and their appearance, illustrates the traders' desire not to increase their risks by drawing attention to themselves.

The liquor auction over, traders took their seats according to their business partnerships or in clusters of old colleagues, even if the latter worked with rival companies or syndicates. The powerful Udailal Anjna known as the “*doda chura* king” (poppy husk king) for his dominance of the business, was nowhere to be seen. On the opposite side of the crowd from Our Company's group, Udailal's “Right Hand Man” (as some referred to him), in his early forties and wearing a white kurta pajama, held court amidst respectful-looking employees, hangers-on, and associates, many of whom were much older than he. His stern appearance was accentuated by a crimson *tilak* between his eyebrows. This public display of piety was characteristic of his personal appearance, typical of pious businessmen, and also distinguished him from most traders who do not ordinarily bother with the *tilak*. Our Company's traders explained to me that Udailal's absence and general distance from the poppy husk business meant that he could work without fear of legal prosecution, blackmailing threats of prosecution, or public exposure that might risk interfering with his ability to gain lucrative state construction contracts and pursue his political career. One of Udailal's business partners runs his poppy husk interests in Madhya Pradesh, the Right Hand Man runs his interests in Rajasthan, and Udailal's “cousin-brother” coordinates both. All of these details underline traders' awareness of their need for a low profile that does not jar social sensibilities, but appears to conform to them.

The convivial tension and sense of anticipation mounted as the officials began to read the bids for poppy husk licenses. Accountants and some investing partners wrote them down carefully, checking with each other to make sure they had heard correctly. They did

not record the bidders' names, and when I asked why, they answered that most names were fronts and therefore unimportant. As with the liquor bids, the audience gasped at unusually high bids, and speculated about the high losses that such bids risked, and the machinations that might be behind these apparently foolish bids. Traders also speculatively or definitively tied the announced name with the hidden investors he represented, and estimated the potential losses of unwise bids. Loss-making licenses are apparently a common danger. The assembled traders also speculated on the astrological-numerological composition of some bids, and laughed at the ridiculously low "joke tenders". One joke bid made traders and officials chuckle: it consisted of seven twos (see list of auction bids on page 59), and alluded to the poppy husk business being *do nambar* ("number two", or illegal).

This brief description of the auction raises four important points for discussion. The first is that investors group themselves to make bids, but do so secretly, attempting to keep negotiations with different traders secret. The second is that, while negotiating amongst themselves, traders attempt to fix bid prices. In spite of their efforts to collude, the competition is strong enough, and the valuation of a license difficult enough, that there is a real danger of traders overbidding and incurring losses on a given license. The third point is that investors usually use front names in bids, which is not illegal¹¹, and many very large investors, such as Udailal Anjna, distance themselves from any identification with the business by hiring staff and through other methods. Company accountants deal more directly with the mechanics of the regulatory process than investors, and have a more familiar relationship with officials from making illegal payments to them as well as making the legally required ones. The final point is that the bulk of the business is illegal, and this is well enough known and accepted by everyone at the auction to be a joking matter. It is this last point, the illegal core of the poppy husk business, that I address next because it amplifies all the ordinary risks of the business and is therefore the main point of reference in traders' evaluation of their risks.

¹¹ The legality of this procedure is explained later in terms of the Rajasthan Excise Act.

1.3: Retail conditions and the legal structure of risk and opportunity

Like many other businessmen, poppy husk traders adapt their work to the legal structures in which (and against which) they operate. Before explaining how traders' violate these laws and why this is central to their business, it is necessary to clarify what these laws demand. The legal condition for poppy husk retail sale to consumers, as the Excise Department website explains, is that "since poppy husk is a restricted commodity, it can be sold by licensed retailers only to those consumers who have consumption permits issued by the Excise Department under NDPS Rules. These permits are issued on recommendations of a Committee constituted by Government comprising a nominee of the Collector, medical officer of the area, the concerned District Excise Officer and a public representative"(The Rajasthan Excise Act, 1950). The medical justification for the consumption is a consequence of the NDPS Act, Section 10a (i), which gives the State Government power to permit and regulate "the possession, transportation, import inter-State, export inter-State, warehousing, sale, purchase, consumption and use of poppy straw [i.e., poppy husk]", subject to provisions of Section 8, which requires that all such activities be prohibited unless for "medical or scientific purposes" (NDPS Act, 1985). This restriction on sales is the cornerstone of traders' risks, since anyone trading in poppy husk outside the license conditions and Excise Department orders, or knowingly assisting or financing unlicensed poppy husk trade, is liable for prosecution and mandatory "rigorous imprisonment of 10 to 20 years and fine of Rs. 1 to 2 lakhs" (NDPS Act, 1985) for trafficking in commercial quantities, set at more than 50kg for poppy husk (*CBN Legal Quantity Notification*) . Fifty kilos is a mere fraction of the six tonnes that constitute the average truckload of poppy husk.

The licenses that traders bid for at the auction give the holder "exclusive privilege", meaning that they have a legal monopoly on the wholesale or retail trade of poppy husk in the geographical area which the license covers. Retail license areas usually cover a whole district, but the wholesale licenses in poppy cultivating areas are by *tehsil* (block), the next smaller administrative unit. Wholesalers are licensed to buy poppy husk from legal poppy farmers at a mutually agreed price (10 to 12 Rs./kg from 2003 to 2005), store the poppy

husk in their bonded warehouses¹², and sell and transport the poppy husk to retail permit holders. A successful bid is referred to as the “Exclusive Privilege Amount” (EPA) or the “annual license fee”. Successful bidders must pay the Excise Department one third of the EPA after accepting a license, and the rest in equal monthly instalments over the licensee’s year of validity. If they abandon their successful bid, they forfeit the 10% of the bid which they deposited as “good faith money” (*Rajasthan Excise Department, 2007*) for the bid to be considered. In addition to the annual license fee, the wholesalers must pay the Excise Department a royalty of 35 Rs./kg for poppy husk purchased from farmers (*Poppy husk and liquor revenues, 2007*)¹³.

One high-ranking excise officer and several inspectors told me that the Department is supposed to account for the numbers of consumer permits in a license area when setting each retail licence’s reserve price, but in practice ignores this and simply adds as much as ten per cent to the previous year’s winning bid. A bidder, in calculating how much he and his investing partners can afford to bid and still make the retail license yield the profits they want, will use their knowledge of unofficial sales rather than the number of poppy husk consumer licenses. Bidders also take into account whether the license has a strategic location on important transportation routes. Clearly, total sales are not correlated with the number of consumption licenses: as already mentioned, all the traders I knew asserted that the volume of illegal poppy husk sold is eight times the official figure for poppy husk sales weight. Traders also explained that with poppy husk prices and with the cost of bids, legal sales (with the royalties paid) might allow them to cover their overhead costs but would not guarantee a profit because of the fluctuations and risks of the trade. Investors enter the poppy husk trade with these calculations in mind, and with the intention of making profitable returns by trading in unregistered poppy husk and evading royalty payments.

The geographic distribution of bids reflects the importance of the profitability of the illegal consumers living outside Rajasthan, especially in the neighbouring states of Punjab

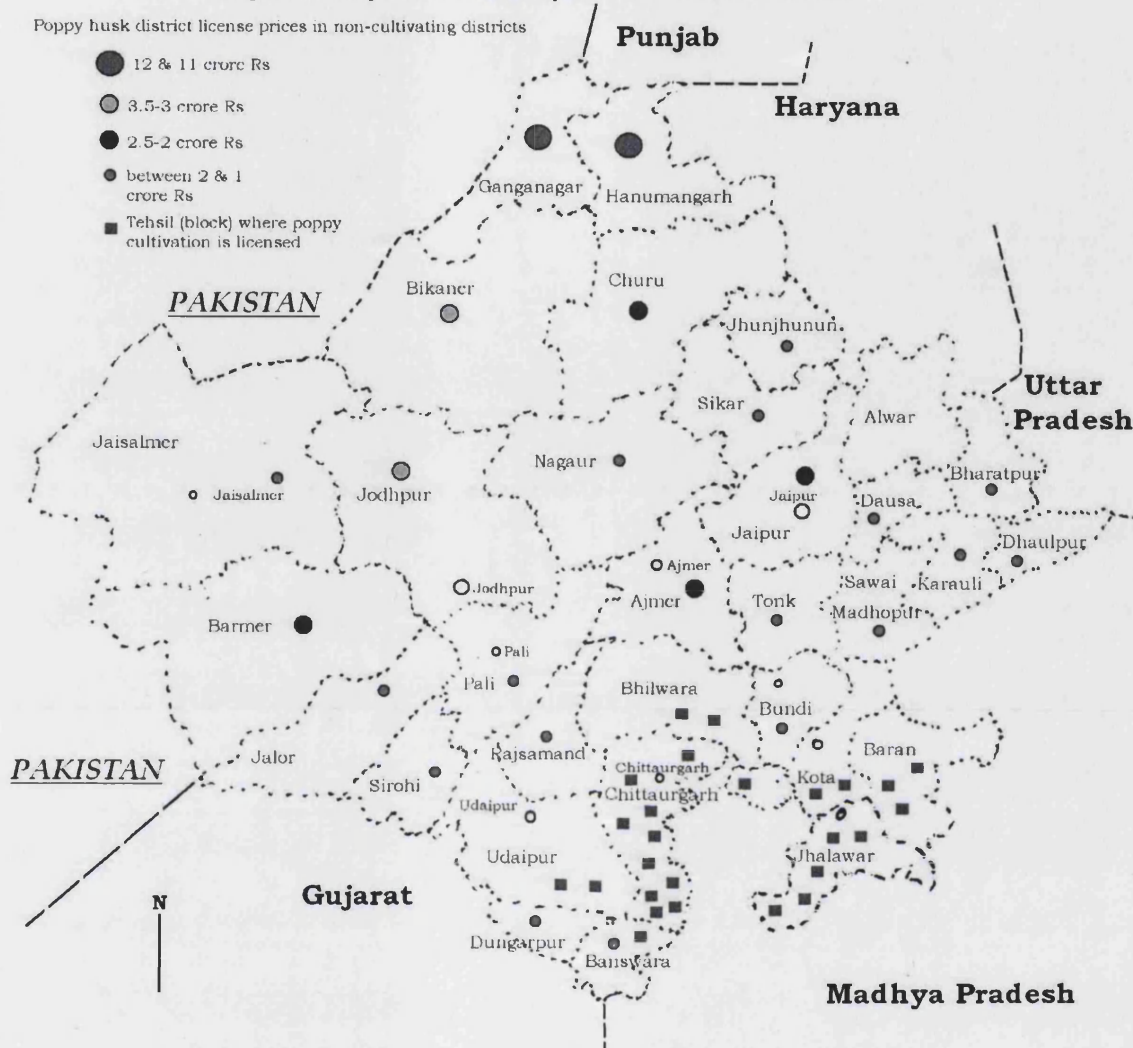
¹² A bonded warehouse is state licensed for merchants to store goods on which duties have not been paid, and is usually jointly controlled by the state and the merchants.

¹³ Traders’ information is inconsistent with the Excise Department’s website claims that wholesalers must pay 4 Rs royalty on what they sell to retailers within the state and 3 Rs to licensed purchasers outside the state, and that retail licensees must pay 5 Rs on each kilo that they import from other legally-producing states. Traders have also informed me that, as of 2007, they must also pay a 12.5% value added tax on retail sales.

and Haryana (see map on page 41). The highest auction bids (see table of licenses on page 59) reflect bidders' preference for more profitable districts: Ganganagar had a high bid of 105,100,251 Rs., and Hanumangarh of 137,979,779 Rs. Traders at the auction openly explained the reason for these high prices: the highest consumption of poppy husk is not in Rajasthan, but in Punjab, where the retail price is 700-900 Rs./kg (compared to the 200-300 Rs./kg in Rajasthan). Their explanation took for granted the knowledge that poppy husk is illegal in Punjab and Haryana, that it is smuggled across the border from Rajasthan, and that the market is created by the differences in state narcotics rules¹⁴, especially by poppy husk's illegality in many states where demand is high. The licenses for other districts of Rajasthan bordering Haryana alone have a much lower price. The license for Rajsamand district, near Udaipur, reportedly highly valued for legal and illegal poppy husk legal and illegal exports to Gujarat, had the next highest price at 87,000,001 Rs, with a wide gap in value between these top three and the lower values. Of the traditionally opium-consuming northern areas of Rajasthan, the more heavily populated ones, such as Ajmer, Jaipur, Barmer, Jodhpur, Bikaner and Churu, command higher prices than the other districts (see map on page 41) The six poppy-cultivating excise divisions in Chittorgarh district, with a wholesale license each, received high bids between 30,000,000 and 43,000,000 Rs. At 80 Rs to the Pound Sterling, the license bids range from approximately £300,000 to over £1.25 million. Although the amount paid for each license changes from year to year, sometimes by quite a lot, my informants assured me that the relative ranking remains the same, a claim supported by the official records of successful bids from the fiscal years 1993-2004 (see figures on pages 62, 63, 64, 65).

¹⁴ Liquor contractors have told me that there is a similar phenomenon in the tenders for liquor licenses: some of the most expensive ones, per capita, are not in major cities but along the border with Gujarat, a dry state.

Figure 1: Map of 2005 license prices and cultivation areas



In light of the legal risks of traders' dependency on illegal sales within Rajasthan and on illegal exports into other states, it is understandable that investors should choose a front man to represent their company on a bid, rather than registering their own names. Investors refer to these front men as "trusted adm" (trusted men) or "trusted friends", and they are not involved in the business, but can be relied on to sign the necessary papers registering offices and warehouses under their name whilst the investors' staff take care of all the legal paperwork and business. On closer investigation, it turned out that these "trusted friends" were people with a long term financial obligation or debt of gratitude to one of the investors, such as family servants or poorer people to whom an investor was a

patron. They sometimes receive a small fee, and I did not hear of any of these front men being jailed or being asked to go to jail for their patrons.

The use of front men creates an anonymity that protects investors by making it harder to identify who should be prosecuted on narcotics charges in the unusual event that officials should prosecute them. It also protects them from the more probable danger that their business or political rivals will pressure officials to prosecute them. For most traders, poppy husk is only part of a portfolio of less legally risky business interests, which they would not want damaged by association with the poppy husk business. Wealthier investors' use of hired staff to represent their interests in the company offices and operations is yet another way to distance themselves from the legal risks of a business that is tantamount to narcotics trafficking.

To record and manage these large illegal revenues, each company keeps one set of account books for police and excise officials to inspect, and another set with the full records for calculating at the end of each year the returns due to each investor. To pursue its business, each company establishes an office and warehouse in its licensed area. Investors who want and who can afford to distance themselves from the illegal side of their business hire accounting and operations staff to represent them in offices where they have interests. To reduce the risk of legal prosecution, stock confiscation, fines and imprisonment, companies pay monthly bribes to state Excise Department and police officials, which they record in their full books. Officials' complicity allows traders to safely use their legal offices and bonded warehouses for illegal commerce, and to minimise the risks of transporting poppy husk the long distances from producing to consuming areas (see Chapter 3). Through this complicity, traders effectively make state law officials part of the legal front for their illegal transactions.

1.3a Comparison with illegality in liquor and agricultural commodities trading

As already noted, poppy husk investors' cautious behaviour in search of anonymity makes them different from owners of liquor and agricultural commodities businesses. The latter sit in their offices or shops and publicly run the business without attempting to create an impression of distance from it, in spite of the fact that, like poppy husk traders, state-licensed liquor contractors and agricultural commodity merchants all regularly make

undeclared sales and transfers in order to avoid royalties and taxes. This difference can be explained by poppy husk traders' reactions to the uniquely severe penalties for violating narcotics laws.

Liquor contractors in western Rajasthan increase their sales and profits by smuggling alcohol into the dry state of Gujarat, and the licenses near this border fetch high bids at auction in spite of their sparse rural population's low disposable income. It is also clear that agricultural commodities traders routinely transact business in ways that violate a number of long-standing Indian laws. Harriss-White classifies as "criminal" merchants' collusion and use of pre-harvest credit to keep the buying prices from farmers low, their use of non-standard measures and product adulteration to cheat suppliers and consumers, their ignoring of the "legal stipulation to transact in the centralised Regulated Market Yard", their flouting of labour laws, and their evading of taxes (1996: 291-295). When the Central Government imposed excise taxes on tobacco, "evasion took place through illegal, unbonded warehousing, through unlicensed trade and through the manipulation of trading permits [by altering their printed dates]" (Ibid:294). When charged under the relevant laws, merchants blocked cases registered against them and even "organised the dismissal or transfer of over-scrupulous regulated market officials" (Ibid: 297). With minor modifications, as we will see with a detailed description of poppy husk warehousing and transportation below, these illegal practices could also describe poppy husk traders' activities.

The penalties for illegally producing or trading liquor, however, are only a maximum of three years imprisonment and a maximum fine of 20,000 Rs., or a minimum of six months imprisonment and 200Rs fine. Illegal bulk rate transactions exceeding 50 litres of alcohol only have a minimum imprisonment of one year and fine of 10,000 Rs under the Rajasthan Excise Act of 1950 (Excise Act Rules, 2007; The Rajasthan Excise Act, 1950). As for agricultural commodities, the Essential Commodities Act (1955, and subsequent amendments), only provides for confiscation of goods traded or transported in violation of pertinent conditions, and the Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act (The Prevention of Blackmarketing Act, 1980) provides for limited detention of under two weeks by specially designated high-ranking government officers.

Businessmen in the liquor, agricultural commodities, and poppy husk businesses all attempt to increase their profits by evading different state revenue demands and sales requirements, and these illegal practices entail risks; however, what makes poppy husk traders substantively different is a level of legal risk that far exceeds that of comparable businesses. Although traders do not abide by the legal conditions of retail sales, these conditions establish the level of risk that an investor must undertake and mitigate to make profits outside of legal sales.

1.4 Post-auction changes, risk limitation & bidding structure

The way traders form companies to bid for poppy husk licenses entails running business risks, and the way traders manage these risks is shaped by their awareness of the distinctive legal risks described above. The developments after the auction, from changes and re-composition of the license-holding companies down to the administration of these licenses, can be mainly explained in terms of how investors address these legal risks, and how traders as a whole manage the subsequent complications of these risk mitigation strategies.

The poppy husk license auction finished after two hours of bid-reading, but the winning bids had by no means finalised which companies would own which licenses. While members of Our Company stood about looking over their accountants' lists of bids, they told me that "our party (Our Company)" had done well and had taken control over many of Udailal' licenses. In a festive mood, a dozen of us piled into several large jeeps and drove to Our Company's hotel headquarters, where the investing partners opened bottles of "Signature" whisky - one of the more expensive and prestigious of the new Indian brands. Fuelled by the success of the auction, everyone was in a jolly mood and we all ate tandoori chicken together in the rooms. Not everything, however, was as the auction results suggested: traders talked about a half-dozen licenses of medium importance for which bidders had underbid the reserve price to try to force the Excise Department into lowering the reserve on the grounds that they were too high to make a profit. Traders also reminded me that winning bids did not necessarily establish control: winners sometimes renounced their winning claim for fear that they had bid too high and would lose money in managing the license. In other cases, winners strike a deal with the second highest bidder to

form a partnership in exchange for abandoning the winning bid, and the new partnership shoulders the loss of the Excise Department's confiscation of the "good faith money".

Two weeks after the auction, an article in a local newspaper with the headline "Doda Chura King Falls¹⁵", reported that Udailal had lost a number of important licenses. In fact, Our Company's members were aware that the opposite had happened, and that Udailal had actually taken over the areas that Our Company seemed to have won at the auction. Our Company, its members told me, had bid too high, and was forced to abandon its prize when several partners became convinced that they stood to make a loss. The first investor to pull out was Kamlesh, Pranesh's father's brother's son. As the second highest bidder, Udailal now took over the Gopalpura wholesale license in exchange for paying Our Company's 10% penalty. This development was discussed over some very lively dinners where, amidst mutual recriminations, partners insulted Udailal *in absentia* and drew up a personnel list for staffing the new offices.

Kamlesh was one of those who spoke the most bitterly and insultingly about Udailal at a number of the post-auction office dinners, and other partners explained to me that he was Udailal's "fast rival¹⁶". Ghanshyam, another partner, thought that this was a trick and that Kamlesh had decided to collaborate with Udailal. Kamlesh had, after all, been very vocal before the auction in encouraging Pranesh and the others to make a high bid, but had changed tack and claimed that this high bid was commercially unviable and necessary to abandon. Ghanshyam was convinced that Kamlesh had done this because he disapproved of Pranesh's management style, and thought that he could do better without him. When I visited Udailal's relatives, they claimed that Kamlesh was controlling Gopalpura. Combining these stories, it seemed that Kamlesh had manipulated the entire process of pre and post-auction negotiations to effectively exclude his cousin-brother and other partners from the Gopalpura license, and gain it for himself by secretly allying himself with their business arch-rival from another caste. Another trader's theory was that there was no rift between Kamlesh and Pranesh, and that they had both conspired to trick the other investing partners. One way or another, it was impossible to tell for sure, and this sort of organisational ambiguity, suspicion and the risks of duplicity are common in the poppy

¹⁵ Unfortunately, I lost my copy of this article, and cannot find any references to it.

¹⁶ "Fast" in this context is used in the sense of 'hard and fast', or 'long-lasting'.

husk business. What is certain is that, as a result of post-auction negotiations with Udailal, Our Company lost Gopalpura, failed to gain other areas from Udailal, and ended up with a far less profitable wholesale license in a poppy growing area notorious for violence and strong competition from black market poppy husk traffickers.

1.4a License bidders' anonymity allows post-auction shifts in control

The results of Kamlesh's machinations show that it is precisely the anonymity that investors seek to protect themselves from narcotics prosecution that allows for these deceptive manoeuvres after the auction. Thus, traders' successful means of avoiding legal risk results in a lack of transparency in negotiations and alliances, which rewards investors who are more agile at breaking and creating alliances, and thereby generates a greater risk of being financially cheated by fellow investors.

The ability of investors to change companies and to form secret business partnerships depends to a large extent on their ability to maintain anonymity, which allows investor groups to discretely change composition during the post-auction negotiations without letting officials and rival poppy husk traders know about their manoeuvres. The Rajasthan Excise Act permits this complex structure by allowing licensees to give the rights inherent in the license partially or completely to whomever they chose, and to recover monies owed to them in their capacity as licensees (The Rajasthan Excise Act, 1950). Thus, although investors may not actually hold the license or be listed on it, they are still thought of as "contractors" or licensees. If all parties involved in administering a license had to be registered on a bid, investors would find it much more difficult to switch investment groups after the auctions to try to out-manoeuvre their competitors. As it is, investors can secure their interests and hedge against risks by spreading investments over a careful selection of wholesale and retail licenses, often without their different partners knowing the full extent of their holdings, their conflicts of interest, or the degree to which their companies are interlocked.

The investors' anonymity helps to account for the presence of bid patterns indicative of both successful and failed bid-rigging. These patterns, combined with the structure of the auction itself, suggest explanations for other dynamics amongst investors. The fact that all bids for certain specific licenses fell beneath the reserve price suggests

successful bid-rigging; but the fact that other companies run the financial risk of over-bidding for other licenses reflects that bid rigging in other areas is crippled by intense competition. The bidders' anonymity encourages this competition, and the intensity of this competition explains the regionally limited success of bid-rigging, as does investors' ability to participate in post-auction negotiations and to abandon winning bids when profitable.

Technically, the poppy husk auction procedure is a "sealed first-bid auction" with a reserve price. While there is no space here to enter into the specialist debates, economic analyses of auctions point to general structural reasons for why auctions fail to produce the desired effect of competitive bidding (Klemperer, 2002; Whifford, 2007), reasons that show that the failure of auctions to create competition is not caused only by the corruption of administrators. Specifically, auctions where "multiple complementary objects are being sold [...] that will subsequently be used by the winning bidders to compete against each other in downstream markets" encourage bidders to form strategic ties in attempts to exclude some competitors while keeping the auction prices low (Jehiel & Moldovanu, 2003: 269). This description fits the poppy husk auction, where the licenses are complementary objects whose combinations influence traders' ability to compete in the downstream market of retail sales. On the other hand, the high degree of competition between traders is stimulated by two other factors: the annual repetition of the auction and the entry of newcomers, and the incentive for one company pretend to collude with other companies to fix a bid, and then to out-bid them by a small sum. The short term of the license and the high potential profit mean that investors can be only interested in a one-year period to form alliances that will last many years.

In the face of competition, even very large investors like Udailal Anjna and previous "*doda chura* kings" have been only partially successful in their efforts to form cartels¹⁷ intended to reduce risk and increase profitability by limiting the amount of bids for licenses, keeping purchase prices from farmers low, ensuring steady supplies and sales, denying supplies and sales to competitors, and reducing or eliminating the risk caused by uncertain auction outcomes and the need to empty warehouses. Udailal may have managed to control enough of the market to be considered the "*doda chura* king", but the annual

¹⁷ In this context cartel means a grouping of formally independent business entities that collaborate to the fix prices of the goods they sell.

auction created enough competition to inhibit the formation of a collusive cartel of investors, to keep investors small and localised, and to prevent one person (such as Udailal) from controlling a market-wide cartel. Kamlesh's arrangement with Udailal provides a good illustration of a quasi-cartel whose composition and geographic areas of control shifts from year to year.

The change in Excise Department policy that eliminated the annual auctions in 2006 and 2007 has been accompanied by the formation of a cartel controlled by Udailal Anjna that runs almost the entire poppy husk business in Rajasthan and Madhya Pradesh¹⁸. Although Udailal Anjna was the most important trader before this policy change, he had to compete with small and medium-sized investors for each license in the annual auction. In the absence of this competition, and in the context of diminishing supplies of poppy husk due to reduced poppy cultivation, Udailal has been able, according to traders still in the business, to force out many medium-sized traders by cutting their access to reasonably priced poppy husk and almost eliminating their profit margins. These investors have abandoned the poppy husk business as too financially risky with Udailal in control, and have decided to concentrate on their other investments. This development suggests that big traders' previous attempts to rig bids and to form cartels had been hindered by the high level of competition and the uncertainty of shifting alliances promoted by the annual auction, the elimination of which has allowed Udailal to corner the supply of poppy husk.

1.4b The role of local power in reducing risk: the limits of cartelization

Local political power and influence over officials is necessary for traders to manage their risks, and this need further supports competition amongst traders. In founding their companies, every group of investors I was familiar with made sure to include investors and staff who were influential in the local community, whether their influence was concentrated among elected representatives, notables or excise and police functionaries. Among the latter two, connections to low-ranking functionaries ("non-gazetted") are especially important, because, unlike the officers ("gazetted" officials), they do not change posts and are subject to the local community's systems of constraints and incentives. Sympathetic

¹⁸ This change in policy occurred after the end of my fieldwork. It has not been possible for me to conduct an adequate long-distance investigation of the reasons for this change, nor of the full impact.

elected officials can ensure that compliant officials are posted in the area. To have a wealthy and influential man from the local community in the company increases the company's ability to secure these functionaries' support in filling forms, conveying forms and bribes to their superiors, and having advance notice of any raids that a new and ambitious officer might try to undertake. These local partners and staff are also able to use their influence with local elected representatives to exert pressure on the poppy farmers in order to ensure that they will supply poppy husk at a favourable price.

The politically dominant groups in any given area vary greatly throughout Rajasthan, leading to an eclectic caste composition of companies. For this very reason, Our Company was composed by partners from a wide range of castes and origins: Kalaal (Distiller caste); Jat Sikhs, landowning farmers originally from the Punjab; Hindu Jats, a politically powerful farming caste in Rajasthan; Anjnas, a farmer caste in the south of Rajasthan related to the Patel/Patidar caste; as well as Gujars (Herders), Brahmans, Jains, and Ajmeri Muslims. These castes were also represented among the staff, but were not necessarily employed by partners of the same caste. Amongst the employees there were also Pathans, Muslims of Afghan ancestral origins; Rajputs, the traditional martial and ruling caste, of which the lower-ranking members are farmers; and Bishnoi, a caste from the desert areas of Rajasthan, with their own self-proclaimed "animal rights" and "environmentalist" Hindu sect. The Bengali Brahman office cooks in their twenties played an important support role, but were not directly involved in business activities. An office's staff will range in age from nineteen to the late sixties, and will include some university graduates, some who left school after the sixth or tenth year, and others, such as the drivers and cooks, who are just functionally literate and numerate. The individual usefulness of each trader partially accounts for this diverse selection (see Chapter 3 for a further analysis of traders' backgrounds). In retail areas especially, locally influential traders are necessary for three important reasons: for obtaining and running the retail shops without hindrance from officials and local associations, for limiting overhead costs, and for using their influence to quash unlicensed and illegal competitors. Having the money for bribes is, on its own, inadequate for accomplishing these ends: successful companies must also have the right contact with officials to effectively approach and work with the appropriate officials, as I explain in Chapters Two and Five.

The poppy husk business's reliance on personal connections to politicians and officials, or even the incorporation of locally powerful people, also partially explains why some bid-rigging efforts are successful and others are not. Most of the areas for which the bids were all below the reserve are areas where the business is, according to my informants, controlled by a relatively unified group of investors whose stable relationship to elected and unelected officials in the area ensures that they could make business impossible for competitors. The medium-sized investors that Udailal's cartel has been successful in excluding did not have sufficient clout to obstruct the poppy husk business in their area, and Udailal's expanded syndicate replaced them with small investors who did not pose a competitive threat on the market-wide level, but who were nevertheless experienced and well enough connected locally to be beneficial for the syndicate. As part of the new cartel arrangements, some of these smaller investors, like Ghanshyam, have purchased parts of larger retail licenses from license-holders who have divided the license into separate smaller geographical areas. This extra-legal arrangement is less lucrative for Ghanshyam than sharing in a license, but provides him with a regular profit of 50,000 Rs a month on his initial investment of 300,000 Rs, instead of having to wait for the end of the year to receive returns as investors must. Retail license-holding companies do not sub-contract all of their retail areas, but doing so for some of the areas provides immediate returns and hedges against the risk and expense of having to organise retail operations themselves. From these changes, one can gather that the importance of local political influence promoted competition amongst bidders, shaped the actual distribution of control of licenses within a company, and presents an almost insuperable difficulty for a powerful investor to control the cartel over an extended period in the face of the frequent shifts in political local power with elections and for other reasons. The medium-level investors who have remained have been able to do so because they and their staff still have sufficient access to political power in strategic growing or consuming areas.

1.4c Managing risk from clashes of agricultural, regulatory, and demand cycles

The limitations on legal periods of purchases and sales, the seasonal fluctuations in demand, and other risks associated with agricultural, festive and regulatory activities (summarised in the table on page 53), impose the structural need for traders to organise

poppy husk companies and syndicates to overcome these limitations to profit. Among traders' aims are the minimization of risks to illegal profit posed by the annually recurring danger of changes in ownership, as well as the risks posed by the costs of losing licenses and establishing new offices. The extra-legal institutional structures developed to minimise these risks establish the patterns of traders' daily lives, as the next section explains. How traders constitute, run and link companies through syndicates allows them to circumvent the restrictions posed by poppy husk's legal regulatory system and the attempts to enforce these regulations. Traders' strategies in minimising these risks might appear like the strategies of any other Indian businessmen, but they are actually fundamentally different because of the different legal risks. Thus, a number of aspects of traders' professional lives which might appear quite ordinary and like other traders' are not, simply because they are risk reduction strategies intended to deal with risks that are legally very different.

Opium poppy cultivation may provide the basis of the poppy husk business, but it is the conditions of licensing and sales establish the poppy husk traders' annual business cycle, even though this was perhaps more evident when there were still annual auctions. The purchase of poppy husk from farmers is subject to legal restrictions on the duration for which farmers can store it and to whom they can sell it. The competition of the auction also imposed the yearly uncertainty of the continuation of license ownership, in response to which traders attempted to clear their warehouse stocks by retailing at a discount during the April/March harvest, when demand is also high from agricultural labour.

Potential changes in ownership of an area's license impose the possibility of costs of leaving an old office and establishing a new one in the newly acquired license's area. Legally selling warehouse stock to the next license owner would entail greater losses through payment of royalties and would be impractical because most warehouse stock is unregistered and impossible to transfer legally. Removing the unregistered stock to an undeclared warehouse would entail the danger of the deliveries to the new and illegal warehouse being noticed.

The time lost in establishing new offices, combined with the loss of warehouse stock previously mentioned, limits traders ability to make sales in the hot months of April and May, when demand for poppy husk from labour on irrigated farms is high and demand from truck and rickshaw drivers is also at its highest. The timing of the auction also places

great competitive pressure on companies with new licenses to establish offices and begin purchasing as soon as the poppy husks are dry and the farmers ready to sell them in April. The longer the delay in establishing a warehouse and beginning purchasing, the more poppy husk farmers will be tempted to sell to unlicensed poppy husk traders or to other poppy husk companies illegally competing in that area.

The way that traders form syndicates and work within them presents a number of advantages in reducing these losses as well as other financial risks and expenditures. As a result of the difficulties and price fluctuations involved in disposing remaining stock at the end of the year, and the uncertainty over the renewal of licenses, investors are only able to calculate their profits and gain any returns on their investments at the end of the annual cycle. Participation in large syndicates allows companies to dispose of their stock more easily at the end of the year. It allows for much of the main unregistered stock, and hence what is left over, to be held in syndicate warehouses (even if unregistered), which the syndicate will also control the next year. Thus, even if the company's new license is far away from the warehouse, the syndicate will arrange sales to the nearest new licensees. The big syndicates, such as Udailal's, have the biggest standing unregistered stock accumulated over the years, and therefore the greatest supply stability. With the central government's reductions of poppy cultivation licenses each year since the 2004-5 cultivation year, and the consequent rapid diminution of the source of poppy husk, the largest standing unregistered stock creates the biggest competitive advantage. Companies can only gain this advantage by joining in large and durable syndicates. A company that joins a syndicate can also make up for unprofitably overbidding and winning a license by making it beneficial for the syndicate's strategic advantage in storage, transportation, or even simply holding influence in the area and preventing competitors from gaining it.

Table 1: Important events in the poppy husk business year cycle

	<u>Poppy cultivation</u>	<u>Agricultural seasons</u>	<u>Relevant festivals</u>	<u>Regulatory Events</u>	<u>Office activities</u>	
Mar.	Opium harvest- 2 weeks in late March, stretching into April depending on regional microclimate and weather conditions.	Continuation of rabi. The time from March until the beginning of the monsoons is the driest and hottest part of the year, with dust storms in N. Rajasthan.	Holi- full moon of March. In many places coincides with, or is thought of as marking, the end of the rabi harvest, and the beginning of the hot weather.	End of financial year. Excise Department auction	Negotiations between license investors before and after auction; planning of office staffing. High sales during harvest in irrigated areas, often with discounts. Lower sales and higher discounts to other areas to clear warehouse stock in anticipation of changeover.	
Apr.						
May	Poppy husks dried on the plant, poppy husk harvest.					Establishing new offices or changing office staffing; begin poppy husk buying
Jun.		Kharif (rainfed) agricultural season. Monsoons begin in June or July, end in August or September				
Jul.				Last month for farmers to legally store poppy husk	Finish buying poppy husk from farmers. Poppy husk prices rise.	
Aug.						
Sept.				Navratri, Dussehra and Diwali: Dussehra ends the nine days of Navratri; Diwali falls 21 days after Dussehra on the Oct./Nov. new moon. These holidays mark the end of the kharif season and harvest, and the beginning of the cool winter months.	CBN issues opium poppy cultivation licenses.	High poppy husk sales coincide with high demand by agricultural workers during harvest
Oct.	Poppy seed sown					
Nov.	Poppy plots weeded and thinned to increase opium and morphine yield.	Rabi, or dry season with irrigation-fed agriculture				
Dec.						

<i>Jan.</i>	<i>Poppies bloom</i>			<i>Excise Dept. issues tenders</i>	
<i>Feb.</i>	<i>Morphine yield most sensitive to weather & soil humidity.</i>				<i>Discounted retail sales of poppy husk to clear warehouse stock</i>

Overall, these processes are part of the arrangements by which wholesale and retail companies stabilise prices, allowing them respectively a steady outlet and a steady supply with less risk of disruption than would otherwise exist. In addition, these organisational structures provide economies of scale and greater control in bribing officials to secure their collaboration in the illegal transportation, storage and retail of poppy husk. Within their companies and syndicates, traders discuss and know exactly how much different officials are paid to provide different levels of assistance. This gives traders better information, and therefore a negotiating advantage over officials, who may find it difficult to ask each other how much they receive in bribes, and from whom.

1.4d Companies and syndicates' structures and conditions of traders' daily office lives

Investors try to structure companies and offices to overcome the difficulties resulting from the geographic distribution of companies and syndicates, and the difficulties of ensuring accountability and preventing cheating within their complex double-booking system. The way investors structure companies and set up offices to address these difficulties is fundamental in forming the daily lives of poppy husk traders because it usually imposes the necessity of a group of investors and employees having to work and live together in an office far from their homes.

Our Company's cross-holding investment structure, both before and after the March 2005 auction described above, held two wholesale licenses in good poppy-growing areas in the south of Rajasthan, in addition to the most lucrative retail licenses in northeast Rajasthan and some in western Rajasthan. The geographic reach of this network was further extended by Our Company's alliance in a syndicate with their main competitor, Udailal Anjna. The locations of many of the licenses held by Our Company and the syndicate were very far apart. The journey between the two most distant offices, for

example, covered more than 700 km, and took a minimum of twenty-four hour non-stop hours of travel by bus, during which the scenery changed from teak-covered hills, populated by Mina and Bhil tribals, to arid desert and irrigated plains with many Sikhs and Punjabi speakers. Investors structure their companies and syndicates so that they can link their double-book accounting system in order to monitor office accounts, check their employees' performance, and, at the end of the year, calculate and divide profits amongst investors according to the pre-arranged scheme. To prevent accountants from using the complexity of this system to discreetly embezzle money either for themselves or for other investors, investors hire accountants to oversee other investors' accountants. To establish the checks and balances amongst office staff in a way that constitutes effective oversight, investors who can afford staff aim to hire loyal and qualified people by recruiting from their circles of influence, and these circles vary from different kinds of kinship and caste ties to village membership or wider networks of business associates (further discussed in Chapter 3). Partners who cannot afford to hire staff, as well as those partners who do not mind being directly involved in the business, gain an additional degree of control by working in the offices where they have interests.

Thus, in Our Company's case, the geographic distribution of investors and licenses combines with investors' risk minimization staffing strategy to create the additional difficulty of managing an eclectic and ambitious group of men working in areas where they have little or no family. Some partners and employees from the northeast lived in the south, some of those from the south lived in the northeast, and all of them had to travel a great deal in between, either monitoring other offices' accounts, making transfers of cash for deliveries of unregistered truckloads of poppy husk, or perhaps dealing with some crisis with a difficult official or a trucking accident. To mitigate the hardships of living away from home and maintain morale, partners give employees paid leave about once every month to visit their families, further increasing their mobility.

Traders live as well as work in the offices because finding lodgings independently and living alone would not only be so difficult as to distract from work, but would also pose additional risks to the business. Employees do not have enough money to afford the expense and difficulty of moving their families around with them, and, as I found out in my own situation, it is difficult for single men or men living away from their families to rent

comfortable and affordable lodging in small towns and cities, especially given the scarcity and price of hotels. Traders' main contacts in the area, local investors, will maintain a safe public distance from the poppy husk office, even though they may facilitate the office lease. Even if the owners of houses were are willing to let spare rooms at an affordable price, traders would face the time-consuming chore of shopping and cooking for themselves, tasks that would distract from their work. Just as importantly, they would also have to face the inconvenient disapproval of landlords for their professionally necessary but suspect habit of coming and going at all hours of the day and night. Given traders' illegal activities, the lack of many of the staff's connexions to the area around their offices, traders' unusual hours, and their need be able to lodge fellow traders on short notice, living together in the office is the most convenient and economical arrangement. It also allows traders to keep an eye on each other.

Traders establish offices in recently-built concrete houses in new developments on the outskirts of a town and next to the main trucking route. These houses have a kitchen, an indoor bathroom and shower, a common area, and two to four bedrooms. One bedroom doubles as an accounts room and another bedroom or common area is used as a front room for transacting business with agents and farmers, and for lodging the company jeep drivers. The office staff sleep in the other bedrooms, including the account room. The warehouse is even further outside the town, off a main road, and with an area shielded from view that is large enough for several tucks and tractor-trailers. The care taken in the quality of the office, its location, and the distance from the warehouse is understandable when one considers that, as an integral part of setting up an office, the traders immediately establish or re-establish social contacts with the relevant local officials. Long-standing friendships between traders and excise officials are common, and staff are often posted to a particular office to facilitate work by maintaining these ties and using office funds to entertain officials with whisky and fine meals prepared by the office cook. Even excise officials not assigned to an area will visit a friend's poppy husk office and stay for several days to drink, eat and talk. Given the nature and importance of this hospitable sociability with officials, the distance between the office and the warehouse is convenient for two reasons. First, if illegal truck transfers are caught, the distance allows office staff to claim that the warehouse manager, who often lives in the warehouse, has acted without their knowledge.

Second, officials can visit, talk about business, and even bring colleagues and family by for a meal without the risk of losing face by having to see any potentially illegal trucking deliveries and departures.

Chapter One Conclusion

The poppy husk licensing process establishes a legal relationship among the groups it identifies: wholesale licensees, retail licensees, excise officials and consumers. As seen above, traders can increase their profits by avoiding royalties by, reducing the uncertainty over license-holding to avoid the need to sell warehouse stock at a discount, by holding down the purchasing price from farmers, by reducing farmers' sales to black marketers and to licensed competitors acting illegally, and by illegally selling to unlicensed consumers. Traders' proceedings inside and outside the formal legal institutions and procedures surrounding the auction show that investors respond to their unique legal risk and position by seeking the anonymity of not being registered as a bidder or license-holder. This anonymity gives investors flexibility in constituting the companies and adapting their composition and management to the financial risks posed by the competitive constraints of the auction process, the cycles of poppy husk supply and consumption, and the difficulties of transportation. Thus, traders respond to similar business risks as those in other businesses mentioned, and likewise do so in order to increase their profits. However, traders' responses to risks are distinguished by their unique legal position: they create structures to circumvent the enforcement of narcotics laws and to limit the risks of violating these laws. These legal boundaries to categories of transactions – whether state borders or differentiation of commodities and transactions – create the institutional basis for the poppy husk trade, even though enforced imperfectly and evaded or modified by those the national and international laws are intended to regulate. The poppy husk trade and other forms of narcotics trafficking cannot therefore be sensibly taken as an example of “the consummate free market activity” and a manifestation and product of “trade liberalisation”(Gootenberg, 2005: 103); nor is trafficking, given its long history, the “underbelly of globalization” where globalization is considered to be a recent phenomenon linked to market deregulation (Wong, 2005: 69-71).

Treating the poppy husk as an ordinary business, circumscribed by legal and State bureaucratic constraints, is necessary to understand how traders organise themselves in relation to each other, regulatory authorities, and other businesses. Where purely

[...] commodity and structural perspectives fall short is in deciphering the mysteries of how certain substances became classed as 'good' and 'bad' in the first place (for our bodies, minds and societies) and the often wildly irrational rhetoric (racial or gender panics) that accompanied the establishment and maintenance of anti-drug prohibitions" (Gootenberg, 2005: 105).

As with other laws, the implementation of narcotics laws and poppy husk trade regulations cannot be solely understood in terms of competing interests, gains and risks: a thorough understanding must account for the normative morality by which officials legitimise their interpretations and applications of legally established procedures, and how ordinary citizens accept or reject these. To balance this chapter's legal and institutional outlook, I do not look for Gootenberg's 'hegemonic discourses' and 'languages of control' that he uses in his undue reification of the State and impositions of external moral judgements without considering the local understandings (2005: 107-8, 115-22). Instead, I balance this chapter's institutional approach by the following chapter's analysis of the popular criticisms of the poppy husk business, and the analysis in Chapter 3 of these views in the context of wider Indian social mores.

Table 2: License prices at March 2005 auction

Bids for licenses at auction, copied from Our Company's accountant's notes										
	Theka area	Price 1	Price 2	Price 3	Price 4	Price 5	Price 6	Price 7	Price 8	Price 9
1	Rajsamand	77,210,001	87,000,001	2,300,071						
2	Chittorg	8,686,686	31,400,000	25,131,951	35,151,381	1,070,000	1,800,000	28,600,000	20,111,211	13,101,000
3	Udaipur	4,200,013	4,545,945							
4	Bara (bhang)	1,737,311	1,718,818	1,855,555						
5	Ramganj Mandi	3,536,788	10,180,831	5,711,111	7,652,000	3,800,000	3,777,786	4,100,767	7,100,033	6,300,000
6	Alwar	11,100,000	11,479,779							
7	Jaipur	26,100,000	27,179,779	27,200,000	[nil bid]					
8	Pach Pahar	3,333,333	4,240,000	6,200,000	10,000,781	3,200,000	8,000,000	4,100,000		
9	Sawai Madhopur	2,251,788	2,626,026	3,311,001						
10	Ganganagar	105,100,251								
11	Bhilwara bhang	2,090,000	2,626,101							
12	Hanumnagarh	115,100,251	125,100,007	137,979,779						
13	Tonk	5,735,000	6,040,000	5,572,592	525,200	4,781,111				
14	Chipa barod	27,100,251	26,221,781	31,200,000						
15	Churu	25,130,000	28,300,000	22,306,000						
16	Chotisadri	12,131,481	38,131,125	9,700,000	28,200,000	15,600,000	12,100,786	4,780,000	6,214,000	15,109,013
17	Dungla	32,131,781	35,700,000	43,131,081	19,200,000	33,211,007	22,151,007			
18	Begun	25,200,041	35,161,781	25,600,000	3,540,000					
19	Mawli	10,025,941	5,600,101	7,838,000	5,252,000					
20	Jhalawar	14,141,781	2,080,000							
21	Kapasan	31,400,000	18,131,981	1,660,000	25,800,000					
22	Pratapgarh	17,313,101	25,151,781	15,600,000	34,200,000	35,121,781	2,250,000	15,700,000	14,100,077	21,100,007

23	Bhilwara	10,183,000	8,200,000	6,600,000	2,222,222					
24	Sirohi	5,353,021								
25	Bundi	7,655,555								
26	Kota (bhang)	11,553,253								
27	Jalor	15,210,000	12,777,777							
28	Pali	13,770,700								
29	Bharatpur	5,500,000								
30	Jodhpur									
31	Nagor									
32	Bikaner									
33	Jaisalmer									
34	Ajmer									
35	Barmer									
36	Dosa									
37	Banswara/Dungarpur									
38	Sikr									
39	Jhunjunu									

Figure 2: Company accountants' notes of bids at March 2005 auction

Handwritten notes of bids at March 2005 auction, numbered 1 through 35. The notes include company names, bid amounts, and various annotations.

Number	Notes
1	185000000
2	185000000
3	185000000
4	185000000
5	185000000
6	185000000
7	185000000
8	185000000
9	185000000
10	185000000
11	185000000
12	185000000
13	185000000
14	185000000
15	185000000
16	185000000
17	185000000
18	185000000
19	185000000
20	185000000
21	185000000
22	185000000
23	185000000
24	185000000
25	185000000
26	185000000
27	185000000
28	185000000
29	185000000
30	185000000
31	185000000
32	185000000
33	185000000
34	185000000
35	185000000

Figure 3: Poppy husk license prices 1993-4 to 2000-1

OFFICE OF THE EXCISE COMMISSIONER, RAJASTHAN, UDAIPUR
Reserve Price and Obtained Price from 1993-94 to 2000-01 of LPH Groups

S. No.	Name of Revenue Dist.	Name of group	Reserve Price and Obtained Price from 1993-94 to 2000-01 of LPH Group							
			1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-2000	2000-01
			OP	OP	OP	OP	OP	OP	OP	OP
			5	7	9	11	13	15	17	19
JAIPUR ZONE										
1	Ajmer	1 Ajmer	8.53	9.78	21.00	26.51	33.14	32.20	32.20	37.03
		2 Beawer - Ajmer (rural)	12.51	14.39	28.63	36.00	41.05	51.32	52.29	60.12
		3 Kishangarh-Kekri	6.11	7.01	11.51	17.18	43.52	54.40	41.12	47.29
2	Alwar	4 Alwar	17.38	19.93	21.93	31.01	47.34	60.18	66.00	75.00
		5 Bharatpur - Dholpur	11.66	13.41	15.22	17.99	19.91	24.89	23.94	27.54
		6 Jaipur	42.40	48.76	54.82	100.85	113.01	141.25	162.72	185.98
		7 Dausa	4.33	4.98	5.48	7.21	7.67	9.58	13.51	15.54
		8 Tonk	9.05	10.41	15.01	22.22	27.82	47.27	51.11	55.78
		9 Dhanpura	10.00	11.50	17.18	48.49	49.87	62.33	72.73	83.64
		10 Chudawa - Khetri - daipurwat	15.21	17.49	27.50	64.01	78.00	97.50	89.40	54.71
		11 Sikar	11.00	15.65	53.29	94.02	111.01	138.79	178.67	147.97
		12 Sawaimadhopur	1.56	1.79	2.63	5.12	13.13	16.41	16.00	0.00
		13 Gangapur City	2.22	2.55	3.42	5.30	7.90	9.88	9.70	0.00
		14 Karoli	4.81	5.52	6.11	8.20	9.59	11.99	0.00	0.00
		ZONE TOTAL	176.72	203.22	280.73	484.40	612.98	756.99	738.39	771.51
JODHPUR ZONE										
11	Barnier	15 Barnier	89.04	102.39	183.66	351.00	316.00	321.75	171.78	197.54
		16 Jaisalmer	9.81	11.28	25.05	95.00	117.52	146.90	98.00	112.70
		17 Bikaner	68.69	78.99	131.31	201.08	230.00	287.50	277.93	319.62
		18 Churu	35.51	40.84	51.02	110.03	156.02	195.03	191.05	219.71
		19 Sriganganagar	65.40	75.22	103.17	501.00	632.89	791.11	779.80	896.77
		20 Raisinghnagar - Anupgarh - Garsana-Rawla-Suragarh	95.60	109.95	235.03	320.84	345.00	431.25	419.80	482.75
16	Hanumanagar	21 Hanumanagar	205.78	236.78	517.43	1056.08	1178.79	1472.49	1454.09	1649.20
		22 Jodhpur - Shergarh - Luni	37.50	43.12	102.00	237.67	111.58	139.22	134.50	154.68
		23 Falodi - Osiva - Brlada	30.55	35.11	100.01	226.00	103.62	129.53	75.50	86.82
		24 Nagaur	35.11	40.38	67.05	111.11	128.24	160.42	155.11	178.38
		25 Pali - Babi	26.32	30.27	60.67	108.18	70.40	88.00	92.92	106.86
		26 Sojat - Jetaran	28.65	32.95	65.18	89.44	87.45	71.81	69.60	80.04
		27 Sirohi	16.75	19.26	30.19	47.78	44.80	56.00	41.51	47.74
		28 Jalore	10.98	12.13	62.73	174.00	161.60	202.00	78.01	89.71
		ZONE TOTAL	785.67	903.67	1928.50	3629.21	3653.81	4494.01	4019.60	4622.54
UDAIPUR ZONE										
22	Bhilwara	29 Bhilwara (Bhang)	3.01	3.46	4.51	7.62	9.42	11.77	11.41	13.12
		30 Bhilwara (LPH)	3.90	4.49	9.36	24.22	27.00	33.75	32.20	37.61
23	Bundi	31 Bundi (Bhang)	9.67	11.11	2.50	4.51	8.63	10.81	12.00	13.80
		32 Bundi (LPH)	0.00	0.00	0.00	0.00	0.00	0.00	12.30	14.15
24	Baran	33 Baran (Bhang)	4.30	4.94	1.00	1.81	3.62	4.52	7.14	8.22
		34 Atru - Chhapaband - Chabara	9.94	10.39	41.50	61.21	69.00	86.25	88.40	101.66
25	Banswara - Durgapur	35 Banswara - Durgapur - Khirsara - Salumbar - Dharsawad	6.01	6.91	16.51	19.19	22.10	27.62	26.92	30.90
26	Chittorgarh	36 Chittorgarh - Gangrar	8.50	9.78	25.51	31.11	36.00	45.00	45.71	52.57
		37 Kapasin - Rasoi	12.00	14.48	17.78	43.40	48.11	60.14	75.00	86.25
		38 Begu - Rawatbhata	11.65	18.01	42.00	53.21	63.00	85.25	63.20	72.20
		39 Chhoti sadari	14.50	16.67	33.00	38.00	42.00	52.50	58.63	67.43
		40 Pratappgarh	19.06	21.92	31.67	36.92	49.00	61.25	0.00	0.00
		41 Dangra	22.90	25.88	51.21	0.00	42.42	53.15	73.02	87.97
27	Bhalwar	42 Bhalwar - Khampur - Aklera	12.51	14.29	40.08	70.57	82.42	102.65	0.00	19.00
		43 Pachpahal - Gangalhar	14.42	16.58	21.21	33.19	27.20	34.00	38.00	43.20
28	Kota	44 Kota	13.43	15.45	7.00	13.12	24.22	30.27	39.22	45.10
		45 Ramganamadi	3.29	3.79	24.47	41.32	46.73	61.42	45.01	51.26
29	daipur	46 daipur City - Savra - Goganda	12.00	13.80	16.31	20.21	22.22	27.78	25.40	29.21
		47 Masli	13.51	15.24	14.56	25.00	16.21	13.12	27.00	31.05
		48 Ransamand	13.51	13.24	31.06	36.39	41.00	51.22	42.11	48.47
		ZONE TOTAL	224.81	258.53	472.24	562.22	686.14	854.51	723.69	871.27
		GRAND TOTAL	1187.20	1365.42	2681.47	4675.83	4952.93	6105.51	5481.68	6265.32

Figure 4: Poppy husk license prices 2002-3

OFFICE OF THE EXCISE COMMISSIONER, RAJASTHAN, UDAIPUR
STATEMENT SHOWING OBTAINED PRICE OF L.P.H. GROUPS FOR THE YEAR 2002-03
(Rs. in Lacs)

S. No	Name of Revenue District	Name of group	Obtained price for the year 2002-03			
			Bhang	LPH W S	LPH Ret.	Total
1	2	3	15	16	17	18
Jaipur Zone						
1	Ajmer	1 Ajmer	60.55	23.00	68.00	151.55
2	Alwar	2 Alwar	19.51	14.00	29.00	62.51
3-4	Bharatpur-Dholpur	3 Bharatpur - Dholpur	34.00	5.21	3.01	42.22
5	Jaipur	4 Jaipur *	51.00	35.00	40.00	126.00
6	Dausa	5 Dausa	10.80	4.01	4.11	18.92
7	Tonk	6 Tonk	7.50	9.50	25.06	42.06
8	Jhunjhunu	7 Jhunjhunu	31.37	2.01	61.00	94.38
9	Sikar	8 Sikar *	14.00	2.00	56.62	72.62
10-11	S. Madhopur-Karoli	9 Sawamadhampur-Karoli	8.03	3.41	1.17	12.61
Zone Total			236.76	98.14	287.97	622.87
Jodhpur Zone						
12	Barmer	10 Barmer *	15.70	6.94	180.21	202.85
13	Jaisalmer	11 Jaisalmer	23.53	8.20	56.41	88.14
14	Bikaner	12 Bikaner	10.00	10.00	268.90	288.90
15	Churu	13 Churu	11.12	9.54	144.34	165.00
16	Ganganagar	14 Ganganagar	6.66	27.66	826.74	861.06
17	Hanumangarh	15 Hanumangarh	13.00	31.00	1085.00	1129.00
18	Jodhpur	16 Jodhpur *	32.51	18.68	149.64	200.83
19	Nagour	17 Nagour *	11.20	10.91	89.96	112.07
20	Pali	18 Pali *	10.23	10.61	79.25	100.09
21	Sirohi	19 Sirohi *	3.93	2.16	31.00	37.09
22	Jalore	20 Jalore *	10.98	2.00	59.14	72.12
Zone Total			148.86	137.70	2970.59	3257.15
Udaipur Zone						
23	Bhilwara	21 Bhilwara (Bhang)	11.52	0.00	0.00	11.52
		22 Bhilwara (LPH)	0.00	45.54	6.46	52.00
24	Bundi	23 Bundi	15.00	0.00	13.51	28.51
25	Baran	24 Baran (Bhang)	9.30	0.00	0.00	9.30
		25 Atru-Chhipabarod-Chabra	6.19	108.81	0.00	115.00
26-27	Banswara-Dungarpur	26 Banswara-Dungarpur-Kherwara-Salambar-Dhariawad	12.14	2.64	4.33	19.11
28	Chittorgarh	27 Chittorgarh-Gangrar	12.34	122.66	0.00	135.00
		28 Kapasan-Rasmi	1.83	120.17	0.00	122.00
		29 Begu - Rawatbhata	29.13	112.87	0.00	142.00
		30 Chhoti sadari	15.25	62.75	0.00	78.00
		31 Pratapgarh	4.01	122.99	0.00	127.00
		32 Dungala	101.68	50.32	0.00	152.00
29	Jhalawar	33 Jhalawar-Khanpur-Aklera	7.15	121.85	0.00	129.00
		34 Pachpahad - Gangdhar	5.05	46.95	0.00	52.00
30	Kota	35 Kota	65.30	0.00	0.00	65.30
		36 Ramganjmandi	11.35	48.67	0.00	60.00
31	Udaipur	37 Udaipur City-Savra-Gogunda Jhadi	28.83	0.00	1.05	29.88
		38 Mavh	4.05	55.95	0.00	60.00
32	Rajsamand	39 Rajsamand	35.61	9.00	7.68	52.29
Zone Total			375.71	1031.17	33.03	1439.91
Grand Total			761.33	1267.01	3291.59	5319.93

Figure 5: Poppy husk license prices 2003-4

OFFICE OF THE EXCISE COMMISSIONER, RAJASTHAN, UDAIPUR
STATEMENT SHOWING OBTAINED PRICE OF L.P.H. GROUPS FOR THE YEAR 2003-04

(Rs. In Lac.)

S. No.	Name of Revenue District	Name of group	Obtained price for the year 2003-04			
			Bhang	LPH W S	LPH Ret	Total
1	2	3	15	16	17	18
Jaipur Zone						
1	Ajmer	1 Ajmer	48.31	36.80	88.21	175.32
2	Alwar	2 Alwar	25.13	20.00	35.00	80.13
3-4	Bharatpur Dholpur	3 Bharatpur - Dholpur	32.27	4.47	2.37	39.11
5	Jaipur	4 Jaipur	63.21	38.51	44.00	145.72
6	Dausa	5 Dausa	13.00	11.00	18.52	42.52
7	Tonk	6 Tonk *	6.90	8.41	20.81	36.12
8	Jhunjhunu	7 Jhunjhunu	6.71	2.00	97.00	105.71
9	Sikar	8 Sikar *	13.48	1.94	54.50	69.92
10-11	S. Madhopur-Karoli	9 Sawaimadhopur-Karoli	9.93	2.38	1.79	14.10
Zone Total			218.94	125.51	362.20	706.65
Jodhpur Zone						
12	Barmer	10 Barmer	17.27	7.64	261.09	286.00
13	Jaisalmer	11 Jaisalmer	25.89	9.02	66.20	101.11
14	Bikaner	12 Bikaner *	9.00	9.00	240.00	258.00
15	Churu	13 Churu *	12.24	10.51	142.26	165.01
16	Ganganagar	14 Ganganagar *	6.33	26.60	808.75	841.68
17	Hanumangarh	15 Hanumangarh *	12.30	28.30	820.40	861.00
18	Jodhpur	16 Jodhpur	36.00	41.00	165.00	242.00
19	Nagour	17 Nagour	12.52	12.01	103.00	127.53
20	Pali	18 Pali *	9.85	10.22	78.80	98.87
21	Sirohi	19 Sirohi *	3.79	2.08	30.00	35.87
22	Jalore	20 Jalore	12.10	2.21	70.92	85.23
Zone Total			187.09	158.59	2786.42	3102.10
Udaipur Zone						
23	Bhilwara	21 Bhilwara (Bhang)	15.18	0.00	0.00	15.18
		22 Bhilwara (LPH)	0.00	30.00	15.03	45.03
24	Bundi	23 Bundi	34.55	0.00	15.00	49.55
25	Baran	24 Baran (Bhang)	11.30	0.00	0.00	11.30
		25 Atru-Chhipabarod-Chabra	12.00	180.00	0.00	192.00
26-27	Banswara-Dungarpur	26 Banswara-Dungarpur-Kherwara-Salambar-Dhariawad	12.05	2.91	4.78	19.74
28	Chittorgarh	27 Chittorgarh-Gangrar	10.00	46.00	0.00	56.00
		28 Kapasan-Rasni	5.00	75.00	0.00	78.00
		29 Bezu - Rawatbhata	34.66	116.60	0.00	151.26
		30 Chhoti sadari	6.00	61.00	0.00	67.00
		31 Pratapgarh	5.00	62.11	0.00	67.11
		32 Dungaria	15.29	60.00	0.00	75.29
29	Jhalawar	33 Jhalawar-Khanpur-Aalera	8.86	87.00	0.00	95.86
		34 Pachwahad - Gangdhar	2.00	18.00	0.00	20.00
30	Kota	35 Kota	94.45	0.00	0.00	94.45
		36 Ramganjmandi	12.51	6.15	0.00	18.66
31	Udaipur	37 Udaipur City-Sayra-Gogunda	31.80	0.00	1.20	33.00
		38 Mayli	4.46	30.00	0.00	34.46
32	Rajsamand	39 Rajsamand	42.00	6.71	8.61	57.32
Zone Total			355.11	781.48	44.62	1181.21
Grand Total			731.14	1065.58	3193.24	4989.96

Figure 6: Poppy husk license prices 2004-5

OFFICE OF THE EXCISE COMMISSIONER, RAJASTHAN, UDAIPUR
STATEMENT SHOWING OBTAINED PRICE OF L.P.H. GROUPS FOR THE YEAR 2004-05

S. No	Name of Revenue District	Name of group	(Rs. In Lacs)		
			Obtained price for the year 2004-05		
			LPH W.S.	LPH Ret.	Total
1	2	3	12	13	14
Jaipur Zone					
1	Ajmer	1 Ajmer	40.51	97.41	191.21
2	Alwar	2 Alwar	22.00	43.64	93.28
3-4	Bharatpur-Dholpur	3 Bharatpur - Dholpur	5.80	2.71	46.51
5	Jaipur	4 Jaipur	46.37	71.20	207.11
6	Dausa	5 Dausa	12.23	20.38	46.92
7	Tonk	6 Tonk	9.30	26.11	43.01
8	Jhunjhunu	7 Jhunjhunu	2.20	106.70	116.30
9	Sikar	8 Sikar	5.16	70.95	94.95
10-11	S. Madhopur-Karoli	9 Sawainadhapur-Karoli	4.38	2.79	20.20
Zone Total			147.95	441.89	859.49
Jodhpur Zone					
12	Barmer	10 Barmer	9.00	308.11	338.11
13	Jaisalmer	11 Jaisalmer	10.00	91.31	131.31
14	Bikaner	12 Bikaner	11.00	280.72	306.72
15	Churu	13 Churu	12.00	169.00	195.00
16	Ganganagar	14 Ganganagar	29.26	889.63	925.86
17	Hanumangarh	15 Hanumangarh	38.82	922.44	979.80
18	Jodhpur	16 Jodhpur	45.10	185.91	272.01
19	Nagour	17 Nagour	13.22	118.73	145.51
20	Pali	18 Pali	11.25	92.91	115.00
21	Sirohi	19 Sirohi	2.29	33.00	51.51
22	Jalore	20 Jalore	2.44	78.01	132.00
Zone Total			184.38	3169.77	3590.83
Udaipur Zone					
23	Bhilwara	21 Bhilwara (Bhang)	0.00	0.00	23.31
		22 Bhilwara (LPH)	35.21	20.00	55.21
24	Bundi	23 Bundi	0.00	17.56	66.56
25	Baran	24 Baran (Bhang)	0.00	0.00	14.56
		25 Atru-Chhipabarod-Chabra	198.80	0.00	217.00
26-27	Banswara-Dungarpur	26 Banswara-Dungarpur-Kherwara-Salumar-Dharwad	3.71	5.75	25.22
28	Chittorgarh	27 Chittorgarh-Gangrar	110.00	0.00	141.00
		28 Kapsam-Rasm	82.50	0.00	228.00
		29 Begu - Rawatbhata	128.87	0.00	192.00
		30 Chhou sadari	67.10	0.00	158.00
		31 Pratapgarh	91.00	0.00	129.00
		32 Dungala	151.00	0.00	201.00
29	Jhalawar	33 Jhalawar-Khanpur-Aklara	96.00	0.00	121.00
		34 Pachpahad - Gangdhar	19.80	0.00	25.80
30	Kota	35 Kota	0.00	0.00	103.90
		36 Ramganmandi	35.00	0.00	48.77
31	Udaipur	37 Udaipur City-Sayra-Gogunda-Jhadol	0.00	1.35	36.82
		38 Maxh	48.00	0.00	55.57
32	Rajsamand	39 Rajsamand	7.53	10.48	68.21
Zone Total			1074.52	55.14	1910.13
Grand Total			1406.85	3666.80	6360.45

Chapter Two: Public perceptions of poppy husk traders, opiate traffickers and the State: condemnation and accusations of conspiratorial and violent corruption.

“Dandha hai to ghandha hai”
(It’s business, so it’s dirty)

-Theme song of “Company”, an Indian film about Bombay crime syndicates

Notwithstanding the legal bases of the poppy husk business described in Chapter 1, Rajasthanis generally see this business as illegal, and often see traders as being like hard narcotics traffickers: violent, harmful and corrupting of State and society. This chapter examines popular Rajasthani views of poppy husk traders as well as State corruption and violence, within the context of Rajasthani views about other opiates and traffickers. Even though the poppy husk business is hardly the foremost of most Rajasthanis’ concerns, most Rajasthanis do have a strong opinion about the influence of opium and heroin traffickers, and extend this opinion to poppy husk traders. I do not claim that these beliefs are uniform or coherent: as I will show, different groups hold conflicting views and individuals express apparently self-contradictory views. Nevertheless, the balance of these views is that traffickers’ power and influence is unassailable because they establish this influence and protect it by their extra-ordinary wealth, by their ability to bribe, by secrecy, and by violence. As a consequence of this perceived influence, Rajasthanis see the *sarkar* (“government”) as criminally complicit in a vast illegal and conspiratorial opiate trade. This chapter examines not only the different and often contradictory aspects of Rajasthani opinion about traders and traffickers, but also the accuracy and specificity of Rajasthani beliefs that traffickers, poppy husk traders included, are an exceptionally powerful and violent corrupting force.

The first part of this chapter describes different facets of popular Rajasthanis views of traders in the wider context of their views about opiates and traffickers. To identify and understand these views, I emphasise knowledgeable informants’ views, which broadly coincide with the wider public’s often uninformed opinions and show that the latter cannot be dismissed as mere ignorance. Opiates as a whole are not seen as intrinsically harmful on medical or religious grounds, and there is a great deal of support for traditional opium

consumption, which is seen as high-status. Consequently, opium smugglers are widely accepted and even praised as justified by tradition even if not entirely proper. On the other hand, heroin and brown sugar¹⁹ are seen as decadent, modern, harmful, low-status and associated with all kinds of violent crime, moral degeneracy and corrupt State conspiracy. The terms “smuggler” and “*taskar*” refers to both opium and heroin traffickers, leading to some confusion, but the word has a strong condemnatory connotation when it refers specifically to heroin traffickers. Smugglers are seen as politically powerful because they are rich and consequently unstoppable in their ability to influence officials and politicians through bribes. They are also thought to control officials, politicians and others through exceptionally violent intimidations and reprisals, thereby adding violence to bribery as a means to protect the supposed secrecy of their business and their power over the State. Some Rajasthanis condemn the strict laws that apply to narcotics as being out of place, while others support of complete elimination of the licensed opium poppy cultivation on which smugglers rely, claiming that it poses an unacceptable conflict of interest for the State that results in State support for smugglers. Opposition to narcotics is reinforced by the State and news media’s characterisation of traffickers as a combination of insurgents, criminals and Muslim terrorists tied to Pakistan. All of these perspectives are part of ongoing politicised debates about the criminalisation of politics in India.

Licensed poppy husk traders are also called smugglers, and are considered by many to have low social status by association with their low status customers. This low status, and the fact that traffickers are thought to move amongst different narcotics indiscriminately, results in traders being identified with traffickers. Like opium and heroin traffickers, poppy husk traders are widely known to suborn officials and politicians, participate in electoral politics to their benefit and secure the State’s secretive collaboration. People who are less familiar with the business believe that traders ensure collaboration through violence. Most people, even traders themselves, are certain that the poppy husk business is in violation of Indian and international narcotics regulations. In the same way as they see opium poppy cultivation and the state purchase of opium, people see

¹⁹ Strictly speaking, brown sugar is used to refer to low-grade heroin, as opposed to high-grade “China white” heroin. The latter is called “white sugar” in Rajasthan. However, Rajasthanis also use “brown sugar” to refer to morphine base, a chemical that is different from heroin, which is di-acetyl morphine.

the licensed poppy husk business as presenting a conflict of interests with the State's duty to protect its citizens, and therefore a proof of State collusion with smugglers. In addition, Rajasthanis see this licensing as an unfair exclusion of many from a profitable business, and therefore as proof of conspiracy. Thus, at their most negative, Rajasthanis see traders as traffickers whose wealth and violence allow them to control the State to their profit, and the conflict of interest in the tension between licensing and strict regulation proves to Rajasthanis that the State and its representatives are invariably corrupted by their greed.

The second part of the chapter shows that traders have not, in fact, been able to control the State as many Rajasthanis claim: traders have been unable to protect themselves from the policy developments that have attacked their vital interest since at least 2004. One reason is that traders' funds for suborning officials and their legal revenue contributions to the state are far less important than those of many other categories of Indian entrepreneurs, even liquor contractors. Popular views are therefore inaccurate in their assertion that traders have an exceptional bribing ability and that their revenues provide an insuperable conflict of interest for the State. A second reason for traders' limited influence is that money by no means ensures that officials will either receive bribes or act accordingly. As I will show, officials are limited in whom they accept bribes from by national security laws and the rent-seeking norms of their peers, amongst other things. Although narcotics-related officials are institutionally constrained to raise funds privately for their professional and personal expenses, and do so through accepting bribes, most Indian officials in areas unrelated to narcotics are in the same predicament. Consequently, the fact that traders bribe officials is not very different from interactions between other Indian businessmen and officials who are not seen so negatively. Moreover, the comparatively small financial size of the poppy husk sector and traders' revenue suggests that, contrary to popular belief, traders have a relatively minor impact on State administration compared to other business sectors, whether in terms of bribes or in terms of the conflict of interest they create between revenues and governmental duties to its citizens. Bribery by poppy husk traders is therefore by no means exceptional in the Indian context, nor is the traders' influence or officials' behaviour as a result of these bribes extraordinary or unusual.

This chapter's third part shows that traders' participation in electoral politics does give them influence over officials; however, the reasons for this influence are similar to

those for the influence of entrepreneurs in other sectors, and this influence is neither new nor exceptionally violent. Poppy husk-related bureaucrats' apparent complicity with traders in their policy implementation is neither necessarily conspiratorial nor distinctive to narcotics, but easily explained by ordinary bureaucratic procedures associated with implementing impractical policies. To implement such impractical policies, officials must resort to extra-legal measures, which make them legally vulnerable and therefore reliant on politicians' patronage to protect them from prosecution. The secrecy of national security issues surrounding narcotics policies makes officials involved more vulnerable to accusations of malfeasance, but the same is true of officials who do not deal with narcotics. Those involved in narcotics regulation are therefore in the same predicament as most other Indian officials, and therefore hardly differentiated by their association with narcotics.

The perceived secrecy surrounding narcotics, including national security laws, is that it guarantees political patrons' support of the violence and corruption that traffickers supposedly use to secure their profits. This secrecy is in fact far from ironclad or exclusive to narcotics. Although Rajasthanis are aware of officials' institutional dependence on politicians, they do not seem to acknowledge that officials often resent this dependence and relish leaking potentially embarrassing information, or simply expressing their views, when they are confident that they will not be identified as the source. Ignoring this power struggle means that Rajasthanis attribute collusion when there may be rivalry, and see secrecy when there are discreet but willing sources. What official secrecy does exist is neither particular to narcotics enforcement nor necessarily conspiratorial: the Indian State has also identified many other more mundane business sectors as vital to national security. Crucially, traders do not manipulate even the existing degree of secrecy in order to use violence. Instead, traders shun violence, and even the traffickers with whom they are identified are not exceptionally violent when compared to other Indian entrepreneurs like liquor smugglers or the "land mafia" (*bhumi dal*).

This chapter concludes that the available evidence does not support the popular belief that poppy husk traders have exceptional power to corrupt the State and society through bribes and violence: they have less money for corruption than many other Indian businessmen who are not so condemned, and shun violence. Moreover, money and greed alone are not sufficient for bribery, and while secrecy and political patronage encourage

corruption, they do not ensure an invincible conspiracy. Rajasthanis are not mistaken in seeing corruption, secrecy or violence in opiate trafficking as a whole, but are mistaken in their claims about the reasons, extent, pervasiveness, distinctiveness, and applicability to poppy husk traders. It is therefore necessary to explain why even informed Rajasthani opinion flies in the face of readily available evidence to attribute exceptionally harmful and corrupting powers to poppy husks traders. One plausible answer comes from considering Rajasthanis' emphasis on the State's conflict of interest, secrecy, and the subversive power of bribe-money. This emphasis seems to point to an underlying cynical "rational maximiser" logic that sees greed as intrinsic and corruption inevitable, regardless of evidence. However, these assertions against traders are better understood not as statements of fact about corrupt transactions, but rather as the common phenomenon of the speaker claiming to be socially canny and worldly-wise. This assessment allows one to focus on three emphases of Rajasthanis' condemnation of traders and traffickers: 1) an objection to a perceived conflict of interest in the State' making money by encouraging a trade it has branded as harmful, 2) an objection to the State's perceived unjust restriction of profits to a small group, and 3) an objection to the State's perceived collusion with the use of violence for private gain against the general good.

The clash between Rajasthanis' opinion with the observable phenomena of narcotics enforcement shows that this is not a shared *factual* perception, but rather a shared moral perception of the opiate business and the State as a whole. The emphases of these criticisms on violence reveal that the underlying accusation is that the State is failing in its duty to protect its citizens from harm, and officials and politicians are falling short of their duty to put their people's interests before their own. Chapter 3 will explore the moral logic of these convictions.

2.2: Popular views of opium and their relationship to poppy husk

Rajasthani views of poppy husk and poppy husk traders are closely connected to their views of opium, heroin, and the people who traffic in both. It is important to begin exploring these views with the understanding that Rajasthanis in general do not condemn opiates as a whole as intrinsically physically harmful or as ritually polluting, but distinguish amongst opiates on the basis of the sanctions of traditions and the social status of consumers. Opium consumption itself is seen as acceptable by religious standards and tradition, reasonably healthy and even socially prestigious. It is certainly not condemned on religious grounds the way most Hindu Indians label both pork and beef dealing as defiling and immoral, or the way Muslim Indians define the former as *haram*. Opiates are not even equated to alcohol, which is banned by many Hindu groups, forbidden as *haram* for Muslims, and generally consumed in private in Rajasthan to avoid damaging one's name. Issues of purity and religious sanction do not, therefore, explain the conflation for traders and traffickers, or the selective condemnation of some opiates and the elevation of others. Heroin and brown sugar are condemned as dangerous and modern, and its traffickers are seen as violent and immoral people.

Poppy husk and its traders occupy an uneasy position between opium and hard opiates: poppy husk may be seen as traditional, but its low status consumers perhaps lead people to make the link with low status brown sugar consumers. Apart from this confusion, the main objection to traders is their political involvement and their consequent presumed equivalence to traffickers' alleged violent criminalization of politics. Adding to this confusion of traders and traffickers is the fact that most Rajasthanis, even those in high opium production or consumption areas, have very little factual knowledge about opiates and trafficking other than sensationalist reporting, and often conflate drugs that are completely unrelated, such as cocaine and heroin. Their level of confusion did not dim their eagerness to tell me all about trafficking and corruption. It may seem surprising that I begin to describe public opinion below by using accounts from a Maharaja and an MLA, hardly ordinary people, but they clearly articulate a widely held understanding and show that this is shared by people who are knowledgeable about Rajasthani history, opium and politics, which means that one cannot dismiss similar popular views as mere ignorance.

Opium, tradition, health and status

To better understand Rajasthani views of opium, I followed an anthropologist's recommendation to meet the Maharaja²⁰ of a former princely state in Malwa, a man who was generally respected in the area as an arbiter of tradition, and who was also knowledgeable about the historical context of opium in the region. After introductory pleasantries, the Maharaja sternly told me that I should study opium consumption without prejudice, forget foreign notions of drugs and addiction, and accept the reality of its use in Rajasthan. I agreed, but he looked unconvinced and recounted a story about an ancestor, a story intended to show me that the traditional use of opium was not harmful. The Maharaja's ancestor consumed large quantities of high-quality opium several times a day and led a very vigorous and healthy life. While on a hunt one day, the ancestor was separated from his opium-bearer and was unable to find him before the appointed time for an opium dose. Knowing the potentially deadly effects of missing a dose, the ancestor remembered that cobra venom was a good remedy for this situation, and seized a passing cobra. The snake died after injecting the ancestor with its venom; the ancestor was cured. "Extraordinary!" I remarked, meaning it as a compliment, but my host corrected me: "No. Perfectly normal. It happened. It is true".

The Maharaja's rendition of the story was a polished version of a popular story that I had already heard in fragmented form. All the renditions presented opium-eating as a respectable, cherished, harmless, and even beneficial custom of the area, to be defended from the criticism of ignorant outsiders. I also heard the snakebite story and similar views in defence of traditional opium use from a Rajput caste MLA (Member of the Legislative Assembly, or Rajasthani Parliament) of the Malwa region, who, like the Maharaja, stressed that traditional consumption was characterised by opium-eaters sticking to their "quota", a dose sufficient to achieve the desired mild effect, but not an excess of intoxication that would cause harm. Traders and other Rajasthanis I knew emphasised this same concept of "quota" when they talked about their own and others' alcohol consumption, a parallel which suggests that opium consumption is not seen as different or strange. Traders also

²⁰ "Maharaja" is not the correct title of the man in question. I use it as a generally understood generic name for rulers of former princely states and their descendents – and also to preserve anonymity.

spoke about poppy husk consumers' quota, as did farmers I met in Punjab and northern Rajasthan who gave poppy husk to their labourers.

Both the Maharaja and the MLA's views suggest a classification of opiates and those who trade in them through a dichotomy between a "good" traditional style and a bad "modern" style. This is also noticeable in regional variations of Rajasthani opinions about opium. People in Malwa²¹, for instance, say that there has traditionally been little opium use in their area except for medical uses, but defend their idea of traditional consumption and claim that addiction is a recent and modern phenomenon. For northern Rajasthanis, the ideal of traditional consumption is far more important and suffuses rituals, casual gatherings and even political gatherings (c.f. Thesis Introduction). In both areas, I met people who categorically refused to explicitly acknowledge a phenomenon of growing opiate abuse, in spite of their having suggested that this was the case: acknowledging the problem would imply a degeneration of the socio-moral order²². Rajasthanis' desire to express the importance of a traditional social order perhaps encourages them to exaggerate the differences between "traditional" and "modern" consumption in the hope that outsiders will not mistakenly condemn Rajasthani traditions as a whole on the basis of a few practices taken out of context.

Heroin, modernity, addiction, violence, profits and corruption

The MLA mentioned above was not so much interested in traditional opium consumption as he was in denouncing the harmful effects of heroin addiction and of traffickers' corrupting impact on the State and the social fabric. The MLA carefully described the dangers of brown sugar use and cited recent medical surveys on the boom in the number of addicts in different parts of Rajasthan. When I first met him, he had recently begun to advocate what he saw as the only solution for the growing heroin problem: to end legal opium cultivation altogether unless it was changed to a mechanical method that

²¹ As mentioned in the Introduction, Malwa is the fertile plateau in southern Rajasthan and the adjacent area of Madhya Pradesh, associated for centuries with opium production.

²² Opiate abuse in Malwa is undeniably a growing problem. The first Rajasthani charitable facility for opium detoxification charity (to my knowledge still the largest) was established by Narayan Singh Manaklaw in his birthplace in the desert north of Jodhpur. Recent developments may indicate the expansion of opiate abuse and increased awareness of this phenomenon. In 2005, this charity responded to the first demand for a treatment program in southern Rajasthan, and established a camp in Chittorgarh district to treat brown sugar smokers.

makes diversion almost impossible²³. In spite of the MLA's qualified support for traditional opium consumption, he was willing to suppress this tradition because he believed that it would eliminate the modern heroin threat and rid Rajasthani politics and society of the corrupting and violent influence of narcotics money.

When I asked about poppy husk, the MLA, like many other knowledgeable Rajasthanis, characterised poppy husk and brown sugar consumers as being mainly labourers and rickshaw and truck drivers. For him, poppy husk is not a dangerous modern product like brown sugar, but he nevertheless identified it as being "for addicts" in a way that he did not speak about opium. After giving me his view on poppy husk, the MLA immediately added with grave concern that university students and secondary school children were beginning to smoke and even inject brown sugar, and that there was also the risk of drug-associated violent crime in his rural constituency and surrounding areas. If this was one basis for his objection to the opiate industry, his other repeated objection was that it propels the further growth of corruption in politics, government administration, and civil society. He argued that the best way to fight such corruption was to eliminate the opiate industry entirely: licensed poppy husk, he claimed, was just as dangerous as other forms of narcotics trafficking because it gave the impression that trafficking was tolerated. To emphasise the seriousness of his concerns, he had me visit his constituency's Superintendent of Police, who obligingly told me more about how traffickers used their money to pervert the justice of land dispute cases, how social rivals would take advantage of the severity of narcotics laws to plant opium on their rival's property and denounce them, and how traffickers used their money to corrupt the police in the course of their duties to maintain the peace between different castes and religious communities.

On one hand, the MLA's reaction to the rise in opiate use in schools and universities suggest that low social status practices can be tolerated as long as they do not cross over to higher status groups or children and thereby affect the social order. But low status alone is not enough to explain condemnation as a dangerous force: village tailors are seen as making low-status goods compared to "ready-made" clothes, but they are hardly

²³ The MLA hoped for a switch to the 'concentrate of poppy straw' method that would make diversion at the poppy farm impossible. This method harvests poppy heads whole and extracts the alkaloids through industrial physical and chemical processes, instead of extracting opium by the labour-intensive lancing process.

seen as dangerous. The above views of opium and heroin are not merely idiosyncratic or new: they are consistent with the arguments in favour of opium made by Indian representatives to the 1895 Royal Opium Commission, and their views about the low social status of opium-smoking (see p. 14). Although the opium smoking mentioned in this report has disappeared in Rajasthan, the new practice of smoking brown sugar has a similar low status and is likewise vilified and seen as harmful by those who see opium-eating as acceptable.

Praise for the smuggler

Rajasthani views about profits from opium smuggling are much more varied than that of the MLA, and in large part more tolerant. Although poppy husk is a relatively new profitable commodity for Rajasthan, it is associated with opium's longer history of profitable trade in the region. *Kala sona* ("black gold") is the regional slang for opium, and reflects the public perception of opium smuggling and the sort of "gold fever" that surrounds its long association as a sudden and almost mysterious source of extraordinary wealth. The MLA found it necessary to publicly take such a strong stance against the contemporary opium industry because, as he pointed out, trafficking is widely tolerated as an acceptable recourse in times of financial hardship if it is done discreetly. When I told people in Malwa that the Tata business empire's wealth was founded on Malwa opium, they were surprised but happy, and rejoined with stories about a host of smaller business families in Malwa that had also become rich from opium. The most popular of these stories is about a shopkeeper and merchant in Chhoti Sadri who, in the 1970s, discovered vast amounts of gold in the double walls of his house, hidden there by his grandfather who had made a business out of smuggling opium down to Bombay (see p.165, Chapter 3).

In towns like Gopalpura that are flush with legal and illegal opium money, people point out which cinemas, shop complexes, garages and motorcycle sales showrooms are owned by traffickers²⁴. The public in these towns knows and is perfectly willing to talk about which traffickers were "regarded" (well seen) and which have "little standing". A now-retired Anjna caste trafficker was an example of a trafficker who had a good name because he had built schools and pharmacies in his villages and helped poor farmers

²⁴ The general public in these towns is also aware that cinemas are no longer useful for laundering money, but that motorcycle dealerships are.

regardless of their caste. Traffickers acquire good social standing in much the same way as other Indian merchants:

[...] bad luck or ill fortune can be removed through the acquisition of *punya* (religious merit) either by *dana* (the free gift) to temples, hostels, wandering mendicants and so on (as described earlier) or by means of *seva* ([disinterested] public service) [...] Religious merit and social credit, which subsumes economic credit-worthiness, are self-reinforcing social processes, making it irrelevant to argue whether the traditional merchant castes are primarily concerned with ritual status, family prestige, economic power or political influence (Ellis, 1991: 104-5).

On the other hand, a Brahman opium trafficker and heroin refiner in Gopalpura had a very bad reputation because of his scandalous public behaviour: he was married, but openly kept a mistress who was a teacher at a local school, and made no attempt to be discreet about his relationship. To great public appreciation of the irony, this smuggler was arrested when a jealous husband with two wives, assisted by others in the neighbourhood, mounted a house-to-house neighbourhood search for a man whom he had discovered on returning to his house. The husband accused the smuggler (wrongly, it turned out) of being “another one who wants to take my wives”, and of harbouring the fugitive seducer he was chasing. The members of the neighbourhood restrained the smuggler, searched his house, discovered the heroin being refined, and reported it to the police.

Opium trafficking, however, is not the preserve of a few lucky entrepreneurs: the many opium poppy farmers engage in it on a small scale, diverting a kilo or two from what they are legally obliged to sell to the government, but selling enough to the government to get their license renewed the next year. Farmers who do not have licenses occasionally traffic in opium to help pay for a new *pakka* house, a daughter’s dowry or well restorations. As people frequently told me, “*har tisri admi*” (every third man) is a trafficker. It is probably as a result of widespread participation in trafficking in the towns and villages of opium-producing areas that people recount contemporary traffickers’ success and rags-to-riches stories in tones of envy and admiration, and comment on the mistakes or failures of new traffickers. In talking about traffickers this way, ordinary farmers and town-dwellers compare contemporary traffickers, whether heroin traffickers or the “poppy husk king” Udailal Anjna, to legendary smugglers in past times. The high-caste Hindu shopkeepers in Gopalpura with whom I played chess enjoyed gossiping about local trafficking in an intrigued and occasionally admiring way. On the other hand, when these chess players

heard that some Gadolia Lohar (an itinerant blacksmith caste) faced criminal charges for buying cattle to sell for slaughter, they were visibly shocked, and only talked about it briefly before deciding that it was too horrible a subject to discuss.

Participation in trafficking and esteem for traffickers is not confined to rural areas, nor even to poorer people. Even in Jaipur, the capital of Rajasthan, the Rajput owner of a well-known hotel trafficked opium by concealing it in shipments of leather jackets. He successfully trafficked to establish his hotel, renovate his family house and re-establish his family's standing, and to buy horses. He was also caught and sentenced to prison, but was released early for good behaviour. No-one seems to really hold the trafficking against him: opium trafficking is largely held to be a legitimate and acceptable peccadillo sanctified by regional tradition, and a tolerated way to "get rich quick" and attain one's ambitions, even if it is risky.

2.2a Views of traffickers as violent "badmashes" and contrasting views of traders

The other side to this popular admiration or tolerance of traffickers is that traffickers are also frequently seen – even by the same people who express some admiration for them – as dangerous criminals who use violence and even murder in the ordinary course of their business²⁵. This stereotype comes from several sources. In a country where newspapers are so widely read and talked about (in spite of illiteracy), the popular understanding of poppy husk traders is strongly affected by newspaper articles' reporting of poppy husk seizures alongside the seizure of stronger narcotics, articles about the opium poppy and addiction, and the association of narcotics trafficking with terrorism. This news media image gives the figure of the smuggler a much greater place in popular imagination, thereby dominating and influencing the image of the poppy husk trader. Rajasthanis, especially in Malwa, also fear that violent crimes are rising, which they blame on traffickers' ability to be violent with impunity because they have the money to corrupt the State.

²⁵ I have deliberately avoided Hobsbaum's notion of social banditry (and this ideal's many critics) since the definition's restrictions on support for either government or revolutionary ideas seem artificial and irrelevant to the context of opiate traffickers and poppy husk traders.

Trafficking-related violence and murder is a reality in southern Rajasthan in spite of Rajasthanis' peaceful image of their state²⁶. On one occasion, a man was shot and stabbed to death in the middle of the day while working at a mechanic shop on the main street of the town of Pratapgarh. The victim had allegedly informed against traffickers in neighbouring Madhya Pradesh, fled to Rajasthan, and was murdered several days after the traffickers' release from prison. Another time, my friends in Gopalpura reported that the traffickers who had once invited me to a wedding had kidnapped and viciously tortured a courier whom they suspected of stealing their heroin. I was told that heroin-related assassinations happened without compunction and frequently used hired assassins from Madhya Pradesh, but that there were also occasional opium-related assassinations. In the opium-producing village of Siddhpura, for instance, the Patidar caste (Hindu) *sarpanch* had been assassinated by rival Patidar poppy cultivating farmers who were angered by his stubbornness and monopolisation of power. Using their trafficking connections, they hired an assassin in Madhya Pradesh for a mere Rs. 10,000. Many other examples were brought to my attention, including the unidentified and rotting corpses that now and then appeared in farmers' wells or fields. These corpses were generally assumed to be victims of trafficking rivalries dumped far away from their home or workplace to hinder identification. In addition, whether through news reports, rumours or personal connections, Rajasthanis know that traffickers have ties to Bombay (the preferred pronunciation), and often assume that Muslim traffickers have ties to Bombay's notorious Muslim gangs that are thought connected with Pakistan and jointly responsible for the 1993 Bombay bombings. Thus, narcotics traffickers, especially if Muslim, are popularly suspected of being in league with violent gangs and Pakistani-sponsored terrorism.

Another source of the violent trafficker stereotype is the widespread State characterisation of the trafficker as Muslim, dangerous, and linked to a national security

²⁶One incident during my fieldwork has stuck in my mind as an illustration of Rajasthanis' assertion that they live in peaceful state. While travelling on a bus, I noticed a six year old burst into frightened tears and point at a young policeman when the latter took a seat in front of him. I heard the father comfort his son in an amused tone by saying that this was Rajasthan, "yahan polis badmashi nahin kartai hain" (police don't do bad things here), and afterwards apologetically explain to the embarrassed policeman that the child had recently seen a film about *goondas* and police in Bihar. Admittedly, the father was trying to comfort his son, but the incident still reflects a widespread belief in Rajasthani exceptionalism – that Rajasthan is a better place than others because it is more peaceful and polite. Kerala compares favourably because it is thought to be rich and full of well-educated people, with education being taken as a proxy for good behaviour. The only drawback in popular eyes is that people are "black" and thought to follow a puzzling religion – Christianity.

threat from Pakistan. This is apparent even in the Ministry of Social Justice's report (discussed on p.110.) which reflects Indian narcotics enforcement's overt emphasis, in spite of domestic production, on external national security threats because of smuggling of Afghan heroin through Pakistan. The view of all traffickers as violent and dangerous is also exaggerated by widespread local prejudices that trafficking is entirely controlled by Muslims, and that these Muslims are very violent²⁷. In Gopalpura, the Public Narcotics Prosecutor, a Hindu who claimed to be a Brahman, was adamant that "only Mohammedans are doing this business [of smuggling]", and continued to describe them as being "dangerous *badmash*", ruthless and violent to outsiders but unified and helpfully collaborative amongst themselves. He was surely aware of two important facts which he chose to ignore: the intense competition amongst Muslim traffickers; and the fact that large numbers of Anjnas, Patidars, Rajputs, Brahmans and other castes were also locally important in smuggling circles.

But Rajasthanis do not limit their claims about the danger of trafficking to Muslims and Pakistanis: they also interpret violent incidents to condemn the State by arguing that politicians have sold their protection to traffickers in exchange for campaign finance support. On July 1st, 2005, current and former elected officials from the *panchayati raj* and municipalities (all of whom were traffickers, led a mob of around 250 people in burning the police station and jeeps at Dug village. The mob thrashed the policemen and officers, looted all the ammunition, stole the rifles and revolvers, and burned all the records (FIR 68/05, lodged July 1st, Jalra Patan, Jhalawar District, Rajasthan). The police and others declared that this act of organized violent crime against the State was unprecedented in Rajasthan, and had been in reaction to the Dug Circle Inspector's crackdown on heroin traffickers in the area and his arrest of a few notables. More than half a month later, only 56 suspects had been arrested, among them current and former elected officials, as well as addicts. No firearms had been recovered. Local police officers and party cadres and notables in the area gave me very detailed accounts to support their accusations that the Chief Minister of Rajasthan and her party, the Hindu nationalist BJP, had been suborned by

²⁷ It is true that Pathans and Ajmeri Muslims are important traffickers in the area, but not the only ones, and it is also true that it is the poorer members of these groups, like the poorer members of Hindu castes, that are drawn to the lower and more visible levels of trafficking. I will explain this further in Ch 4 as part of the comparison of traders with other middle class and entrepreneurial groups.

narcotics traffickers, just as all previous ruling parties had been. In this particular case, the implicated traffickers were Hindus and Jains with strong ties to Hindutva (Hindu nationalist) organisations (see below p.85). These donations, my informants explained, made traffickers believe that they had bought political protection against police prosecution and that they could therefore retaliate with impunity against anyone who went against this deal.

Views of traders and violence

In spite of their putative association with traffickers and violence, poppy husk traders are also credited with being more peaceful and respectable. In my second week in Gopalpura, some notorious new traffickers passed by my landlord's shop to deliver a wedding invitation to my landlord. As I happened to be sitting in the shop with him, the traffickers invited me as well. I did not know who they were and, before I could answer politely, the landlord's son interrupted that neither of us could come as we had already accepted a wedding invitation in Delhi. I was surprised but held my tongue, and after we had drunk *chai* with the traffickers and they had left, my landlord's son explained that they were very dangerous people and I should never accept invitations from them. Throughout my time in Gopalpura, my friend and his friends never tired of warning me away from traffickers by bringing to my attention anecdotes that illustrated their extreme violence.

When I told them that I was going to the local poppy husk office to meet traders, my landlord, his son and his family reacted by telling me that they were dangerous traffickers. Soon, however, his same family encouraged me in my research by their continued curiosity, and was quite pleased when a few traders occasionally dropped by their house to deliver messages for me (phones were not always reliable) or simply to have *chai*. My landlord and his family's view of traders was clearly far more lenient than that of traffickers, but they nevertheless required (for my reputation and theirs) that I did not tell other people in Gopalpura about my research focus. Perhaps they, as Brahmans, were simply relieved that I had dropped my curiosity in the local Chamar ("untouchables") caste's profitable pig-rearing business in the streets of Gopalpura, which had scandalized them and made them warn me that I would lose all social standing if I pursued my inquiries.

Liquor contractors' discussions with traders about their relative social positions provides another insight into traders' relative status, and about the relevance of their castes. I frequently heard liquor contractors discuss with traders the fact that they find it harder to rent offices than poppy husk traders because liquor merchants are seen as "low people" because of their association with the low-status Distiller caste²⁸, because liquor stores are seen as a focal point for gatherings of drunks, and because many castes describe alcohol as ritually impure or forbidden. This might make poppy husk traders seem to have a better social standing than their colleagues in the liquor business, but traders are nevertheless seen as having a questionable social status as a result of their association with low-status consumers, and are associated with dangerous traffickers because they are rightly assumed to smuggle.

2.2b Movements and objections to traffickers and traders: court cases and criticism

While people might claim to object to "smugglers" on a variety of grounds, violence included, they do not ostracise traffickers or organise boycotts or demonstrations against them, as they might against corrupt officials (c.f. Chapter 3). I am aware of only several partial exceptions, all of which focus on poppy husk traders and portray them as traffickers. Three public interest litigations, two of which have been dismissed, portrayed poppy husk traders and the governments that licensed them as traffickers.

Each of these three very similar public interest petitions in the Rajasthan High Court sought judicial orders to stop the poppy husk trade. They share the popular conviction that officials rely on the Official Secrets Act to conceal their corrupt machinations. Each petition accuses the government of Rajasthan of promoting poppy husk consumption in violation of the Indian Constitution's commitment to eliminate addiction, and in contravention of India's international narcotics treaty obligations. Two of the petitions, filed by a concerned businessman and his son from north-eastern Rajasthan, have been dismissed. A third, Civil Writ Petition 4297 of 1997, is still pending, perhaps because

²⁸ Distiller caste liquor contractors in Rajasthan are looked down on in a similar way as are the Izhava, the "Toddy-tapper" caste in Kerala. See Chapter Four.

its petitioner, Narayan Singh, is a Rajasthani member of the Raja Sabha²⁹ and runs an opium detoxification centre.

This last suit lists three respondents: 1) the State of Rajasthan, through the Ministry of Excise Secretary in Jaipur; 2) the Ministry of Home Affairs Secretary in Jaipur; and 3) the Union of India through the Directorate of Revenue Intelligence, New Delhi. The respondents have unsuccessfully attempted to dismiss the petition on two grounds: 1) by claiming that the petitioner's premise is invalid because there are no illegal acts since the poppy husk trade is sanctioned by law, and 2) by claiming that the High Court lacks jurisdiction since the petitioner has not exhausted other avenues of petitioning Rajasthan state parliamentarians to change the law.

Each of these petitioners told me that their cases were doomed to fail because the vested interests are more powerful: people in power make far too much money from narcotics to want to change the system, and they doubt that Rajasthan will give up a source of revenue. The petitions against the poppy husk trade are significant because they show that it is possible on public record to legally challenge the poppy husk regulatory system, to accuse the Government of Rajasthan of acting illegally, and to force the State to defend its actions. In talking with the first petitioner's lawyer and with the two other petitioners, it became apparent that their objections to the poppy husk trade were not only based on health grounds. They saw their legal challenges as necessary measures to try to undermine politicians whom they were saw as illegitimately and immorally having entered politics thanks to their trafficking profits. "How can this be a democracy," one petitioner asked me rhetorically, "if the smugglers monopolise political positions just because they have more money than the ordinary hard-working farmer?"

The accusations of the petitioners have as their premise the belief that officials are abusing their official power to enrich themselves, and that they can only continue doing so by concealing their activities. These beliefs are similar to those of the Udaipur academics, the MLA and many others. These lawsuits also claim that the State itself (both India and Rajasthan) acts unconstitutionally and illegally in order to support a corrupt system of poppy husk trading, and one lawsuit attempts to hold the State to the very high and

²⁹ Raja Sabha: the Upper House of Indian Parliament.

idealistic standard set by Article 47 of the Indian Constitution: “the State³⁰ shall endeavour to bring about prohibition of the consumption except for medicinal purposes of intoxicating drinks and of drugs which are injurious to health”. These petitioners, like many better-informed and concerned people, find it a legally and morally suspect contradiction of interests that the *sarkar* should make money from an apparently non-medical use of a purportedly “injurious” substance that is legally limited to medical use.

Condemnations of traders’ political involvement

Besides these court cases, a prominent former MP in the Malwa area made speeches and had newspapers publish accounts of his denunciations of Udailal Anjna’s political involvement during an ongoing election campaign (see Figure 7 and Figure 8 below p. 88). The MP’s denunciations of Udailal as a trafficker and as a new and degenerate force on politics was different from the above-mentioned MLA’s approach, which was restricted to public statements that did not mention specific traffickers. In private, however, the MLA listed a number of political figures in Rajasthan who are allegedly “well known” traffickers, Udailal Anjna included. He asserted that these were only the less influential people, a “tip of the iceberg” that included most politicians. I expressed surprise, at the degree of collusion that he claimed between politicians and smugglers, and equal surprise that the higher-ranking members of his party allowed him to publicly undermine their purported trafficking interests. In response, he patiently clarified that he was only tolerated because his party was in opposition, and his objections had little or no impact on political and vested interests. Once his party returned to power, he said regretfully, his voice would be stifled and he would not be able to publish his opinions in newspapers.

Traders’ political involvement does have an important impact and is a profitable business for some traders. Many people, Udailal’s relatives included, consider that politics is Udailal’s most profitable business. He was MLA (1993-98) then MP (1998-99, 12th Lok Sabha) for a constituency that included his home town. As head of the Chittorgarh District Congress Party, all Congress Party candidates from the district require his approval, from municipality and the *panchayati raj* to the elections of the members of the Rajasthani state

³⁰ Indian Constitution “Article 12 Definition”: “In this Part, unless the context otherwise required, “the State” includes the Governmental and Parliament of India and the Government and the Legislature of each of the States and all local or other authorities within the territory of India or under the control of the Government of India.” Article 47 is in Part IV of the Constitution.

legislature (MLA) and the national legislature (MP). A number of successful and unsuccessful candidates told me about their personal financial gifts to Udailal for his support. His own campaigners told me that Udailal's large undeclared incomes from poppy husk and other sources facilitates financing campaigns beyond the legal limits, since such contribution cannot be traced to any bank account or leave evidence of overspending in the monitored campaign funds. In southern Rajasthan, especially in the tribal areas, meat and liquor are central to campaigning, and an important part of illegal campaigning expenditures. In addition, it is necessary to hire jeeps to transport villagers to the voting booths. Although candidates' and parties provision of alcohol and voter transportation is banned by election committees, many rural voters think of these benefits as their due and will not vote without them. People running these campaigns told me in annoyed tones that some villagers even insist on big new jeeps and refuse the older form of voter transportation, the tractor-trailer. Either of these vehicles cost 300 to 500 Rs a day to rent, which may seem cheap until one considers that an unskilled labourer makes a maximum of 150 Rs a day. One farmer I knew who successfully ran for the relatively minor post of *upsarpanch* (deputy head of village) spent 400,000 Rs of his own funds on his campaign, and 300,000 Rs of funds donated by "well-wishers". To be nominated for the candidacy of MLA or MP, any aspiring candidate in the region at the time had to pay a total bribe of Rs. 20 to 40 million to different party members via Udailal. Under these conditions, Udailal's relatively large disposable wealth from poppy husk and other businesses establishes him as an important source of finance in the district and neighbouring areas for the expensive business of election campaigns.

The network established by his poppy husk buying agents can also constitute a political force. These agents are not themselves licensed, but legally hired by the staff of licensed poppy husk offices to buy poppy husk from farmers and to prevent it from being illegally sold to competitors. The sale of poppy husk only generates around 2,200 Rs per poppy cultivation license, and half that since the reduction of the permitted cultivation area for a licensee. This is welcome additional income, but the desire to have a buyer is not a powerful incentive in and of itself, since illegal traders will pay double. Farmers have more powerful motives for responding to important poppy husk traders, like Udailal, who have enough information about farmers through their agents and leverage on officials to

prevent them getting mandatory yearly renewals of poppy cultivation licenses. Losing this license would constitute a severe setback for a poppy farmer's financial and social standing in his village.

Apart from the influential former MP mentioned above, Udailal's political power and control of the Congress Party in Chittorgarh has also gained him enemies within Congress. Like the former MP, these enemies accuse Udailal of deliberately supporting weak candidates to prevent any challenges to his own power and enrich himself, even though this weakens the party. Like the MLA and the former MP, many people I knew in southern Rajasthan said that it was morally unacceptable to have known "smugglers" such as Udailal Anjna in such important positions, because it spreads corruption and the degeneration of politics. This condemnation of traffickers might seem extreme unless one understands that it is closely linked in Rajasthanis' views to the political involvement of traffickers.

Political finance and violence in Jhalawar

It was in the Jhalawar district of Rajasthan that I heard the most extreme accusations of the criminalisation of politics and of politicians' complicity in trafficking. My informants in Jhalawar³¹ all explained that poor Sondia Rajputs (a Scheduled Caste) had in 1998 mastered the value-added process of heroin refining, which allowed them to eliminate their former Ajmeri Muslim middle men³², and also "allowed many poor people [like these Scheduled Castes] to become *crorepattis* [millionaires] and enter politics".

The Sondia Rajputs allegedly have been the best in the Jhalawar and neighbouring areas at seizing every advantage for building their trafficking business and political power. At the time of my research, the five biggest traffickers who controlled the Jhalawar area were three Sondia Rajputs and two Jains. Amongst them are a *zila pramukh* and former

³¹ Jhalawar district is particularly suitable for trafficking: opium poppy is legally grown there, and there are good roads and buses to the cities of Kota, Ajmer and Jaipur (the capital of Rajasthan), and good rail links to the metropolitan centres of India. The latter are the most profitable markets and provide links with external traffickers such as the Tamil Tigers. The ease of hiding cargo amidst many trucks or on couriers amidst the many travellers facilitates cheap and rapid delivery. Sondia Rajputs now sell their refined production directly to the agents of big smugglers who visit from Bombay, Madras, Goa, Kisoli, and the Nepalese border area.

³² Until recently, traffickers in Jhalawar sold raw opium to larger traffickers in Ajmer who refined and sent it to various markets in India and abroad.

MLA, an *up-pramukh* and the chairman of the municipal council of a town that is an infamous trafficking hub. Each has extensive popular support, not only because of the money they distribute amongst their followers and the employment they create for couriers, but because they have become members of the Bajrang Dal, the RSS, Shiv Sena and the VHP³³. These organizations allow the “dons” [big traffickers] (as they are commonly called in reference to Italian mafia terminology) to expand their base of support amongst the Hindu merchant castes. Many of these merchants give their political backing without knowing about the drug trafficking, or perhaps turning a blind eye. Should the *taskers* be arrested, my informants said, their respectable supporters would raise the cry of police harassment and corruption. After looting and burning the police station mentioned above, powerful *taskers* made it clear to police that they would respond to any further attempts at a crackdown by inciting their Hindutva (Hindu nationalist) supporters to riot and burn Muslim neighbourhoods.

Jhalawar traffickers’ alleged political ties do not stop with the more extreme Hindutva groups. The BJP Chief Minister of Rajasthan, Vasundhara Raje, and her son both at the time had their electoral constituencies in Jhalawar district. Several sources from BJP and Congress independently told me similar and largely corroborating stories that, for her electoral campaign, Vasundhara Raje had enlisted the political and financial support of the prominent trafficker who had been a Congress Party MLA. The Chief Minister allegedly blackmailed the smuggler into joining the BJP and supporting her by having the police arrest one of his associates and threaten to register a report that the associate had implicated the former MLA in narcotics cases about to be tried. The politician-trafficker responded to protect himself and his business by switching from Congress to BJP and backing the future Chief Minister. All informants, regardless of their political allegiance, were adamant that, apart from any special knowledge they might have of the circumstances, the Chief Minister’s link to traffickers “is common knowledge”.

The veracity of these accusations is actually irrelevant in that these plots and conspiracies are seen not just as plausible but as self-evident. The underlying assumption is

³³ These organisations promote a Hindu nationalist agenda through a variety of means. Some are peaceful; others, like the Shiv Sena, and the VHP and its youth wing the Bajrang Dal, advocate and practice violence.

that the interactions between violent drug traffickers and government officials reveal the corruption of politics, and prove traffickers as political illegitimacy because of their violence. Ironically, a high-ranking police officer in Jhalawar who complained that the attack on the police station showed that Rajasthan had “become just like Colombia” also lamented the fact that he could not “encounter” the culprits as he would have in his previous post in South India. When I asked why, he replied in a disappointed and frustrated tone, “Rajasthan is a peaceful state. They do not permit encounterings [extra-judicial executions]”³⁴.

Central to these criticisms and fears of traders and traffickers’ political roles is the contrast of a peaceful Rajasthan with *goonda raj* (“gangster rule”) and the perceived chaotic violence in the states of Uttar Pradesh, Bihar and (to a lesser extent) Madhya Pradesh. In spite of Rajasthanis’ fears of the criminalization of politics, they are still extremely sceptical about the sincerity of others’ opposition to traffickers or traders. When I talked to other public figures, officials, traffickers and poppy husk traders about the above-mentioned MLA’s opposition to opium, they echoed his belief in a generalised drug-trafficking conspiracy, but from another angle. Even though they did not know the MLA personally, they asserted that he only made such bold statements to seem like an honest man because he was in opposition, could not profit from the trade, and was therefore not subject to its pressures. Some almost gleefully added that once the MLA’s party regained control of Rajasthan, he would stop his protests, collaborate with the traffickers, and begin profiting from complicity with traffickers just like anyone else. People (politicians included) had a similar degree of scepticism about the former MP’s opposition to Udailal Anjna. All my informants were dismissive when I told them about the public interest cases against poppy husk, and the different parties who had brought the suits told me that I was naïve to believe that the other suing parties sincerely wanted to eliminate the poppy husk business. The supposedly extreme profits of opiate trafficking provide a simple reason for people to doubt the reality or sincerity of any opposition to opiates, and to interpret it as a case of sour grapes or as a manoeuvre to regain access to opiate resources.

³⁴ For a detailed journalistic account of police “encounters”, their prevalence, the extra-legal structure that governs this practice, and their social context, see Mehta’s *Maximum City*, especially pp. 144-273 (Mehta, 2005).

Figure 7 Lalit Singh newspaper criticism of Udailal (Staff, 2005b)(1)



Figure 8 Lalit Singh newspaper criticism of Udailal (Staff, 2005a)(2)



Trafficking, poppy husk and the State: "The sarkar is the biggest trafficker"

The farmers who benefit from the opium poppy licensing programme are, surprisingly, some of the biggest critics of State's narcotics policy. They claim that "sabse bada taskar sarkar/CBN hai" ("the Government/ CBN is the biggest trafficker"), and that any prosecution of traffickers was merely for show since they and the State were collaborators. Every licensed poppy farmer I knew held that officials divert opium at weighing, in transit, and at the government opium factories on such a massive scale that

farmers' own embezzlement of opium (ten to thirty percent of their crop) for sale to traffickers was insignificant by comparison. One of the ways that poppy farmers argue this point is by referring to their ability to legally sell their poppy husk to anyone before the strict 1986 NDPS Act's regulations. Farmers point out that these regulations not only limited their ability to sell, but increased prices so that poppy husk suddenly became a source of great profit for the state and for those who could buy licenses. Farmers knew that in 2004-5 retail prices were above 200Rs/kg in Rajasthan and far more in Punjab, and resent that they can only legally sell the poppy husk they grow to licensed traders. Traders only offered two to three Rs/kg for poppy husk until 2005 and thereafter ten to twelve Rs/kg. Farmers see the poppy husk licensing system as exploitative and as evidence of the *sarkar's* collusion with traffickers to ensure illegal profits for bureaucrats, politicians, and traffickers alike. Farmers' accusations are grounded in an implicit accusation that the *sarkar* is ruling unfairly and by double standards³⁵, and that this unfairness is inherent to the current system of narcotics regulation. Of course, people without poppy licenses have little patience for licensees' complaints since the latter are known to make good profits by also selling their opium to traffickers.

Poppy farmers are not alone in their belief that the *sarkar* is the biggest trafficker. Early in my fieldwork, academics at the University of Udaipur told me that they, in spite of their best efforts, had been unable to research the social, economic and political aspects of opium poppy cultivation. Narcotics officials had used grounds of national security to deny these researchers any official data on poppy cultivators, and several senior faculty members individually explained that officials used the Official Secrets Act as an excuse to block access to information for fear that their complicity in narcotics trafficking would be discovered, and that their income from bribes and trafficking would be threatened. I thought that I would be able to get the data on poppy cultivation through good contacts, but I was not.

Several months after meeting these academics, I was in a hospital in the centre of the legal opium-producing area, accompanying a friend who had broken several bones in a

³⁵ As Chapter 3 will discuss, these farmers' perceptions are similar to De Neve's description of how owners and managers of dyeing factories resent the perceived unfair partiality, irregularity and corruption with which officials enforce environmental pollution regulations for their factories, and see these as intentionally discriminatory (De Neve, 2005: 278-80).

motorcycle accident. I was shocked that the doctor set his bones without even offering painkillers, and struck by my friend's wry comment that he had been an idiot not to stop at a mechanic's shop where he knew that he could buy pure opium. I asked him why the doctor had not offered him, a prosperous local businessman, any pharmaceutical opiates. My friend laughed and explained patiently that opium was not for making medicines, but for government officials to traffic nationally and internationally "just like in Afghanistan". My friend knew that poppy cultivation was licensed for pharmaceutical opium production; but he, like most others in Malwa, reasoned that the system was merely a pretext for trafficking. "What else," he asked, "can explain why there were no painkillers in their hospitals³⁶?"

Knowledgeable views: how traders suborn officials to conduct business

Some Rajasthani lawyers and politicians with whom I spoke had a detailed and accurate knowledge of how traders bribed officials and politicians. They used this knowledge to argue that traders bribes made their position unassailable, and that any effort at prosecution would be futile. Traders need officials' complicity because, in the highly competitive poppy husk trade, profits depend on being able to minimize the risks and costs of transporting poppy husk over long distances. The more poppy husk that traders are able to transport illegally, the fewer royalties they will have to pay to the government and the better their returns will be (see Table 3, p.90). Improving returns through illegal trucking requires a great deal of help from Excise officials to create the paperwork that establishes the appearance of legal trucking and warehousing.

Table 3: Returns on legal and illegal trucking

Group of 4 trucks: royalties paid on	poppy husk purchase cost	trucking fees	Best truckload group sale price 2005: 6000kg*250Rs/kg*4	Royalties paid	Returns for group of 4 trucks minus royalties
all trucks	288,000	4000	6,000,000	840,000	4,868,000
1 in 4 trucks				210,000	5,498,000

Specifically, traders must obtain a series of permits from Excise Inspectors (EI) to legally stock and transport poppy husk. The local EI gives the poppy husk wholesaler a Transit Permit to authorize the transfer from the poppy farm to the bonded poppy husk

³⁶ In fact, the absence of painkillers in Indian hospitals is largely due to the prohibitively difficult ordering system and stocking controls that doctors, pharmacists and hospitals face.

warehouse, where the goods must be entered on a register in the presence of the E.I. In practice, the stock is registered without the EI's presence, but with his approval. After July 31st of each year, the District Excise Officer must physically inspect each poppy husk warehouse in his district and sign each stock register to attest to the registered weight of the stock. Traders' ability to convince officials to accept their registers without inspection allows traders to use their bonded warehouses for safely and illegally stocking much more than is officially registered. This warehousing capacity is necessary to make unregistered, untaxed and highly profitable truck deliveries to contractors in retail areas. The wholesaler can only legally transfer poppy husk to a retail contractor once the latter has initiated the transaction by getting a No Objection Certificate (NOC) for the transfer from his own District Excise Officer. The wholesaler then submits the NOC to his District Excise Officer via the Excise Inspector, and the former issues the Transfer Permit for the wholesaler-retailer transfer. A company jeep driver then delivers the NOC to the wholesale office.

Traders have ordinarily been able to get four truck runs on one permit, provided that they did not have an accident or run into a checkpoint where the truck driver would have to produce the permit. Each truck carries a little more than six tons, purchased from farmers for Rs. 82,000 in total, including any agents' commissions, and each truckload delivered without paying the royalty of 35 Rs/kg represents a savings of at least Rs. 210,000. Running four trucks on one permit therefore saves paying a total of Rs. 630,000 in payments to the Excise Department. During my fieldwork, each truckload was sold at 200-250 Rs/kg for a total of 1,200,000 to Rs. 1,500,000, either to retail contractors or to smugglers who transport it into Punjab.

Traders also rely on police for ensuring that farmers sell to them instead of unlicensed poppy husk traders, for police tolerance of illegal transfers, and for police's peaceful mediation of disputes among traders (see Chapter 5). Excise and police officials confirm that poppy husk traders give them monthly payments that vary by rank and importance of the official to the poppy husk trade. Traders pay larger sums to officials responsible for important areas of poppy husk production, transportation, and retail. Traders, liquor contractors and gambling syndicates in a town, city or district often collaborate with each

other by jointly contributing to bribes for officials³⁷; but their varying levels of collaboration within and between districts makes it hard to estimate a scale of exactly how much poppy husk syndicates and their companies pay.

Unfortunately, I was never given access to the full account books, so I cannot describe a more exact structure of illicit payments given to officials and politicians. However, I was able to confirm the above informed views by forming a basic estimate of bribes from unanimous statements from ranking members of Our Company that their syndicate with Udailal Anjna paid the Excise Commissioner 1 lakh (Rs. 100,000) a month. Our Company's accountants also confirmed that, at the district level, most companies paid 10,000 Rs a month to their Circle Inspector, and larger amounts for each rank up to the district Additional Superintendents of Police, of whom there are several. Traders denied that they paid the District Superintendent of Police directly, but said that he received a cut of his subordinates' total take of bribes. As curious and humorous examples of exceptions, traders named several police officers who completely refused payments, and another few who would break any law in exchange for a large payment, but emphasised that both types had serious career difficulties.

Poppy farmers' and others' accusations about the State narcotics conspiracy provide a context for similar criticisms from poppy husk traders, who believe that India and Rajasthan's licensing of poppy husk is in violation of international narcotics law. Traders take this alleged violation of narcotics law as evidence of the State's corruption, and as a basis for thinking that poppy husk licensing will soon be ended by international pressures. Although accusations of State corruption are convenient for those who wish to justify their own trafficking, but it does not make sense to explain these accusations as mere self-exculpations: they do not address the most popularly condemned aspect of trafficking, violence. Instead, farmers' and traders' accusations of corruption hinge on the idea that the State, along with the politicians and bureaucrats who run it, are committing an injustice by allowing an illegal trade to make money and by only allowing a few people to make this money and use violence to do so. This perceived hypocrisy and unfairness are taken as proof that the regulatory system and the State itself must be corrupt.

³⁷ See the collaboration with Namkeen King mentioned in Chapter Five.

2.2c Summary of popular views of the Indian opiate industry

Thus, public opinion in Rajasthan about opiates, traffickers and whether they are an acceptable or a dangerous force is an amalgam of several levels of views. On the first level, opinion is affected by ideas about social status. Opiates are neither seen as intrinsically harmful or morally polluting; however, whereas “traditional” consumption is seen as acceptable and even high-status, modern forms of consumption are seen as harmful and morally degenerate. Brown sugar and poppy husk are seen as low social status because of their consumers. On a second level, trafficking is seen as a means of making money that is sanctioned by the long traditions of opium smuggling. On a third level, the legends of opium smuggling lead people to think that trafficking generates vast profits that allow traffickers to suborn the State. On a fourth level, people’s perceptions of hypocrisy and conflict of interest in State regulation convinces them that State is a trafficker because it colludes with traffickers. Both the Rajasthani and central governments are seen as hypocritical in profiting from, and allowing others to profit from, substances that have legally labelled as dangerous. The State’s preferential allocation of access to the profitable opiate business in the form of monopolies is not only seen as hypocritical but unfair, and therefore a sign of corrupt collusion. Since modern trafficking is seen as dangerous and violent, and because officials and politicians take money from traffickers, the State is accused of being complicit in trafficking through the opium poppy licensing system. Rajasthanis assume that the power of this conflict of interest and of corruption is so strong that criticism of traffickers can only be of doubtful sincerity, eliminating effective opposition to the conspiracy of traffickers and the State.

2.3 Bribes: traders’ limited control of policy and implementation

Traders’ bribery of officials and politicians is an important part of their work, but an overview of the size of traders’ business and the revenues they provide for the state shows that, in comparison with other businesses, they have less funds for bribery at their disposal and make far smaller legal contributions to state revenues. This shows that Rajasthani opinion greatly overestimates both traders’ capacity to suborn the State, and the impact of the revenues’ conflict of interest for the state. Moreover, officials’ and politicians’ views of traders are far from uniformly supportive, and changes in narcotics policies since 2004 have damaged traders’ interests. Traders’ influence, therefore, is far more limited than the

public believes, and bribery is not as effective as it is alleged to be in ensuring a compliant State. There are several ways of explaining the actual limitations of traders' influence. Existing analyses of corruption show that bribing is not merely a financial transaction but fraught with normative limitations and the fear of risks. The same is true in narcotics regulation in India in general and in Rajasthan specifically.

Far from controlling the Indian and Rajasthan governments' narcotics policies, poppy cultivation policy changes since the 2004-5 season show that traders as a whole have very little political control over their most vital interests. In November 2004, the Narcotics Commissioner determined that the low sales of opium to pharmaceutical companies, combined with the large standing stock of opium in government factories, meant an overproduction of pharmaceutical opium. Accordingly, he directed the CBN to reduce licensed poppy cultivation by more than half the area that year, halving the cultivation sizes and eliminating licenses in more remote villages, thereby also halving the annual poppy husk supply. Each year since, licensed production has been further reduced. Responding to concerns from poppy farmers and poppy husk traders in their constituencies, elected representatives from poppy cultivating areas have repeatedly lobbied against this policy shift but have been unable to reverse it.

The decrease in available supply has harmed traders by forcing them to pay farmers more for poppy husk, and by fostering competition amongst traders. The annual auctions have been suspended in Rajasthan in 2006 to avoid excessive competition and increased reliance on smuggling, but the increased competition is apparent from the Rajasthan Excise Department's official figures recording sharp increases in EPA amounts in Rajasthan (*Facts and Figures*, 2008). As a result of this increased competition, many mid-sized traders, who formerly comprised the bulk of investors, have seen their risks increase and their profits drop, or have been entirely forced out of the business. The most financially important traders, along with small investors whom they need to run local operations efficiently, have seen greatly increased profits, because they have been able to demand higher prices at the retail end. Thus, while recent policy changes have indeed benefited some traders, they have been detrimental to the majority, who have been powerless to reverse these changes. According to an important trader, the new business risks and competition have compounded the old legal risks of unlicensed poppy husk trafficking to

make even the infamous Ashwini Bhardawaj, a great unlicensed poppy husk trafficker, abandon the business and turn to exporting spices. Smaller poppy husk traffickers remain, but run much higher risks to compete with licensed traders who are now far more organised and, to a certain degree, centralised under Udailal Anjna's increasingly powerful influence.

The influence that traders as a group exert on narcotics policy is limited to the implementation of Rajasthan poppy husk enforcement, but is unable to influence the articulation of damaging policies at the state and national level. A January 2005 Excise Department order (see Figure 9 p. 96) further limited the length of time the poppy husk transport permit is valid, and made this time proportional to the shortest distance between origin and destination warehouses. This time constraint meant that traders would only have time to pass two truckloads on one permit instead of the usual four truckloads. This reduction would have resulted in minimum lost earnings of Rs. 420,000 per permit for the two trucks that could not be passed, and a two-thirds reduction of the amount of poppy husk that could be illegally retailed without fear of an audit of legal sales uncovering excessive sales relative to locally registered consumers. Part of the order also required that traders transport poppy husk by rail where a train link exists between the two points. This would have made it almost impossible to transport excess poppy husk under the cover of permits, not to mention far more expensive and subject to costly delays. When the order came out, most traders saw this last part of the order as either mere rhetoric or as a real measure that was unlikely to be enforced at the local level since big investors would use all of their political influence against it. So far, they have been proven right, and have even found ways to weaken the first part of the order (see Figure 10 p.97).

Figure 9: Excise Order #1, 2005

कार्यालय आबकारी आयुक्त, राजस्थान, उदयपुर
क्रमांक प 32 (बी) (97) डोपो / सेटल/95/
दिनांक 18.06.2005

परिपत्र संख्या 01/2005

विषय - डीडा पोस्ता परिवहन परमिट जारी करने के सम्बन्ध में ।

इस कार्यालय के परिपत्र संख्या प 22 (बी) (21) सेटल/आब/93-96/723 दिनांक 30.12.1994 एवं प 32 (बी) (97) आब/एल/95/सेटल/796 दिनांक 31.10.1995 के अतिरिक्त में डीडा पोस्ता के परिवहन हेतु परामिट जारी करने के सम्बन्ध में निर्देश जारी किये जाते हैं।

1. जो स्थान रेल मार्ग से जुड़े हुए हैं उनके लिये परिवहन परमिट रेल मार्ग से ही जारी किये जायें। विशेष परिस्थितियों में अनुज्ञापत्री रेल मार्ग के स्थान पर सड़क मार्ग से परिवहन प्राप्त हो इसकी पूर्ण स्वीकृति संबंधित अतिरिक्त आबकारी आयुक्त, जौन से प्राप्त की जाये। अतिरिक्त आवश्यक आगुवत द्वारा पूर्ण अधीनत्व का उत्स्तेव करते हुए स्वीकृति जारी की जाकर उसकी प्रति मुख्यालय को भिजवाई जाये।
2. परिवहन परमिट में निकटतम सीधे मार्ग का उल्लेख किया जाये। उक्त मार्ग में आने वाले कम से कम दो प्रमुख स्थानों का उल्लेख किया जाये। उदाहरणार्थ चित्तौड़ बोंपड से माल जोधपुर परिवहन किया जाना है तो निकटतम मार्ग चित्तौड़ - भीलवाड़ा - ब्यावर - जोधपुर अंकित किया जाये।
3. प्रत्येक 300 किलोमीटर की दूरी एवं उनके भाग के लिये एक दिन की समयावधि दी जाये। इस समयावधि में परमिट जारी करने की दिनांक को सम्मिलित नहीं किया जायेगा।
4. सड़क मार्ग से परिवहन की स्थिति में परमिट प्राप्तकर्ता जिस वाहन में माल का परिवहन करना चाहता है उसकी नम्बर लिखित में प्राप्त किया जाकर इसका उल्लेख अनिवार्य रूप से परमिट में किया जाये।
5. डीडा पोस्ता का परिवहन केवल मूल परमिट के आधार पर ही मान्य होगा। यह सुनिश्चित करना जाये कि मूल परमिट की पाटोप्रति से माल का परिवहन किसी भी परिस्थिति में नहीं हो क्योंकि पाटोप्रति के आधार पर परिवहन करना अर्थात् है।
6. जिला कार्यालय एवं बोंपड स्तर पर निर्धारित पंजिका में भी परमिट की अर्जा मार्ग तथा परिवहन के लिये उपयोग में लिये जाने वाले वाहन के नम्बर का इन्ट्राज किया जाये।
7. माल पहुंचने का सत्यापन प्रमाण पत्र संबंधित आबकारी निरीक्षक एक सप्ताह में पूर्ण कर माल आबकारी अधिकारी को प्रेषित करे।
8. सड़क मार्ग से परिवहन की स्थिति में परिवहन परमिट की एक प्रति स्थानीय पुलिस अधीक्षक को आवश्यक रूप से उपलब्ध कराई जाये।

Sd -
(जे एल मोदी)
आबकारी आयुक्त,
राजस्थान, उदयपुर
दिनांक 18.06.2005

क्रमांक प 32 (बी) (97) डोपो / सेटल/95/1084-91
प्रतिनिधि सूचनाार्थ एवं आवश्यक कार्यवाही हेतु :-

1. प्रमुख शासन सचिव, वित्त विभाग, राजस्थान, जयपुर।
2. शासन सचिव, वित्त (प्रथम) विभाग, राजस्थान, जयपुर।
3. निदेशक, प्रवर्तन आबकारी जयपुर।
4. अतिरिक्त आगुवत आबकारी, जयपुर / जोधपुर / उदयपुर / बीकानेर / अजमेर / कोटा।
5. अतिरिक्त पुलिस अधीक्षक आबकारी निरोधक दल, उदयपुर।
6. समस्त जिला आबकारी अधिकारी।
7. समस्त प्रगारी अधिकारी, मुख्यालय।
8. समस्त अनुभाग प्रभारी, मुख्यालय।

अतिरिक्त आगुवत आबकारी,
उदयपुर

Figure 10: Poppy husk transport permit

Government of Rajasthan
Excise Department

First Copy

This copy of permit is to accompany actual transportation
इसका प्रतीक इसकी प्रतिलिपि पर ही माल का परिवहन हो सकेगा।

Form D (Bond to Wholesaler)
(See Rule '28'(1) and provision to Rule 30)

Serial No. : LPH/D/JLW000075
 Permit for duty paid Lanced Poppy Heads
(Delete the letters and words not applicable)


1. Name and address of the person supplying the Lanced poppy Heads	Budha Ram And Party Kota Road Jhalawar, Jhalawar Bond - Jhalawar
2. Licence No. and Date of the Bonded Warehouse	JHALWAR/05 01-Apr-2005
3. Number and description of packages	6000 (Crushed) Kgs.
4. Name and address of the person receiving the Lanced poppy Heads	Anand Kumar & Party Ganganagar Sri Ganganagar, Sri Ganganagar Wholesale - Sri Ganganagar
5. Licence No. and Date of the Bonded Warehouse where the Lanced Poppy Heads are to be consigned	LPH-BHANG/02 01-Apr-2005
6. Manner of Transport	Road
7. Truck No.	R.J.19-G-4297
8. Route	kota-deoly-jaipur-sardar shahar-sri ganganagar
9. In the case of export No. and date of import permit and Whether duty paid as under Bond	LPH/L/SGN000113 30-Jun-2005
10. Validity upto	7-Jul-2005

Place : Jhalawar
Date : 4-Jul-2005

Signature of District Excise Officer
जिला प्राधिकारी अधिकारी
झावावाड़
Date : 4-Jul-2005

No. :
Copies To :
1. Budha Ram And Party, Jhalawar, Jhalawar
2. District Excise Officer, Sri Ganganagar
3. Office Copy

District Excise Officer
जिला प्राधिकारी अधिकारी
झावावाड़



Disagreement amongst officials over narcotics policy and implementation

Traders' lack of control over State officials and both the state and national levels are also evident in the fact that, contrary to the popular image of monolithic conspiracy, officials and politicians at all levels have strongly opposed views about the practice of narcotics regulation and even the desirability of the poppy husk business. Some high-ranking narcotics officials and police defend the current poppy husk business by pointing out that it is far easier to control a legally licensed substance than a completely outlawed one, and that many of the most effective methods for controlling narcotics trafficking depend on extra-legal approaches which demand a degree of secrecy. Others, such as the MLA mentioned above, dismiss this reasoning as a transparent excuse for illegal profiteering.

One high-ranking official went so far in his effort to convince me of poppy husk conspirators' power that, on condition of anonymity, he spontaneously showed me the report and minutes from an Indian central government committee in 2002. The Expert Committee for Assessing the Medical Necessity of Poppy Straw for Addicts, composed of the Narcotics Commissioner, high-ranking law enforcement officers and medical practitioners, unanimously agreed that there were no legitimate legal grounds for licensing the poppy husk business because there was no medical justification for poppy husk consumption. The sales figures that the report cites are higher than that warranted by the number of registered addicts. Also, according to other information cited, the licensed trade promotes trafficking and addiction by permitting widespread diversion and trafficking of poppy husk to states where it is illegal. The report had circulated widely amongst officials and convinced many that the proof of traders' power lay in the fact that the conclusions and recommendations of such a committee were ignored. Publicising this report would be devastating to the arguments of the representatives of the State of Rajasthan and India in the petitions against poppy husk referred to later in this chapter (see p.81). Such consequences may be an incentive to keep this document out of sight. Although the non-publication of this report is an indication of secrecy, the use of official figures to make the report's argument about widespread diversion shows that government secrecy does not entirely conceal the illegal reality of the poppy husk business.

On the other end of the spectrum, a number of high and mid-ranking excise, police and narcotics officials also oppose the idea of total prohibition, and took pains to explain that the poppy husk trade helps to counterbalance the otherwise impracticable national narcotics policy established by the Narcotic Drugs and Psychotropic Substances Acts. These officials' opinion was that, because poppy husk is legal and of more reliable quality and cheaper than illegal opiates, the poppy husk trade serves wider political and public health objectives by providing a safe supply for consumers and by competitively undercutting the supply of and demand for harder drugs. Poppy husk's bulkiness also makes it easy to monitor and control, even in its illegal aspects. Eliminating legal poppy husk, these officials fear, would result in poppy husk consumers switching to inexpensive, harder to control, and far more harmful synthetic drugs like methamphetamines³⁸. Of course, these officials acknowledge that many people profit illegally from the poppy husk trade, and that it promotes corruption and the rise of narcotics-funded politicians. However, these same officials see the licensed poppy husk trade as the lesser of two evils, necessary until politicians develop a better and sufficiently funded general narcotics policy, and acceptable so long as the public is not alarmed by needless revelations of the trade's irregularities.

Some of the officials and politicians who oppose the NDPS Acts and associated state legislation criticise them as a US imposition, an act of "foreign interference" and "imperialism". They denounce the NDPS Acts' severe jail sentences and confiscation of property as excessive and ineffective, and claim that the difficulty of implementing these laws is a direct result of their alien and therefore inappropriate nature. These views of the NDPS Acts as foreign, however, neglect that it was part of Indian legislative trends backed by general Indian political support for strengthened governmental controls of commerce in areas seen as vital to national interests. It is also true that there was strong political support in Rajasthan at the time for the prohibition of all narcotics and intoxicants: in 1980 measures were enacted to stem the threat that illegal importation posed to the heavily

³⁸ Illegal methamphetamine production is easy, commercially viable on a small scale and therefore very difficult to control. It is not produced in India to any significant extent, but in other countries it is always associated with high levels of violence as gangs fight to control the many small and competing manufacturers. Unlike poppy husk, methamphetamine consumption produces far more severe and rapid-onset health problems, as well as severely aggressive and uncontrollable behaviour.

regulated Indian economy, and there was partial prohibition of alcohol in Rajasthan from 1986 to 1989. Given this historical context, labelling the NDPS Acts as foreign interference or imperialism is better understood as yet another instrumental means of criticising an impractical law or criticizing political opponents as foreign puppets. Of course, people who make such insinuations open themselves to rumours that they are themselves traffickers and merely protecting their own interests. With such wide-ranging and intense dissent amongst officials over narcotics policy and poppy husk, it is obvious that there is no cabal of officials promoting the interests of traffickers. It is also apparent that the debate over narcotics policy is highly politically charged and mingled with bureaucratic wrangling and accusations of corruption and immorality.

2.3a Limited influence of the revenue conflict of interest and bribery funds

One explanation for why traders do not have the influence that Rajasthanis attribute to them is that Rajasthanis grossly overestimate the amount of money traders have to suborn officials, and likewise greatly exaggerate the relative importance of the conflict of interest that poppy husk excise revenues pose for the state. The assumption that the size of the excise revenues ensures an insuperable conflict of interest does not make sense in light of the actual poppy husk revenues compared to other revenues. Poppy husk EPA (Exclusive Privilege Amount, or auction fee) is less than a tenth of alcohol EPA revenues, and poppy husk sales have not risen significantly between 1999/2000 and 2004/5 (see Table 4, p.101). Over this time period, poppy husk EPA fluctuated erratically between Rs. 49,500,000 and Rs. 63,600,000, and become a smaller fraction of the excise revenue as liquor revenues rose steadily by approximately 50%, from over Rs. 6,863,400,000 to Rs. 9,601,300,000. Given the lack of an official figure for the amount of poppy husk legally sold and consumed in Rajasthan in 2004-5, the figure for 2003-4 (1,567,941kg) serves as an approximation. Thus, at 35 Rs/kg, the Excise department took 54,877,935 Rs in poppy husk royalties in 2003-4, a mere fiftieth of the Excise Department's 2,523,300,000 Rs total excise revenues from royalties. The conflict of interest and incentives provided by poppy husk are therefore minimal compared to that of other sources, especially liquor.

Table 4: Rajasthan Excise Department Revenue

Excise Revenue Chart (<i>Poppy husk and liquor revenues, 2007</i>)					
S.No.	YEAR	EPA ³⁹ INCOME (Rs. In Crores) [10,000,000 Rs]		NON EPA ⁴⁰ INCOME (Rs. in Crores)	TOTAL INCOME (Rs. in Crores)
		Liquor	poppy husk		
1.	99-2000	686.34	49.05	225.42	960.81
2.	2000-01	855.28	62.38	230.82	1148.48
3.	2001-02	790.25	45.58	274.44	1110.27
4.	2002-03	870.89	53.19	217.68	1141.76
5.	2003-04	875.80	49.90	219.30	1145.00
6.	2004-05	960.13	63.60	252.33	1276.06

Traders' resources for bribery are also relatively minor in comparison to their liquor business counterparts. One might consider traders' own very conservative estimates of their profits to be an indication of the relative size of their business and the total relative funds available for bribes. Taking 20% as the upper limit of poppy husk investors' desired profits, returns of 120% on a total initial investment (the EPA) in 2004-5 would total Rs. 763,200,000. Calculating profits from the liquor trade for the same year using the 10% profit rule suggested by traders and their liquor contractor colleagues, a 110% return on the liquor EPA for 2004-5 yields Rs. 10,561,430,000. Although the poppy husk business may have twice the profitability of the liquor business, the much larger size of the liquor business in Rajasthan means that poppy husk returns are still only a little over 7% of liquor returns. Thus, the poppy husk business only has a fraction of the liquor business's money available for suborning officials⁴¹.

³⁹ Exclusive Privilege Amount, or auction fee

⁴⁰ Income exclusive of auction fees, namely royalties paid per kilo of poppy husk.

⁴¹ I have taken this circuitous path because it is very difficult to calculate even a rough estimate of the operating costs for all poppy husk traders in Rajasthan. The Rajasthani poppy husk industry and its investors are very closely linked to that of Madhya Pradesh and Uttar Pradesh, which makes it difficult to identify the operating funds available *only* for Rajasthan. In addition, bribes and office expenses per license vary greatly,

Rajasthani poppy husk estimated total turnover and profits are minute compared to the far larger and completely legal national agricultural commodities like tobacco, grain and poverty relief programmes. Harriss-White points out that both private actors and state trading corporations within these industries have widely suborned officials in order to circumvent unprofitable regulations, and characterises these corrupt activities and individuals as criminal (1996: 290-298). The vast food subsidy and provision scheme for the poor through Fair Price shops is also the target of sizeable embezzlement and corruption, ranging from an estimated 20% of this food being stolen in Kerala and Tamil Nadu to 80% of the food stock in Bihar, with a national average varying between “one quarter and one half of all food depending on the survey” (Luce, 2006: 84). Even a large amount of that which is distributed is done fraudulently, since “government surveys show that up to 40% of those who possess BLP [“below poverty line”] cards [“ration cards”] are not themselves poor; they have obtained the cards through bribery” (Luce, 2006: 84). The farmers I knew said that kerosene irrigation pump motors were useless because they could never get their kerosene ration from the Fair Price shop, and resigned themselves to selling their cards at a discount to the shopkeeper. Relative to other businessmen, whether grain traders or Fair Price shopkeepers, poppy husk traders therefore have a relatively small impact on the corruption of the Indian State, and have nothing like the extraordinary financial power that many Rajasthanis claim. Contrary to Rajasthani opinion, traders specialise in poppy husk alone, and do not also smuggle opium and heroin. Consequently, they do not have the large profit margins that well established traffickers enjoy. Some traders do know traffickers socially, and some minor traffickers serve as their collection agents, but they do not otherwise engage in business with them

2.3b Secrecy laws, national security and other reasons for reluctance to accept bribes

Reasons for the limited extent of traders’ influence over the State extend beyond their finances and into particular and general limitations on officials’ willingness to accept and act on bribes. Officials and politicians fear of being seen as a threat to national security

and do not include other costs like syndicate offices or embezzlement by staff. Unfortunately, even the most helpful large investors only gave me very understated estimates of profits as a percentage return on their investment, without stating the amount of their investments.

also hobbles traders' ability to effectively suborn them. For officials to provide assistance outside routine bureaucratic processes or widely accepted deviations from these is not just inconvenient, it also poses unknown risks. Thus, the Gopalpura ADM's refusal to authorise the rental of a government warehouse to poppy husk traders is based on fears about narcotics laws that he knew only imperfectly but which he and fellow officials were convinced would brand him as an accessory to trafficking (see p.31). His fear was justified in the sense that the issue of narcotics is consistently associated with national security threats, and traders were apparently unable to use substantial bribes to convince him that there was no harm in renting them the warehouse.

As confused as he might have been, the ADM's fear of being associated with national security concerns are well-grounded. As seen above in the discussion of official reports, national narcotics policies are considered an issue of national security, and separate laws justify protecting national security through secrecy. Although the 2005 Right to Information Act (Right to Information Act, 2005) came into force in October 2005 (two months after I had left the field) and is intended to ensure the transparent provision of government information to citizens, the act exempts from disclosure all information deemed to be related to national security and economic interests, thereby deferring to the Official Secrets Act of 1923. The latter act provides punishment for spies and for anyone else who communicates official information without authorization, who:

1(a) wilfully communicates the code or pass word, sketch, plan, model, article, note, document or information to any person other than a person to whom he is authorised to communicate it or a Court of Justice or a person to whom it is, in the interests of the State, his duty to communicate it; or

1(b) uses the information in his possession for the benefit of any foreign power or in any other manner prejudicial to the safety of the State" (The Official Secrets Act, 1923)

The penalty for violating these provisions is imprisonment, a fine, or both. These provisions give a reason for officials to be cautious in what information they gave to the public in order to protect themselves, but more so against rumours by professional rivals than potential criminal charges. No official I met explicitly referred to this act or told me of any official charged under it. However, I was often denied data pending higher approval because the data concerned national security, and therefore subject to The Prevention of Terrorism Act (POTA) (The Prevention of Terrorism Act 2003, 2002), the most recent anti-terrorist law. Some confused officials even referred to the previous Terrorism and

Disruptive Activities Act (TADA), enacted in 1985 and repealed in 1995 (The Terrorist and Disruptive Activities (Prevention) Act, 1985). The fact that national security interests are also legally identified with economic interests greatly expands the scope for the justification for secrecy and non-disclosure of official information. POTA, only repealed in 2004, was fresh in people's memory as examples of how people suspected of terrorist activities could be imprisoned without due process. The history of the Official Secrets Act, TADA, POTA, and means that officials have had a tradition of having reasons why it is wise to hesitate before releasing information to the public.

Among regulated goods seen to pose a nation-wide security risk, even firearms are not regulated with such severe penalties as narcotics. The seven year maximum imprisonment for arms trafficking with intent to commit an unlawful act falls three years short of the ten year minimum sentence a convicted poppy husk trader would receive if prosecuted for his daily activities. Ordinary buying arms from and selling them to unlicensed persons is only punishable by a maximum imprisonment of 6 months and a fine of Rs. 500 (The Arms Act, 1959). Poppy husk and other narcotics are not treated in law like other commodities, but as if they constituted a direct threat to the safety of citizens, the order of society, the authority of the government and the integrity and security of the country, such as terrorist acts as punished under the POTA. POTA Article 3 (Ch II), 2 (a) stipulates that "if such act has resulted in the death of any person, be punishable with death or imprisonment for life and shall also be liable to fine (b) in any other case, be punishable with imprisonment for a term which shall not be less than five years but which may extend to imprisonment for life and shall also be liable to fine". According to Article 3 (Ch II) 1(b) "a terrorist act' shall include the act of raising funds intended for the purpose of terrorism"(The Prevention of Terrorism Act 2003, 2002). Thus, a tenuous link between an opium sale and a recognised terrorist organisation, such as the LTTE (Tamil Tigers) who have contacts in Rajasthan, would have been enough under POTA to prosecute for terrorism⁴².

⁴² The importance of the fear of being seen as a national security threat is not, however, confined or particular to narcotics regulation, but even absurdly reflected in my own efforts to get a driver's permit. A good friend in Gopalpura insisted that the only reasonable way for me to get a driver's license without interminable delays and lost papers was to follow the general procedure: give a specialised license agent all necessary documents, the two hundred rupees official fee, and an additional two hundred rupees for dealing with the clerks who made the licenses. My friend took care of this, but the agent soon returned, apologizing that the clerks had refused to take even double their usual bribes because they had heard about an official

As Gupta has rightly argued, bribe-giving is not a simple transaction, but requires the knowledge of norms and language for giving a particular bribe to a given official, norms that may include pretending that the financial aspect is irrelevant (Gupta, 1995: 380-1). What Gupta does not discuss is the existence of norms that utterly exclude entire categories of extra-legal assistance from the category of services that can be obtained with a bribe. It seems that the officials and clerks described above, whether they deal in narcotics regulatory bureaucracies or not, prefer to be lead by caution and aversion to the risk of being seen as a national security threat. Explaining motivation through attitudes towards risk rather than profit motivation is by no means unusual: Zaloom has convincingly argued that the stereotypically profit-driven commodity futures traders whom she describes premise their identity, motivation and worth not so much on profit, but on their desire and ability to take on risk (Zaloom, 2004). As argued in Chapter 1, the legal and institutional bases make risk-taking an important qualification for being a competent poppy husk trader. Bureaucratic structures within which Indian officials operate, on the other hand, encourage far more limited risk-taking, even in the way officials take bribes.

2.3c Institutional conditions that push officials to take risk-limited bribes

Given the limitations to traders' influence, both in their ability to bribe officials and in their ability to affect policy decisions and implementation, how does one explain the fact that many Indian officials do in fact collaborate with poppy husk traders? Traders have technical difficulties in their business discussed above that are greatly diminished by officials' collaboration, but traders are hindered in their ability to bribe by financial limitations, normative impediments and the limited effectiveness of bribery. There are, however, several institutional factors that promote officials' willingness to accept traders' bribes and act on them. The first is that police, excise, narcotics and other officials'

being jailed for providing documents to a Pakistani terrorist, and were frightened that I might be a terrorist or trafficker. Following my Brahman friend's anger at these suggestions, the agent and clerks accepted that I was neither Pakistani nor Muslim, but would not change their decision. Using good introductions to contact higher-ranking vehicle registration officers, I found that they too had similar fears about being associated with a national security threat, even though they phrased these fears more subtly. After six months, one official received a more experienced official's assurance that it was not only in accordance with printed procedures but perfectly accepted practice to give foreigners licenses, provided they were registered residents. I received my permit after passing a perfunctory test and nothing more than the official amount. Officials had always rejected my suggestions that their clerks might have lost papers and needed some chai pani money to accelerate their work by making it more agreeable.

budgetary shortcomings and promotion structures constitute an institutional demand for them to raise funds privately. These normal practices make such fundraising acceptable amongst the peer group of bureaucrats. The second factor is that the risk that officials run in accepting bribes from traders (who are supposedly traffickers) is greatly mitigated by the fact that poppy husk is not actually treated as a national security threat at either the national or international level of the narcotics regulatory structure. These two factors combine with the impracticality of poppy husk laws and the political pressures surrounding their implementation to create an ambiguous environment in which this specific kind of narcotics bribery and complicity is tacitly accepted. What is evident from this structure is that officials' de facto tolerance of the illegal aspect of poppy husk trading does not stem from narcotics-fuelled greed and conspiracy, but from ordinary institutional limitations and difficulties in allocating scarce law enforcement resources. These structural conditions of administrative bureaucracies help to explain why police, excise and narcotics officials accept bribes from traders, but they obviously do not explain everything. Chapter 5 explains how relationships of friendship between traders and officials also provide an important moral basis for these illicit transactions.

Officials' need for 'contributions' to fund official work and their promotions

The Rajasthani police have a far more effective network of informants than any other law enforcement organisation in the state and are therefore at the forefront of narcotics enforcement. Their budgetary shortfalls and their promotion structures provide a robust explanation for why officials *must* take bribes, and not just why they *might* want to take them. As I learned from friends who were police inspectors, the funds for running police stations vary amongst and within districts, and are usually inadequate because they do not allow for the inevitable and frequent fuel expense of using police jeeps as security escorts for the many visiting dignitaries. The fuel allocation falls even shorter in areas where inspectors must cover hamlets sparsely scattered over hilly terrain. One station I knew was allocated 200 l. of petrol per month but ordinarily needed 300 l., and a minimum of 400 l. when there were two "VIP visits" in a month. To compound difficulties, this station was allowed Rs. 1,500 in telephone expenses and always requires over Rs. 2,000 a month. These shortfalls do not seem large, but they are when compared to a Circle Inspector's meagre salary.

One friendly Circle Inspector in Udailal Anjna's home town told me that he, Bhawar Singh, and all of his colleagues managed their offices' budgetary shortfalls because "certain well-meaning citizens give money". I was about to ask if this did not invite corruption and poppy husk traders like Udailal to suborn the police, but Bhawar Singh stopped me with an amused smile and a nod to agree with and pre-empt what I was about to ask. He apparently preferred that I not be so indiscreet as to ask explicitly, and tactfully changed the conversation to the mystery of an unidentified rotting corpse that a nearby farmer had discovered in a field. After this diversion, the Circle Inspector returned to the topic of police station budgets to explain that an officer in charge of a station is expected to make the station run well, even if this means paying out of his own pocket. An officer who does not take care of these expenses, he pointed out, will be punished by demotions to the reserve lines with no station to command, and he will ruin a prospect of promotion. Almost as an afterthought, Bhawar Singh added, "and if you have children, English medium schools are very costly, and government schools are very bad". Out of context, this might seem like a justification of taking bribes to pay for a luxury; however, one must take this in the context that police, like other government officials, are frequently and unpredictably shifted from post to post. Consequently, they often leave their families in one place, such as their parental home, and try to send their children to the best schools to compensate for their own inability to participate in their education⁴³. Even more importantly, as I explain further in Chapter 4, English medium schools are also a necessary means of holding on to status or of gaining status for the upwardly mobile, and a necessary expenditure if their children are to have any professional future or be able to marry well.

The private provision of police operating costs by local notables is not particular to opium-producing areas, but is common throughout India. Hansen, for instance, describes how police in poor Muslim neighbourhoods of Bombay receive *chowkeys* (guard houses at intersections) and shade structures from local businesses, notables and politicians (Hansen, 2001: 57-8). Hansen sees these donations as the results of a police-run protection racket, but it would be more balanced to see these donations as part of an exchange and balance of

⁴³ Chapter 4 shows that this emphasis on education in English is broadly characteristic of Indian middle classes, and does not just serve to display social status, but is also a sign of ambition and dedication to one's children.

power. As Hansen himself notes, daily police work and investigations depend on the networks of local informants maintained by lower-ranking constables, who are stationed there for much longer than officers, a network of informants “created and maintained through flows of *hafta* (bribes and pay-offs) and other economic transactions” as well as “tacit understandings” between local operators and *daadas* (strongmen-cum-politicians)” (Hansen, 2001: 55-6). Thus, police depend on the influential people in their area for operating funds, information and funds to meet their own living expenses. The surrounding citizenry, in turn, depends on the police for maintaining law and order in a way that protects their interests. An effective police officer manages to avoid getting all his funds from one person because he needs ties to a variety of different social networks, factions and sources of information. This does not mean that police do not run protection rackets, but it does mean that protection rackets and greed are neither the sole nor sufficient explanation for their behaviour.

Excise officials may not have the complex and resource-intensive police duties of law enforcement and conflict mediation, but their operational budget also falls short, and they too find themselves underpaid when it comes to important expenses like their children’s education. As each of my friends in the Rajasthan police and excise departments explained to me, the demand on officials’ private funds does not stop with the need to privately fund official equipment and work: substantial and regular monetary gifts to superiors are necessary to obtain even ordinary promotions. These bribes are allegedly systematically funnelled up the hierarchy in a systematic way, and, like other bribe moneys, simply bypass officials who disapprove. I also knew the political patrons of some of these excise and police officers, and they confirmed this promotion structure by elaborating that their influence was almost useless unless their protégés paid the requisite bribes. Jeffrey describes a similar system of bribes for obtaining police jobs in Uttar Pradesh (2000: 1025), and Wade’s study of “The System of Administrative and Political Corruption: Canal Irrigation in South India” (1982) shows that this institutional basis for corruption, especially the demand for illicit gifts for promotions, is long-standing and prevalent in Indian governmental services unrelated to narcotics.

Thus, the institutional imperative for police and excise officials to accept bribes is not a unique or inevitable consequence of narcotics. There are, of course, officials who take

advantage of this situation to abusively seek illegal rents to enrich themselves beyond their needs. Nevertheless, the fundamental conditions that demand that officials take bribes are institutional constraints, and not mere personal inclinations or greed. In this respect, officials who deal with narcotics are simply like the many other Indian officials who cannot perform their work adequately or progress even in an ordinary way in their careers without raising funds by accepting contributions that can be seen as bribes.

Poppy husk: not a narcotics enforcement priority

The *de facto* narcotics policy of ignoring poppy husk at both the national and international level constitutes an important institutional factor that reduces the risks for officials in accepting bribes from poppy husk traders. Officials' knowledge of this narcotics policy convinces them that, although poppy husk traders may be widely thought of as traffickers, there is little risk in accepting bribes from them since they are not in practice treated as a national security danger.

The kind of official information on poppy husk provided at the national and international level shows that these people are merely following national and international narcotics policy on poppy husk. This information suggests that the Indian government, international narcotics organisations, and their member-states share the view that narcotics enforcement is only important when it is deemed to be directly related to international narcotics trafficking and national security concerns. One example of this is the INCB's *Estimated World Requirements for 2006-Statistics for 2004*, whose figures provide the basis for the international narcotics control regime. The report cites the requirements and production of poppy straw (also known as poppy husk) for many other countries, but has no entry for poppy straw under its data for India (INCB, 2007). Likewise, the *Report of the International Narcotics Control Board for 2005* (INCB, 2006) makes no mention of poppy husk trade or widespread use in India. Neither does the UNODC's *World Drug Report for 2005*, even though the latter claims to "provide the most up to date view of today's illicit drug situation" (UNODC, 2006). It is true that old UNODC bulletin back-issues refer to the "quasi-medical use" of poppy husk (Chopra, 1955), the harmful effects of poppy husk addiction (Dev, 1957), and its use in the Punjab (Mohan, 1979), but these are largely irrelevant to the current regulatory situation since they all predate the 1986 creation of the Indian Narcotic Drugs and Psychotropic Substances Act.

This neglect by international organisations charged with regulating narcotics is surprising given that poppy husk is a controlled narcotic substance traded in very large volumes in Rajasthan, Madhya Pradesh and other states each year. Even the United States' Department of State's annual *International Narcotics Control Strategy Report* contains no mention of poppy husk in their lengthy description of narcotics in India (INL, 2006). In the face of these international organisations' official roles and the prominent place of counter-narcotics in US foreign policy, these reporting lacunae suggest that the international regulatory system and US narcotics regulatory policy are only really concerned with international trafficking, and not with large scale foreign domestic use or trade without international implications.

It is apparent that the Indian state shares such an approach, given the blatant misinformation propagated by *The Extent, Pattern and Trends of Drug Abuse in India* (Ray, 2004) (hereafter *Drug Abuse in India*) jointly produced by the UNODC and the Indian Ministry of Social Justice and Empowerment. The misinformation in their report makes it clear that even a ministry ostensibly concerned with social justice only really considers trafficking important enough to mention when it is associated with a foreign national security threat. The report mentions "poppy husk" in five places (2004: 13, 69, 117) alongside far more potent illegal narcotics, and claims that the "abuse of opium and poppy husk was more often reported from R.S. Pura and Barmer (Indo-Pakistan Border)" (2004: 69), and that

"this special study confirmed the popular perception that drugs are easily available in border towns and thus consumed by the local population. In these sites common drugs of abuse reported were poppy husk, opium, heroin, and even psychotropic substances. Thus people in border towns use drugs other than 'traditional' intoxicants[...] Even though some of the border sites are heavily guarded and have fencing, cross-border drug trafficking takes place" (2004: 117).

Contrary to the plausible claim of cross-border heroin smuggling, the claim that poppy husk is imported from Pakistan on any significant scale is too ridiculous for any knowledgeable official to take seriously: high quality poppy husk is cheaply, reliably and legally available in Rajasthan and not in Pakistan. The *Drug Abuse in India* report's false claim is nevertheless useful because it confirms that poppy husk, although ignored in all other reports, gains importance as an alleged part of a perceived Pakistani threat to Indian

national security. In spite of the *Drug Abuse in India's* rhetoric, narcotics-related officials know that poppy husk is not treated as the foreign threat that hard drugs are thought to be. Officials therefore know that they can accept traders' bribes discreetly, but as a matter of common practice without the risk of having their peers see them as dangerous or even treasonable.

Accepted impracticalities of narcotics enforcement

The permissive environment created by the national and international tolerance for poppy husk trading gives more leeway to government officials who face a number of practical enforcement obstacles that make it impossible to fully and systematically implement narcotics laws. These practical difficulties discourage them from prosecuting traders to the same extent as they prosecute opium or heroin traffickers and reinforce narcotics enforcers' tacit acceptance of traders' illegal practices. This is not so much evidence that traders' bribery is successful as it is an indication of the focus of Indian and international narcotics law enforcement reliance on fears about national security. Many narcotics, police and excise officers gave me three main reasons why poppy husk enforcement is not a priority. The first is that poppy husk is only traded domestically and does not make India look bad abroad; the second is that they lack funds to both pursue poppy husk seizures and meet their quotas for seizures of hard drugs; the third is that they are rewarded with ten percent of the value of hard drug seizures, which are the focus of narcotics policy.

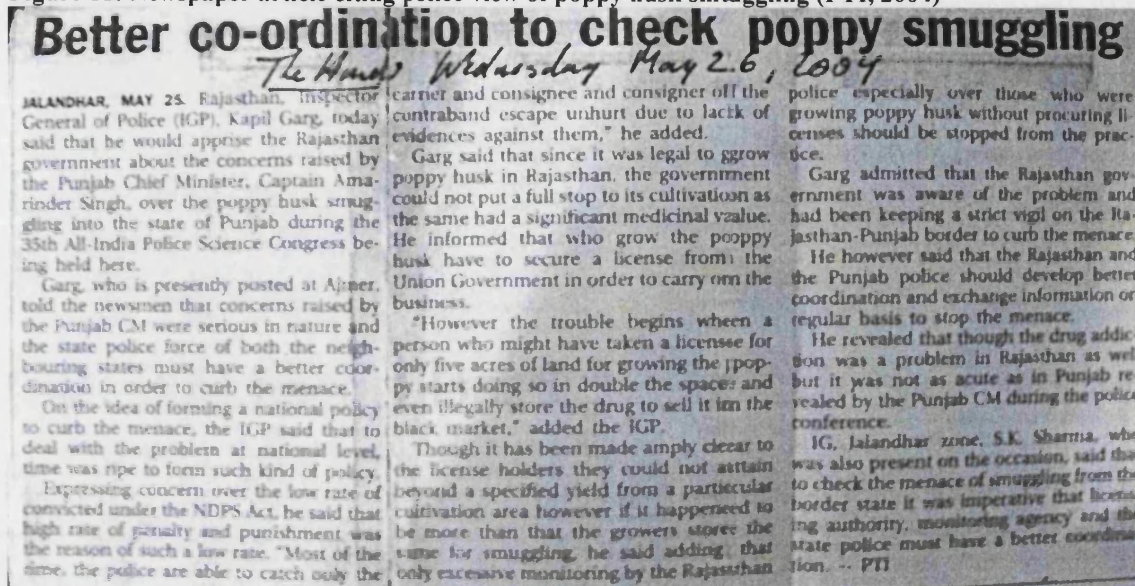
A very high-ranking narcotics (CBN) officer perhaps unwittingly provided me the clearest illustration of how the shortage of resources for prosecution encourages officials to ignore the illegal aspects of the poppy husk trade and drop opportunities to prosecute traders. Just as I was ushered into the official's office for our first meeting, a subordinate officer telephoned him to ask how he should act on detailed information about a truckload of illegal poppy husk that would be passing through his area. Talking in Hindi, which he assumed I did not understand, the superior explained to his subordinate that, given the lack of necessary space to securely store the large volume of poppy husk during the inevitably lengthy trial, he should avoid the seizure. The superior reminded his subordinate in an exasperated tone that their priority was opium, brown sugar, heroin, and other hard ("*tez*") drugs. Acting on the information to make poppy husk seizures would interfere with these

priorities and would convince people that narcotics officials accepted bribes to apply the law only to certain parties. This negative public opinion, the superior continued, would compromise the junior officer and his superiors' careers by fuelling public resentment and spawning newspaper articles about corruption that would provide ammunition for politicians whom they had not helped⁴⁴.

The senior CBN officer's reminders to his subordinate explain a great deal, but this approach it is not just a matter of consequences of their restricted material resources: it has to do with fundamental aspects of narcotics enforcement. Even if the police and narcotics agencies did have warehouses, they would be caught in the same dilemma as they are with hard drugs: in the absence of trained dogs and handlers to conduct rapid random searches, and dogs' noses limited effectiveness in hot dry weather, narcotics law enforcement relies almost exclusively on informants. This draws them into disputes between competing traders or traffickers, or even into rivalries that have nothing to do with narcotics. The police's network of informants is larger and better than that of specialised narcotics agencies, but the police primarily devote this network, along with their other over-stretched resources, to their priority of maintaining the peace. They therefore avoid getting pulled into commercial conflicts which they see as having little to do with maintaining the peace, especially against established poppy husk traders who do not disrupt the peace and who provide operating funds for police. This stance is reinforced by the belief that "even if we do catch them [poppy husk traders], they will bribe magistrates and go free, and even if there is a conviction, it will be of employees who do not matter, and not the big partners or the poppy husk kings". High-ranking Rajasthani police officials have expressed similar views in newspaper interviews (see Figure 11, p.113).

⁴⁴ When the senior official hung up and turned to me, I asked in Hindi if his subordinate was new and inexperienced. The senior official looked startled and launched into a more detailed explanation in English about the difficulties of narcotics law enforcement. I am still not sure of whether he intended for me to hear this conversation or not.

Figure 11: Newspaper article citing police view of poppy husk smuggling (PTI, 2004)



When excise officials and police do occasionally seize poppy husk trucks or stand watch over warehouses, it is because they have been called in by one of the conflicting poppy husk parties and then the other to help settle and control the escalation of a business dispute (c.f. Chapter 5). However, these situations are infrequent, since they also require traders to make more bribe payments. When officials do seize poppy husk trucks, it is usually those belonging to small unlicensed poppy husk traffickers who drive down from Punjab to buy directly from the poppy farmers, and officials do so at the instigation of licensed traders. To manage the poppy husk and wider narcotics trafficking with limited resources, Indian officials resort to a method common to law enforcement practices throughout the world: tolerating big operators who can keep their employees within mutually accepted boundaries, and who also help to catch and prosecute new operators and those who violate the *modus vivendi* between traders and officials. The Rajasthanis with whom I discussed these impediments to systematic enforcement saw them merely as a string of excuses for officials and politicians to neglect their duties and justify their profitable complicity in the poppy husk trade. They might be making excuses in some cases, but it is also true that officials' practical decisions are justified in light of poppy husk's negligible importance in the *de facto* national and international narcotics policy discussed above.

2.4 Traders' political involvement and official secrecy: neither new, exceptionally influential, nor necessarily tied to violence

Traders' political involvement, and even the traffickers' political involvement to which they are compared, is neither new nor exceptionally influential or violent when compared to other businesses. Traders' political involvement does, however, clarify reasons why officials might accept bribes from them and support them by withholding information, and why other officials might release information that might be harmful to them. These political explanations hinge on officials' dependence on politicians' patronage, and are as such not specific to officials in narcotics regulation, but to Indian officials in general. Officials' apparent complicity and secrecy is not, therefore, particular to narcotics nor guaranteed by traders' political influence: it a general symptom of the relationship between the executive and legislative branches of the Indian government.

2.4a Traffickers' political influence and violence: like other businessmen

In spite of criticisms of poppy husk traders' and traffickers' political involvement as a new phenomenon representative of the decay of politics, this is historically not the case. As further discussed in Chapter 4, Hindu liquor merchants and opium traders in search of upward mobility financially supported the Indian National Congress's independence movement, expressed their political views in the idiom of devout Hinduism, and bolstered their authority in their local communities by becoming the patron of events at which they can display their devotion, and received the political support of the politicians that they backed but did not receive extensive powers (Bayly, 1973: 382-5; see also Chapter 3). In a more recent comparison, Udailal's role in the district Congress party mechanism recalls Brass's analysis of "the old [Congress] pattern of aggregating power from the bottom, which enhanced the importance of state and local factions and leaders in the Congress", a pattern that was undermined by Indira Gandhi's top-down system of control (1984: 94) and replaced by a reliance on "existing structures of local power" (1984: 105), whether landlords or, in Udailal's case, successful businessmen. This sheds light on the many local objections to opium cultivation on the grounds that it distorts administrative priorities the social structure. Thus, it is not just Hansen's "affluent elite [of Mumbai that] depend on extensive involvement in the city's murkiest sides: massive corruption, organized crime

and communal politics” (Hansen, 2001: 32): this is characteristic both historically and currently of national politics, whether of the established elite, or of upwardly mobile groups.

On the other hand, association with organized crime does not necessarily mean subordination to it. The evidence presented by those who argued that traffickers “owned” the Chief Minister of Rajasthan actually makes a stronger argument for the limited influence of even powerful traffickers. It seems that politicians like the Chief Minister coerce traffickers into funding their campaigns through unregistered donations and give them very little in return for these donations, since they are able to claim that they lack control over officials who do. In this light, it seems more plausible that politicians in Jhalawar and other parts of Rajasthan extract money from traffickers, but do not really change anything in the overall enforcement system in which officials favour some traffickers over others. Traders do use their limited funds, which are generally far smaller than traffickers’, to illegally support their own or others’ political careers campaigns. The use of illegal funds for political organisations and election campaigns is not exclusive to poppy husk traders, but characteristic of the business of Indian politics in general. Trafficking proceeds simply provide an exotic example that captivates popular attention.

Rajasthanis may be rightly scandalized by occasional heroin-related assassinations, but these are not always seen in due comparative perspective. Land disputes, for instance, can be notoriously violent and involve the “land mafia”, which specializes in buying land at a heavy discount from one of the parties, then intimidating the other parties and bribing judicial officials to settle the case in their favour. In March 2007, a lawyer whom I knew, Giriraj Joshi, was shot dead in front of his office on the main street of Pratapgarh (a town I knew well) for his involvement in a court case against “land mafia”. People in Pratapgarh and neighbouring areas deplored this as a sign of growing disorder, but claimed that it was part of traffickers’ violence even though, according to my most knowledgeable informants, it had nothing to do with narcotics. High-ranking police officers in Jhalawar deplored the attack on the police station as a sign that Rajasthan was becoming “just like Colombia”, but it is not unusual in tribal areas of Rajasthan for Scheduled Tribes to attack police stations in reprisal for a perceived abuse of power.

Traffickers, as knowledgeable law enforcement officials in Rajasthan attest, are far from the most violent of illegal entrepreneurs. At one wedding I attended, I found myself seated amongst a group of police and excise officers, some of whom I already knew. One of them declared that liquor smugglers were the most dangerous, and that he would much rather spend the rest of his life on heroin busts because they mostly ran away or surrendered politely. Liquor smugglers, on the other hand, were almost certain to shoot. When I expressed my surprise, one of the excise officers turned to face me so that I could see the right side of his face and neck where birdshot was still lodged from a liquor raid several days before. These officers were quite sure that poppy husk traders were “gentle people”, and no problem whatsoever. As I show in Chapter 5, traders actually shun violence.

Moreover, the government-trafficker collusion that Rajasthanis claimed in their own state was minor compared to that in Punjab. Visiting well-placed contacts in a remote district of Punjab (“District P”), I discovered that the District Superintendent of Police I met was not only an opium addict, but, along with the police under his command, provided protection and organization to opium smugglers, and often participated directly to fund their mess halls and other expenses. The officer-addict explained to me that he had first come into contact with traffickers when police officers were given funds to use at their discretion in rooting out the Khalistani “terrorist movement”. He, and most other police officers whom he knew to be successful now, had used smugglers and petty criminals to root out supposed terrorists and to do the police’s dirty work, and had kept in touch to their mutual benefit. A young magistrate whom I met in District P explained that it would be absolutely impossible for even an honest magistrate to try to enforce narcotics law, since the police would undermine any judicial order, and politicians and higher bureaucrats would interfere to transfer the honest magistrate to an unimportant post in some remote and unpleasant place. The magistrate explained that this reaction was guaranteed: attacking the opium or poppy husk business would attack the entrenched interests of powerful landowners in the area. Not only is opium consumption a status symbol amongst the big Jat Sikh landowners, they also give poppy husk (locally known as *bhukki*) to their bonded agricultural labourers, who will not accept the bond unless guaranteed a free supply of poppy husk twice a day. In District P, the relationship between trafficking, violence and the

State is far closer than what it is in Jhalawar, since District P's police actively run trafficking, distribution, and the suppression of competitors, whereas politicians in Jhalawar merely benefit from traffickers' donations and are not involved in the business of illegal narcotics distribution and retail.

The word "smuggler", whether used for heroin traffickers or poppy husk traders has the connotation of *badmash*, *bhai*, *goonda*, *daku* and other words that invoke the spectre of organized crime, criminalized politics, and all its perceived dangers. These dangers are not imaginary: as Michelutti points out, increasing numbers of lower-status Indians' participation in democratic processes has not been the "silent revolution" of Jaffrelot's description, but often a violent business in which "new populist lower-caste leaders and local politicians often use violence and political corruption as ways of gaining social justice and self-respect" (Michelutti, 2004a: 474). However, the violent criminalization of Indian politics is far from new or dependent on narcotics. As Brass notes, "The manipulation of incidents of violence by political leaders to appeal to the emotional needs of whole categories of voters has been a central feature of Indian politics for a decade now [i.e. since the early 1970s]" (1984: 106), and the "changes in local patterns of law, order, and violence mean that district politics now cannot be properly understood unless one can unravel the interconnections among criminals, politicians, and the police" (Brass, 1984: 96). This being said, the examples that Brass examines of violence and its political use in two districts of Uttar Pradesh show that politicians and police officers both have little control over predatory and excessive violence of lower-ranking police. This seems very unlike the Rajasthan that I experienced, where the police seem to be far more under the obligation of enforcing the peace and preventing or controlling inter-caste or inter-religious conflict. An analysis of violence in Rajasthan would require a far more focused research project on the changing relationship at the district level between vote-hunting, locally powerful people, and the police, as well as the relationships of important actors to different kinds of power at the state and national levels.

2.4b Secrecy as ordinary bureaucratic practice, not proof of narcotics conspiracy

The limited secrecy and incomplete or misleading public information that does characterise official information about the poppy husk trade, is not, contrary to Rajasthani

opinion, a phenomenon distinctive to narcotics regulation, nor is it proof that officials and politicians can conspire with impunity. Officials and politicians certainly do block access to clear information about the poppy husk trade, but their reluctance to disseminate information about narcotics enforcement and internal debates can be more simply explained by three structural disincentives that they share with other bureaucracies that are not involved in narcotics regulation. There are also, however, bureaucratic structural incentives that are more political in nature and that encourage officials to release restricted information. Thus, the lack of transparency about poppy husk can be explained by ordinary bureaucratic and political processes, as well as by particular practical conditions of narcotics policy enforcement.

The first reason for restricting official data on poppy husk is that detailed information could actually increase the difficulty of narcotics control in Rajasthan. One noteworthy omission in readily available excise data is the omission of the area of cultivated poppy for each excise-licensed zone. Traders need these figures to calculate how much they want to bid for that license, and the Excise Department only gives detailed poppy cultivation figures by license area to the prospective traders who ask. This detailed information, however, is not otherwise openly available. Nor does the CBN, which licenses poppy cultivation, post these data on its website or make them otherwise available: its only publicly available figures are for average opium yields per hectare for each of the three producing states (Rajasthan, Madhya Pradesh and Uttar Pradesh) over the last eleven years; the combined number of licensed cultivators, hectares cultivated, and opium produced by these states in the same period; and the specific areas in each state where poppy cultivation is licensed (*Opium Revenues*, 2006). The central government's Finance Ministry, of which the CBN is a part, also gives data on poppy cultivation for each state on its website⁴⁵, but has no data on the smaller areas that traders need to know for their business plans.

Making detailed cultivation data publicly available might help to dispel popular rumours that poppy cultivation licenses are distributed as political favours by politicians in league with traffickers (c.f. Chapter 5). Excise, police and narcotics officials are, however, rightly concerned that making detailed data public would stimulate violent competition amongst new traffickers and stimulate a boom in narcotics tourism amongst Indian and

⁴⁵ http://finmin.nic.in/the_ministry/dept_revenue/revenue_headquarters/nc-I/index.html

foreign tourists. Both of these would make narcotics control more difficult and damage the very valuable image of the Rajasthani tourist trade, on which many jobs depend. Restricting information, on the other hand, forces aspiring traffickers (whether in poppy husk or hard opiates) to rely on rumour and to talk to people, which increases their vulnerability to the police's network of informants.

The second structural incentive for officials not to publicise narcotics data is that their dependence on political patronage subordinates them to their patrons' sensitivity to potentially embarrassing uses of such information, and their use of secrecy surrounding narcotics-related national security issues to gain political advantages. Detailed public availability of detailed opium cultivation figures by *tehsil* (administrative block) and village would be embarrassing for MLAs, MPs and other elected officials since these numbers would allow people to compare whose constituencies had more poppies. This would allow farmers to hold elected representatives responsible for not ensuring enough poppy cultivation licenses, and allow others to accuse their representatives of colluding with traffickers in promoting cultivation. As already seen, the politicised issues of trafficking are tied to the popular stereotype of the ungovernable and dangerous Muslim *badmash* (gangster) and the association of this figure with Pakistan (c.f. p.78), and therefore subjected to national secrecy laws aimed at controlling threats to the country. This characterisation of criminal threats by caste or religious group is part of a wider classification of castes or religious groups as "criminal castes" that is intended to facilitate law enforcement. Police, civil administrators, judges and advocates all actively use the term "criminal caste" to describe groups and justify their treatment⁴⁶. These unified categories of criminals facilitate the representation of a unified narcotics threat led by Muslims, even though Muslim involvement in any given area is probably not proportionally greater than that of any other group of similar low economic standing in the area. News media are not

⁴⁶ In Chittorgarh district, for example, the peripatetic Banjara and the tribal Minas were referred to as "like a criminal caste, sometimes". Another caste was identified as a criminal caste that specialized in stealing cargo from moving trucks, and yet another caste across the border in MP was identified as the "sex-worker caste". Kanjers were identified as the "real criminal caste" said to have their own secret language, specialized techniques and rituals in robbery that integrated theft and violence into their *dharam*, an ability to cover vast distances rapidly, and special training since childhood to resist police interrogations. This widespread classification of castes in law enforcement reflects a broader phenomenon of caste identification by its relationship to State power and resources, which is currently visible in caste reservations and historically in military recruitment practices (Kolff, 2002).

above partisan influences, and also find it helpful for sales figures to sensationalize supposed links between opium, organised crime and Pakistan-sponsored Muslim terrorism. This combined use of secrecy and caste characterisation are congenial to a Hindu nationalist agenda backed by middle classes that oppose the upward mobility of poorer groups. The restriction of narcotics control information makes it difficult for ordinary citizens to examine the facts for themselves, and this lack of information makes it easier to accept simple conspiracy theories. Like the debates surrounding communal conflicts, narcotics debates are heavily morally charged, and secrecy helps politicians manipulate these more easily to their advantage.

The use of secrecy laws related to national security is not, of course, restricted to narcotics control, but they are closely associated with violent politics. Debates about national security are an integral part of politics, and the use of secrecy in these debates obscures them from public view and allows them to be used for common political rivalries that are unrelated to national security or to issues of narcotics regulation. The official investigations of the Bombay riots and the related subsequent bomb blasts provide examples of how the invocation of secrecy in national security interests has been used for political means. Hansen's (2001) analysis⁴⁷ of the post- Bombay riot investigations reveals a widespread fear of Pakistani and Muslim plots against India, a fear which nationalist politicians manipulated by using the Official Secrets Act and TADA to restrict information in an effort to advance their own positions by occupying the moral high ground as defenders of national security. Hansen presents convincing material to support his view that

⁴⁷ I have used Hansen's data surrounding the Srikrishna Commission inquiry into the Mumbai riots for a different purpose than his own. He portrays the Commission as "launched to reassert the state's authority partly by reorganizing techniques of governance, but also by reconfiguring its legitimacy with the aim of retrieving a myth of the state without which no democratic state can govern" (Hansen, 2001: 36). Hansen's premiss is that the State, and especially "the affluent elite [of Mumbai] depend on extensive involvement in the city's murkiest sides: massive corruption, organized crime and communal politics", but that they deny their involvement, association and responsibility in extreme manifestations of this such as the Mumbai riots (Hansen, 2001: 32). Hansen argues that, for the State to maintain the legitimacy to govern, it must make public performances of its "sublime" nature to make people forget that they also see the "profane", violent and self-serving side of politics. This process demands an identification with "higher forms of rationality or even justice" and a distancing from "the incoherence, brutality, partiality and banality of the technical sides of governance, and through and tumble of negotiation, compromise and naked self-interest displayed in local politics" (Hansen, 2001: 34-6). Hansen overdraws his point by neglecting the many very different kinds of democratic myths of State, and by neglecting people's ability to distinguish the State from the ruling government: a party or leader may be considered illegitimate, but the legitimacy of the State may remain intact.

the government commission to investigate these riots (the Srikrishna Commission) was obstructed by documents being classified in the “interest of the state” and thereby “made into security questions which could not be the object of public production or scrutiny by the [Srikrishna] commission”, all in order to protect the Shiv Sena and its leader Bal Thackeray from criminal charges of incitement to violence (Hansen, 2001: 46). This process shows that the Shiv Sena reacted against charges that would threaten their position of power. Hansen also explains how, in a similar way, the investigation under the Shiv Sena government into the Bombay bomb blasts following the riots invoked secrecy on the grounds of national security; used the provisions of the Terrorist and Disruptive Activities Act to detain, interrogate, torture, imprison and convict Muslim ‘*badmash*’ suspects on the basis of secret evidence rapidly presented in courts closed to the public; and avoided prosecuting customs officials and others who could plausibly have been involved in importing explosive materials (2001: 47-8).

One might think that draconian national security secrecy laws and officials’ dependence on political patronage would cow officials into a prudent silence about narcotics regulation, a silence that Rajasthanis interpret as evidence of secretive conspiracy. In fact, I found that officials were often very helpful in providing official data as well as their personal interpretation of narcotics policy and enforcement, even after having initially brushed aside my requests. Given the quantity and quality of information I received in spite of secrecy laws, there is no cloak of secrecy particular to narcotics, contrary to Rajasthani popular belief. In some cases, the reason for their helpfulness appeared to be their enthusiasm for expressing their views on the topic independently of restrictions; in other cases, their helpfulness appeared to be motivated by a desire to release information that could potentially embarrass their political patrons. Tarlo’s research (see p.123) on the equally sensitive topic of forcible sterilization and slum clearance suggest that narcotics-related officials are not unique in India in their desire to help uncover politically embarrassing information. Of course, establishing sociable ties with officials was also an important part of their helpfulness, but this merits a more thorough discussion in Chapter 5, where I compare traders’ and my own interactions with officials.

Officials almost always began with the precaution of verifying my research credentials to ensure that they were talking to a researcher and not a journalist, foreign

narcotics investigator, or tourist who aspired to trafficking. They sometimes photocopied my visa as a justification for any colleagues who might have heard that they had been talking to a foreigner about narcotics. One of my first such cases was a district Superintendent of Police who spontaneously declared that my research on “smuggling” was very important for the area, and that it was his duty to provide all information I needed. He then exceeded other officials I met when, instead of giving me a letter of introduction to his subordinates, he gave me a letter instructing all subordinates and requesting all colleagues to help me in my research, “so that you will get the correct information”. This SP’s helpfulness was obviously not a result of anything convincing I had said, since I had barely had a chance to introduce myself.

The SP had been concerned that I get the right information, and many other officials expressed their concerns that “people will lie to you” and that I would get the wrong information. This declaration often came just before a lengthy exposition of their own views on narcotics regulation, which usually began after I assured them that I would treat them as a confidential source and not mention their name. Sometimes these expositions were phrased in terms of the official’s desire to prove and denounce to me the high level of official conspiracy and corruption. These denunciations were often accompanied by documents I could not otherwise have learned about or seen, such as the national level expert committee mentioned above (p. 98) that established that there was no legal basis for poppy husk licensing. It was apparent in many of their explanations that officials resent the way in which their political patrons (whom they often see as incompetent crooks) manipulate them and “improperly interfere in our work” for which they trained and competed so hard for. Some denounced this interference as a breach of the division between legislative and executive powers, or judicial powers in magistrates’ situation. Undermining politicians’ power by leaking inconvenient information might therefore be satisfying as well as potentially useful in redressing a perceived imbalance in power, or at very least useful for dissociating themselves from corruption and placing the responsibility on politicians.

In many cases, officials with whom I spoke denounced their colleagues as “smugglers” and recounted incidents (even referring to specific narcotics prosecution cases) to support their argument. Narcotics officials were even willing to discuss apparent

discrepancies in warehousing and production figures from their opium factories. In my archival research at the Excise Department, I could never have found the necessary files without the goodwill and patience of the lone IT specialist to examine the new and partial database, and clerks' willingness to search through closets and shelves packed with files wrapped in saffron cloths and often damaged by water or mould. These clerks' interest was perhaps more motivated by curiosity about me and my research and boredom with their ordinary days.

Many people told me that the records and data I was looking for did not exist since they would compromise officials and politicians. However, like Tarlo, I found that while documents were often neither transparent nor accurate, they did reveal relevant bureaucratic processes in these through their terminology and the way they organize data and claims, even if these documents were created to record other processes (Tarlo, 2001: 86, 75, 79). Again, like Tarlo, who investigated "a moment of national shame" (2003: 19), my ability to access and interpret potentially embarrassing records was made possible by bureaucrats' willingness to spend the time to find the right documents and to explain the actual meaning of jargon and the unofficial procedures they were actually associated with (Tarlo, 2001: 79). Although the officials and clerks I met took pride in identifying their courtesy and hospitality as characteristically Rajasthani, my experience is similar to that of other researchers' in other parts of India, confirming that the secrecy surrounding narcotics is not only far from complete, but that the dynamics and limitations of bureaucratic secrecy are not particular to narcotics regulation: they are related to wider Indian administrative structures, and to bureaucratic dynamics more generally.

Chapter Two Conclusion

This chapter showed that there is little factual basis for the popular claim that poppy husk traders' participation in narcotics trafficking gives them exceptional revenues, provides them with extraordinary control of officials and politicians, or makes them any more violent than other entrepreneurs. In fact, traders are much like other Indian entrepreneurs, just as the officials who regulate narcotics are not very different from officials who do not. It is neither profit nor business itself that Rajasthanis condemn as dirty or improper, but the unfortunate reality of its association with corruption and violence. The same is true of their view of politics and government. Ideas about caste

purity, the pollution of different substances, and the relationship of these to social status do play a role in how people see traders, but these ideas are not necessarily expressed consistently, and do not explain how traders, and traffickers are seen differently.

Comparisons with existing literature on corruption suggest two conclusions about this Rajasthani perception of corrupt conspiracy between traffickers and the State. The first, drawing on Osella and Osella's analyses of accusations of corruption, is that understanding the processes of corruption and how to use them for one's benefit is an attribute of worldly wisdom (*buddhi*) that defines a socially competent adult. Those who believe in politicians' and officials' disinterestedness are seen as child-like, naïve and likely to be taken advantage of (2001: 149-150). Needless to say, a reputation for naïveté is harmful for a businessman or politician, and this might explain why even Rajasthanis unfamiliar with trafficking do their best to appear knowledgeable about the secretive realm of narcotics conspiracies. The second conclusion draws on Gupta's statement that accusations of corruption, "by marking those actions that constitute an infringement of such rights [ie State employees' accountability to citizens], thus acts to represent the rights of citizens to themselves" (Gupta, 1995: 389), a perspective echoed by Fuller and Harriss (2001: 13), and Corbridge and Williams (2005: 197) and others.

Both of these perspectives about accusations of corruption implicitly assert that the social importance and reality of these accusations do not depend on factually accurate knowledge of corruption, but rather depend on people's ideologies of what a competent person and the State should be. Individuals may instrumentally vary their emphases on their canniness or their rights depending on their personal proclivities or the situation, but both emphases help to explain a propensity to presume corruption rather than rectitude, and suggest a moral basis for these beliefs. In a similar way, Fuller and Narasimhan (2007) suggest that criticism of IT professionals is moral in nature because these people are not substantially different from professionals who escape these criticisms. Chapter 3 will explain how the moral basis for the popular differentiation of traders from other entrepreneurs hinges on popular Rajasthani prescriptive beliefs about the State. The effects of the popular opinion of traders are further discussed below in the description of traders' family lives and backgrounds (Chapter 4), and in the description of their business and social interactions (Chapter 5).

Chapter Three::

The Moral Logic of Condemnation:

Opium Poppy Husk Traders, Corruption and State Legitimacy

Don't be so gloomy - after all, it's not that awful. It's what the man said: in Italy for a hundred and thirty years under the Borgias they had warfare, terror, murder and bloodshed and they produced Leonardo, Michelangelo and the Renaissance. In Switzerland, they had brotherly love and five hundred years of democracy and peace - and what did that produce?? The cuckoo clock."

-'Harry Lyme', *The Third Man*

Introduction

The previous chapter described a variety of complex accusations of corruption, and this chapter aims to provide a plausible explanation for what might make these accusations specifically Rajasthani and distinguishable from comparable accusations elsewhere in India and the world. In the accusations of corruption described in the previous chapter, the accusers may be claiming that they are worldly-wise and in possession of special and recondite knowledge, but they are also claiming that elected or appointed State officials, suborned by traffickers' power and money, are not fulfilling their duties and are instead perverting their power for illicit and illegal gain to the detriment of the people. The accusations in Chapter 2 show that Rajasthanis consider themselves justified in expecting that State officials should act to protect the people, and in the people's best interests, and that they should not use their power for personal gain at the expense of the welfare of their people. The accusations of some that poppy husk traders, and "traffickers" in general, are an extraordinarily corrupting and violent threat, appears to also be based on un-stated moral principles since traders and traffickers are not, in fact, much different from other Indian businessmen in their capacity to corrupt. This chapter responds to a need to identify and explain plausible and locally distinctive moral grounds for why Rajasthanis might consider their expectations of the State to be justified. These same local moral ideals will also help explain why Rajasthanis condemn traders and traffickers' allegedly high level of influence over the State.

To begin looking for a moral basis for a shared Rajasthani view of corruption, I first address a predominant strain in analysing accusations of corruption in India. This current explains accusations of corruption as the result of an imported and adopted "Western" or

“Weberian” notion. In its strongest form, the Weberian ideal type of impersonal bureaucratic government assumes the separation of public and private goods, which is seen as dependent on the separation of official and private personae⁴⁸. The accusation of corruption is, according to this logic, an accusation of a violation of the moral boundary between public and private goods, or between official duty and private interests. A number of analyses that follow this approach treat accusations of corruption in India as a recent and imported phenomenon. These explanations do not explain how such an ideological accretion occurred; nor do they explain how these accretions might be integrated with local beliefs; nor do they identify what is specific to and distinctive of accusations of corruption in India and its different regions⁴⁹.

A second approach to understanding accusations of corruption, which I follow in modified form, identifies popular local moral logics, situates these in the larger framework of a given society’s ideologies, and identifies these logics’ prescriptive conditions of legitimate power – the socially understood duties of those who hold State positions. Some of these studies argue that Hindu tradition identifies the realm of politics as intrinsically part of the profane realm of *artha*, and therefore separate from the moral realm of *dharma*. This view, which seems to preclude the notion of moral politics, makes it analytically difficult to explain popular Indian accusations of corruption, which imply that politics *should* be moral. Fortunately, other studies, notably two on popular South Indian festivals, show how people in different parts of India elevate the ideal of kingship to the level of the sacred, associate current politics with notions of ancient kingship, and thereby provide a local moral basis for shared principles of legitimate authority and corruption. I extend this last approach to the examination of Rajasthani political ideals by beginning with two extremely popular and characteristically Rajasthani annual festivals. The first is the

⁴⁸ Although modern ideals of democratic government require the division of public and private goods, this separation does not depend on an individual’s exclusion of his social personae from any official roles. Indeed, many anti-corruption campaigns, such as those of the OECD, the World Bank, or Transparency International, implicitly separate the principle of impersonality from the principle of division of public and private goods. This allows a focus on the practical and enforceable means for attaining the desired goal: strengthening the public’s ability to hold officials accountable for embezzlement or unjustified preferential allocation of public funds. Enforcing the principle of impersonality would hobble these efforts by crippling bureaucracies: it is well understood that, since bureaucracies become paralyzed without personalised sociable interactions, the rigorous implementation of impersonal rule would be counter-productive.

⁴⁹ Not addressing the issue of specificity would imply that the argument is a universal one, and that there are universally accepted and manifested common moral standards of legitimate authority.

widespread popular veneration at an annual festival of the legendary king, Maharana Pratap, who ruled Mewar from 1572 to 1597 (Erskine, 1992 [1908]: 20-1). The second is the annual festival commemorating historical instances of the self-sacrifice of *johar*⁵⁰ at the citadel of Chittorgarh. Both festivals point to a shared Rajasthani view that kings and rulers have their legitimacy through their willingness for self-sacrifice and self-denial more generally. This ideology of legitimate power suggested by these festivals is not limited to Rajputs and associated castes on whom the festival narratives and myths focus. Indeed, the highly financially and commercially influential Jain community has a strong belief that partial renunciation or self-sacrifice provides transcendent status through the imitation of the moral ideal of the self-renouncing warrior-king-ascetic. Analyses of royal courtly rituals further suggest that an association of politics – and the ruler – with asceticism, or even aspects of asceticism such as self-denial or self-sacrifice, elevates statecraft to the moral realm of *dharma* from the worldly, interested and profane realm of *artha*. This does not mean that the ideal ruler is considered to be an ascetic, but that the ideal ruler is associated with ascetics and aspects of ascetic practice. This moral elevation by association appears to give the practice of politics transcendent status, give the ruler morally legitimate authority, and define worldly matters of public interest as virtuous and morally separated from self-interested gains.

This locally distinctive explanation for the moral elevation of politics does not appear in Rajasthanis' accusations of State narcotics corruption that I heard as an explicit or implicit demand that State officials be like the mythologized self-denying rulers of old. Instead, the association between notions of traditional rule and criticisms of current practice is more abstract: the accusations described in Chapter 2 demand that modern-day rulers, the *sarkar*, not use their positions of power for their own benefit, especially when this harms the people whose interests they are meant to protect and advance, or when it puts the officials at the service of purportedly violent and self-interested people. These claims are similar to the popular Rajasthani understanding of ideal, legitimate traditional rule as characterised by a self-sacrificing ruler who protects the interests of his people and only

⁵⁰ *Johar* is often used to denote both the last suicidal charge of the warriors of a hopelessly besieged fortress (independently known as *saka*), as well as the self-immolation of the remaining Rajput women and children living in the fortress.

uses violence for moral purposes – and certainly not for selfish gain. It is not unreasonable to assume that the sanctity of this traditional and popular ideal provides implicit legitimacy for contemporary Rajasthani accusations of corruption regarding narcotics and other matters.

I do not claim that such popular Rajasthani notions of traditional kingship and rule are historically accurate or that they are continuous norms: it would be outside the scope of a thesis concerned with explaining the lives of poppy husk traders to research historical norms of political morality or to examine whether the notion of “public goods” existed in historical South Asian polities. Fortunately, such a difficult historical claim is not necessary for an argument that is concerned with local popular beliefs about traditional rule and their plausibility as an explanation for local views of legitimate and illegitimate power. It should also be clear that the popular Rajasthani view that I present of the ideal ruler is *not* the only popular ideal of government; nor do I claim that it is an *exclusive* explanation for norms of legitimate power and claims about their violation: this popular Rajasthani view is compatible with a variation of the “Weberian” separation of public and private goods, and even shows how such a Weberian view might be seen as familiar and thus take root in popular political imagination. In spite of the above caveats, this shared, popular, and very Rajasthani moral understanding of legitimate power and the self-sacrificing king makes it possible to do what the existing relevant literature does not: to explain how, in the absence of shared or accurate facts, Rajasthanis make very similar accusations of State narcotics corruption, accusations that focus on State officials’ abuse of power and alliance with illegitimate violence for their selfish gain and to the detriment of the public. This perspective later helps in Chapter 4 to clarify poppy husk traders’ own qualms about their work and to explain outsiders’ condemnations of their upward mobility. In Chapter 5, this same popular view provides a plausible basis for explaining the moral bases of authority and collaboration in traders’ high-risk business.

3.1 Two strains in the literature on corruption: corruption as a recent foreign concept v. local ideologies of corruption.

A persistent strain in the literature on corruption in India is the idea that the condemnation of corruption requires a pre-existing acceptance of a Weberian prescriptive norm of impersonal bureaucracy. The literature that follows this approach treats

accusations of corruption as foreign and recent. A more useful strain identifies locally rooted or “traditional” ideologies that are associated with people’s views of corruption.

In the first case, Saberwal, Kaviraj and others are an example of authors who have asserted that Indians do not accept the supposedly foreign norms of impersonal government and division between public and private goods (c.f. Fuller & Harriss, 2001: 8-10). Others, such as Fuller & Harriss (2001: 8-10), imply that the division of public and private goods is a foreign concept that has *taken root* in India. Parry states that increased complaints about corruption indicate “that it [corruption] subverts a set of values to which people are increasingly committed”, which implies that these are newly valued or newly supported (Parry, 2000: 53). Gupta sees Indian condemnation of corruption as “postcolonial”, and therefore new, citing the post-1947 development of anti-corruption movements (Gupta, 1995: 338-9).

It is unreasonable, however, to claim that denunciations of corruption flow from a “Western” ideology, and that such denunciations are therefore deeply rooted in the West but stunted in India: these ideals (not to mention the practice) are not, in fact, strongly established in Europe. Notably, Cris Shore describes EU Commission members as explicitly rejecting norms of impersonal government, division of public and private goods, and accountability on the grounds that they are alien, and allowing more than 17 billion Pounds Sterling to disappear unaccounted for “because it was not Commission practice to keep records of expenditures” (Shore, 2005: 142)⁵¹. From a more historical perspective, Gupta’s view confuses the ideological basis for the *perception* of corruption with post-1947 *activities* against corruption. Not only can perceptions be independent of anti-corruption activities, but it is clear that anti-corruption activities were observable in South Asia well before 1947, both by people of European and South Asian extraction⁵². Not only are these

⁵¹ This kind of fiscal accountability is, after all, the practical means for promoting the proper use of public funds and hindering politicians’ embezzlement or diversion for their own particular use.

⁵² The Cornwallis reforms of the late 18th century, for example, explicitly targeted corruption, and, in an effort to avoid corrupting conflicts of interests amongst administrators, created a well-paid and pensioned civil service barred from participation in private trade (Metcalf & Metcalf, 2002: 58-9). Richards’s article on the 1895 Royal Commission on Opium (Richards, 2002) discussed in the thesis introduction shows that these views about corruption and conflict of interest were not just confined to the foreign-born South Asian population: Indian representatives repeated a popular Indian understanding that efforts to change or ban opium production were unfair and corrupt machinations designed to deprive them of profits and to pander to interests that would profit from introducing a greater consumption of alcohol.

explanations of corruption as a foreign notion internally inconsistent, they also fail to explain the basis on which Rajasthanis make accusations of corruption, on what bases they view power as legitimate, and how these views might be similar and different to those of other people.

A more useful current in the literature on corruption identifies local moral logics that underlie the shared principles by which people appear to justify or condemn corruption. De Sardan, for example, explains popular accusations and justifications of corruption in terms of locally specific moralities of gift exchange. He argues that, in West Africa, bribes and corrupt practices are widely acknowledged to be illicit, but are also accepted and largely exempt from condemnation because they are widely justified by a local “morality of corruption”. This moral logic is based on local social moral obligations to give a variety of distinct kinds of ritually-prescribed gifts on specific occasions and to specific categories of people. If a person refuses to participate in this social network, he will become “the cause of a scandal and his reputation soon becomes detestable” (Sardan, 1999: 41)⁵³. Whereas de Sardan explains the moral justification of corruption rather than its condemnation, Parry explains the condemnation of corruption in terms of the local moral classification of specific kinds of gifts in India, and on the basis of Brahminical texts and traditions that are generally regarded as an important part of tradition in Bihar and in India more widely⁵⁴. I will explore this example more closely since it appears to offer a moral basis for understanding corruption that could also be shared by people in Rajasthan.

⁵³ De Sardan is not ideologically deterministic in his explanation of corruption: he combines his description of local ideologies with an explanation based on institutional structures and the confusion produced by the accretion of different legal and administrative systems, which makes negotiation necessary in any interaction with the State and thereby favours corrupt practices (Sardan, 1999: 37). The wide network of moral connections created by the ordinary exchange of gifts creates the normative basis for these negotiations, and allows a person to gain necessary favours from officials and politicians. Unless part of this network, a person must resort to what is considered a direct monetary purchase of a required service, which is more costly and might require a broker who does have the right moral connections to the official in question (Sardan, 1999: 38, 41).

De Sardan’s main weakness is a mistaken assumption that monetarization affects all societies equally and encourages corruption by substituting money for ritually-prescribed traditional gifts of objects (Sardan, 1999: 39). As Bloch and Parry (1989: 18) note, “the extent to which either money or the capitalist market ‘ushers in a world of moral confusion’ is culturally extremely variable, and depends – as our collection repeatedly shows – on the nature of the system they confront and on the mechanisms it is able to develop for ‘taming’ and ‘domesticating’ them”.

⁵⁴ In a similar vein, Appadurai incorrectly claims that “in Indian society, giving is axiomatically (even if temporarily) the sign of superiority and receiving the sign of inferiority (Appadurai, 1985: 237). This analysis

Amongst other related examples, Parry recounts how people in Bihar alleged that the extreme corruption of one of Bihar's Chief Ministers made his corpse too polluted to burn properly on his funeral pyre. Locals equated the pollution of the Minister's corruption to the ritual and bodily pollution incurred by a Brahman priest who sells spiritual salvation for gifts (Parry, 1989: 69). Thus, people in this context talk of corruption as causing spiritual pollution that manifests itself as bodily pollution, especially in a corpse's vomiting excrement upon cremation. In the case of the Chief Minister, bribe-money was equated to a very specific kind of polluting gift, *dana*, which makes the bribe-money a conduit for the sins of the giver. Giving *dana* demands the rejection of any possibility of reciprocity, because even the thought of return would morally pollute the giver by undermining the divine logic of salvation⁵⁵. Taking *dana* makes the receiver responsible for the sins of the giver. In addition, using these gifts for any personal benefit other than ritually prescribed pious and disinterested purposes means that one accumulates a giver's sins like a cesspit, rather than allowing them to pass through like a sewer. This logic is popularly understood as local or traditional in that it is directly related to condemnations in ancient Brahminical texts of the breach of the *artha/dharma* divide.

Notwithstanding its usefulness for explaining the views of the people cited in Bihar, this logic of *dana* raises an important problem in explaining the accusations of State corruption described in Chapter 2. Condemning a corrupt politician on the moral logic of *dana* requires an equation of the bribe to a specific moral category of defiling gift, making this accusation about the nature of the gift and the violation of morality of exchange, but not about a breach in the morality of the State. The *dana* logic of corruption makes it hard to find any moral basis for condemning the State's deviation from moral obligations since it makes an *a priori* classification of the entire "worldly" sphere of government as immoral. As already seen, the logic of *dana* is predicated on a moral separation of the worldly from the other-worldly. This "radical opposition between this world and the other world [implicit in an ethicised salvation religion] is likely to encourage [a clear separation between status

wrongly assumes that all prestations are equivalent and commensurable. In fact, Indians, like the Keralans that Osella and Osella describe in their analysis of corruption, make a clear linguistic differentiation between gifts, donations and bribes (2001:149).

⁵⁵ Dana is "a liberation from bondage to it [the profane world], a denial of the profane self, and atonement for sin, and hence a means to salvation" (Parry, 1986a: 468).

and power] and make the temporal rulers dependent for their legitimization of their power on those with transcendent authority”, namely Brahmans⁵⁶ (Parry, 1998: 167). As Dumont argues, the separation of transcendent status from worldly power means that the political field is “severed from the realm of [moral] values” and therefore cannot be moral in and of itself (Dumont, 1980 [1966]: 304)⁵⁷. This moral standard, of which the logic of *dana* is a part, does not distinguish between different kinds of worldly power and politicians as being corrupt or not: under this logic, accusations of corruption can only be to denounce a breach of the division between transcendent spiritual status and worldly power created by using worldly power to gain other-worldly status, such as giving *dana* with this intent.

Nevertheless, the moral concept of an *artha-dharma* divide (and an amoral political field) does not, as Corbridge and his co-authors note, explain the fact that “most villagers do not see politics as being part of the moral high ground, but this doesn’t mean they give *carte blanche* to their representatives. Local politicians draw tactically on a range of ideas about moral duty to justify their behaviour, and the mobilization of a discourse about corruption is [...] one important means by which the idea of a sublime state is communicated to a wider public” (Corbridge, Williams et al., 2005: 197). This highlights a need to identify the basis of a popularly ideal of the “sublime state”, as does a large body of ethnographic literature that describes how Indians in different parts of India do talk and act as if they believed in the separation of public and private goods (see, for instance, Corbridge, Williams et al., 2005; Gupta, 1995; Jenkins & Goetz, 1999; Parry, 2000). However, identifying a popular tradition of a moral ideal of the State would seem difficult

⁵⁶ Parry argues for Dumont’s model by which Brahmans have the highest status in Indian hierarchical social ideology because of the apparent logic that a caste’s status is proportional to its ideological independence from lower castes. Consequently, Brahmans, through their superior capacities, encompass all the lower-status castes’ functions rather than existing in a complementary (and therefore semi-dependent) relationship to them. An extreme example of this argument is the world-renouncing ascetic’s status supremacy and independence from all other castes: it shows that moral status can be completely separated from any kind of social power or status (Parry, 1998: 166). Thus, the Brahman may be the highest caste, but the world-renouncer’s all-encompassing nature constitutes the highest individual status position.

⁵⁷ “Being negation of *dharma* in a society which continues to be ruled by *dharma*, the political sphere is severed from the realm of values. It is not in the political sphere that the society finds its unity, but in the social regime of castes (Bouglé). The system of government has no universal value, it is not the State in the modern sense of the term, and as we shall see, the state is identical with the king. Force and interest work only for strife and instability, but these conditions may thrive without anything essential being put into question; much to the contrary, social unity implies and entertains political division.” (Dumont, 1980 [1966]: 304)

in the face of claims that “because all killing is impure and violates the ascetic-Brahminical ideal of non-violence, a warring king and his soldiers are inevitably tainted by sin and pollution”, creating a moral tension between the pollution of waging war [and other inevitable violence] on one hand and the king’s moral obligation to expand his kingdom on the other, or a tension between *artha* and *dharma* (Fuller, 1992: 124-5) which only the Brahman can bridge and make whole. What, then, is the moral logic and basis for how villagers justifying the way they hold their leaders to moral standards?

3.2 A third strain in literature on corruption: manifestations of popular ideologies of a moral State

There are several examples to follow in identifying how different elements of the Indian public ascribe moral values to the political sphere, and how these values legitimise the identification of corruption. Michelutti (2004b), for instance, documents the ideological basis, including recently developed origin myths, by which the politically powerful Yadav caste in Uttar Pradesh legitimise their instrumental views of politics the State, and their relationship to the two. Michelutti’s analysis provides a vital basis for the local *justification* of practices of corruption like self-interested bribery and rent-seeking (much like de Sardan). On the other hand, Osella and Osella’s and De Neve’s studies of kingship ideologies expressed in festivals show how these ideologies establish the political sphere as moral, and demand that leaders imitate a divine standard of selfless patronage. After briefly discussing these examples, I go on to show that comparable popular kingship ideologies are also expressed in popular Rajasthani festivals, and are compatible with popular understandings of the historical traditions of ideal moral rule.

The highly politicised and contested Keralan myth of the deity King Mahabali, and the patronage dynamics connected with Mahabali’s annual festival of Onam, dominates how Keralans construct their understanding of government in terms of ideals of fairness and equality (Osella & Osella, 2001: 141, 147). The predominant and low-caste interpretation of the Mahabali myth, on which Osella and Osella focus, emphasises “the rule of Mahabali as an egalitarian time, when people were *onnupole* (‘like one’, ‘equal’), and there were neither caste nor class differences”. This interpretation that “explicitly links differentiation to high-caste exploitation of the innocent and sincere. Inequality is de-naturalised and linked to a primordial act of cheating, such as that of Mahabali by Vamana

[the Brahman dwarf]” (2001: 142)⁵⁸. For those who favour this interpretation, “the festival is about the annual reconstruction of a particular moral order and is akin to other religious festivals such as goddesses’ festivals in Kerala or Dasara across India” (2001: 142). Keralans use this festival and myth to criticise all sorts of inequality, government unfairness, “cheating” or corruption, and general immorality. By judging pageants and boat races, members of the *sarkar* (government) seek “identification in its morally-concerned endeavour with Mahabali’s just rule, while, by sleight of hand, political leaders take on the mantle of Mahabali himself, becoming the embodiment and repository of cherished national values” (Osella & Osella, 2001: 145).

In the Osellas’ example, the fact that Keralans may accept bribe-giving and taking as normal shows that the transaction itself is not what Keralans focus on when they make explicit accusations of corruption. Keralans accept “that cheating is part and parcel of everyday living”: “‘sincerity’ is an essential moral quality, [but] it leaves one exposed to the trickery of others,” and honest people are rare “because there is very little to be gained by being sincere” (Osella & Osella, 2001: 149). Thus, taking or giving bribes is not itself condemned: Keralans accept that giving bribes is the smart way to attain one’s goals, and Keralans also accept (in keeping with *onnupole*) that everyone has similar needs and desires to increase their well-being (Osella & Osella, 2001: 151). What Keralans *do* condemn is when others disregard *onnupole* by showing no concern for the plight of others, whether by not doing what they have been bribed to do, or by refusing to accept bribes or compromises that create mutually acceptable solutions. Winning by cheating in a contest is seen as a severe breach of *onnupole* because it denies others their due (Osella & Osella, 2001: 151). Accusations of corruption and cheating follow the moral logic expressed in the festival of Onam and the value of *onnupole*, and therefore assert that a leader or patron is not fulfilling his obligation to meet the divine standard of acting in a fair, egalitarian, generous and understanding way (Osella & Osella, 2001: 151). Consequently, “in Kerala, through Onam and the Mahabali myth, the state government and citizens alike struggle to

⁵⁸ The numerically smaller Nayar caste, “members of the local non-Brahman landed elite”, prefer a version that sees the overthrow of King Mahabali as the “Dravidian” landed elites’ loss of power and status to north Indian Brahman immigrants. More conservative Nayars who are tied to Hindu nationalist organisations refer to the rule of King Mahabali as a golden era when people would work sincerely, and there were labourers did not form unions (Osella & Osella, 2001: 142).

constitute themselves and each other as legitimate moral agents, in a relationship constructed in familial idioms of patronage and connectedness” (Osella & Osella, 2001: 156). A leader criticised on these grounds has the choice of making amends or of losing the divine sanction for his authority.

De Neve’s analysis of the low-status Vanniyar weavers and dyers in Tamilnadu reveals similar ideological bases for accusations of corruption. Here too, bribes are accepted as an undesirable but inevitable part of life, and moral condemnation is reserved for the government’s purportedly deliberately enacting arbitrary and restrictive environmental rules and using these to “give [Vanniyar] producers ‘a hard time’” (De Neve, 2005: 277) in order to subjugate them and force them back into their previous position. Vanniyars accuse the local Gounder [caste] MLA of promoting this unfairness, and see low-level government officials as complicit in selectively using regulations against smaller Vanniyar producers whilst accepting bribes from Gounders to allow them to flout regulations and gain an unfair competitive advantage (De Neve, 2005: 279-30). De Neve describes a pervasive local and Vanniyar “discourse about the ‘entitlements’ of the employers to be informed [of environmental regulations in a comprehensible and timely manner], to be treated fairly and impartially, and to receive appropriate assistance”, and the duty of the government to meet the “rights, needs and entitlements” of the people” (De Neve, 2005: 281).

Using reasoning similar to Osella and Osella’s, De Neve links the Vanniyars’ prescriptive views of the State to the ideology of kingship and legitimate authority manifested in local popular festivals, in this case, tutelary deity festivals. As in Kerala, these festivals are occasions for political competition, but also events “at which patron-employers compete for [political and labour] constituencies and in which upcoming manufacturers try to establish themselves as local ‘big men’ and patrons” (De Neve, 2005: 240). These politicians and employers are seen as being in the tradition of historical rulers competing with each other for the honour of funding temple festivals to legitimise and express their kingly status, and to exclude others from it (De Neve, 2005: 244-247). As De Neve notes, “the rise of lower-ranking caste groups, such as the Vanniyars, has further entrenched the competition for labour, ritual status and political power” (De Neve, 2005: 253).

This contemporary role of the festivals in legitimising power means that, even with the absence of ruling kings, the festivals are as important as ever, especially as a vital mechanism for upward mobility. The local 'big man' and patron's position is related to the older image of the authority of kingship. Just as the king's legitimacy was "predicated on his ability to incorporate and 'protect' all those under his realm", so the contemporary patron's "authority and economic power depend on his capacity to integrate the entire local community, and not only the members of his own caste group" (De Neve, 2005: 272). Moreover, these festivals that once reinforced the dominance of upper castes now justify the efforts of less materially powerful people to compete for authority and criticise leaders: the explicit criticism of using wealth in these rituals, the importance of individualistic devotional ascetic rituals, and the expansion of participation to more groups all increase the competition for positions in the festival, and provide moral sanction for competing for political power and upward mobility (De Neve, 2005: 249-252, 257-258). Thus, the moral logic expressed in these popular temple festivals provides an implicit legitimacy for Vanniyars' complaints, accusations of corruption, and expressions of what the State should and should not be doing – even if the Vanniyars whom De Neeve cites do not explicitly refer to the abstract ideals of kingly patronage in their complaints.

Popular local kingship ideologies expressed in these South Indian festivals are a plausible explanation for what constitutes the legitimacy of accusations of corruption in both of these areas. These ideologies portray legitimate authority as flowing from the ruler's association with the moral order of a selflessly generous divine patron. This popular standard with the sanctity of tradition can therefore be instrumentally used for classifying leaders as good if they take care of each group's needs, but as bad leaders if they promote their own needs or the needs of one group to the detriment of others'. Even if legitimacy by these logics inheres within the person of the patron-king (divine or otherwise, elected or not), this allows leaders to be held to a supra-human ideal of kingship to which ordinary people are not, which justifies a separate and higher moral standard for leaders and a consequent separation of the moral political domain from the profane ordinary life. People can now invoke these kingship precedents in a democratic state where, unlike in historically prior kingdoms, people are legally equal in their right to participate in running the State. As part of the demands of contemporary political institutions, the public festivals

described above force leaders to compete in a public display of these values of divine patronage, generosity, caring and egalitarian treatment.

In this way, leaders in the secular and bureaucratically administered democracy of India are held to task by people who implicitly or explicitly use kingship ideologies of personal rule based on religious standards. While “these local discourses on the pervasive immorality of everyday life do not stand in any simple relationship to (supposedly) external ones about ‘corruption’” (Osella & Osella, 2001: 149), in part because of their expression in terms of a language of expectations of benevolent patronage, it is nevertheless evident that they can be used for the same objectives. Indeed, political parties (especially those on the Left) that rely on low-caste votes, and aim to improve the lot of traditionally exploited groups, are seen as using this version of the legend of Mahabali as a way of uniting their supporters, legitimizing their aims, and attacking their opponents as politically illegitimate⁵⁹.

3.3 Popular Rajasthani views of kingship and asceticism: a moral logic of legitimate power and the division between public and private goods

In a manner comparable to the South Indian examples discussed above, popular Rajasthani ideals of kingship establish the State as a moral sphere by elevating the ruler to moral status through his association with the ascetic’s world-renunciation and disinterestedness. In Mewar, the legend of Maharana Pratap, strengthened and popularised at annual festivals, dominates the Mewari ideal of ruler and government. These festivals, held throughout Mewar on Maharana Pratap’s birthday, portray him as the ideal ascetic-king. The influence of this image of Maharana Pratap extends beyond the Mewar into the rest of Rajasthan. Ideologies of the Jain community, influential throughout Rajasthan, also bind the ideal of the warrior-king with the ideal of the ascetic, and tie the transcendent status of the ascetic with that of the king. This widely understood association of the ideal ruler with asceticism emphasises that the ruler’s transcendent moral status depends on his personal relationship to ascetics or acts of renunciation. This relationship ideally constitutes him, and the political field in which he operates, as a part of the moral domain of *dharma*.

⁵⁹ Brahmins complain that “since Kerala became part of the Indian Union, both Communist and Congress-led governments had distorted ‘egalitarian’ interpretations of the Onam myth for ‘propaganda purposes’” (Osella & Osella, 2001: 141).

This elevation into the realm of *dharma* separates the ruler from the denigrated realm of self-interested personal gain. In addition, the Jains' promotion of partial ascetic renunciation as a means to transcendent status encourages the view that rulers need not go to the ascetic extremes of self-sacrifice, but can integrate ascetic renunciation into the daily business of rule, and can do this without being a Brahman. The importance of the kingly attributes of self-denial and disinterestedness in worldly comforts is reinforced in the public eye by the annual *johar* commemoration, by legends about Ram, by popular understandings of coronation ceremonies, and by the position of the Maharana as the *dewan* (prime minister) of Eklingji, a form of Shiva and the dynasty's tutelary deity. All of these mutually reinforcing strands of popular kingship ideology, some better known than others, give Rajasthanis different ways to justify their claims that all rulers participate in a moral field, and that ordinary people can therefore legitimately hold them accountable for their use of public resources and any breach of the moral ideals of kinship.

Maharana Pratap is popularly portrayed as an ideal and selfless ruler who renounced the comforts and honours he could have had by submitting to the Mogul emperor Akbar. Instead, he chose the harsh life of a guerrilla to defend his people against the invader. That he is idolized as an ascetic warrior-king and considered a minor god is evident to anyone who attends the annual Maharana Pratap Jayanti (Maharana Pratap Birthday) celebrations and processions held in most towns in southern Rajasthan⁶⁰. The larger celebrations are attended by high-ranking administrative and military officials as well as politicians. These events are organised by Rajputs, who take particular pride in the occasion, but many other Hindu and Muslim castes also participate in the processions, sports competitions and speeches. Speech after speech at these festivities exhort the large audiences to venerate the memory of Maharana Pratap by imitating his virtues: courage, leadership that united and protected all castes and religions, and the renunciation of luxuries and selfish gain.

⁶⁰ The Mewar Gazetteer's describes Maharana Pratap as "a Rajput whose memory is even now idolised by every Sesodia [the ruling and dominant Rajput clan in Mewar]" (Erskine, 1992 [1908]: 12). I discovered this when I was invited to give speeches at two such occasions in Gopalpura, and when two friends helped me write my speeches. One, a town-living Brahman with many farmer friends, rejected the other's rhetorical flourishes because "there will be many simple country people. They will think that you are saying bad things about Maharana Pratap. You do not know: he is a god to them. They will beat you." As Fuller (1992: 50) explains, it is not difficult for humans to become minor deities just as Maharana Pratap has.

The enumerations and descriptions of Maharana Pratap's virtues are often used as implicit or sometimes explicit criticisms of officials, politicians or policies. Unfortunately, I did not hear any direct reference to Maharana Pratap in criticism of narcotics corruption, but it is generally thought in southern Rajasthan that all corruption is fuelled, directly or indirectly, by opium (see Chapter 2). Thus, a criticism of corruption is often an implicit criticism of trafficking. The festival's prominent speakers are widely quoted in the news media and their words and historical vision are used by tourist guides in the area. Moreover, reminders of Maharana Pratap are omnipresent in southern Rajasthan, whether in the form of statues, hoardings that represent him astride his horse Chetak, coloured prints on the walls and altars of many houses, or the Udaipur-Delhi train called the Chetak Express. What Maharana Pratap did or did not do is irrelevant: he popularly held as the embodiment of an ideal ruler, and Rajasthanis attribute to him the qualities of the ideal in which they believe, even though these ideals are influenced by more recent notions of democratic government.

The second annual festival is the Johar Mela. This commemorates the historical Rajput self-sacrifice of the final charge and fight to the death (*saka*) by besieged garrisons, along with the *johar* (self-immolation) performed by the garrison's remaining women and children. In their final sally, the warriors wear saffron-coloured turbans, the saffron colour signalling renunciation of worldly aspirations. Although the largest and most famous *sakas* and *johars* occurred at the fort of Chittor in Mewar in 1303, 1535 and 1567, these events are far from being distant history with little contemporary influence. Each year at the heavily attended Johar Mela in Chittorgarh, as in the various celebrations of Maharana Pratap Jayanti, thousands of Rajasthanis from many castes, and Muslims and Hindus alike, gather to participate in ceremonies that commemorate the link between honour and self-sacrifice, and listen to speeches by guests of honour that commemorate these past sacrifices and explain their significance for contemporary life.

It may seem odd to identify a king as an ascetic on the basis of the self-sacrifice of *johar* or abandoning luxuries or, but this is more than plausible as a result of the Rajasthani Jain community's association with Rajputs, and their views of the ascetic king, violence and partial renunciation. The widespread influence of these Jain beliefs are apparent when one considers that they have long been highly influential amongst the merchant castes in

Rajasthan, that they have a long history of influence in state finance and administration, and that they continue to have an important role as informal bankers, moneylenders and traders throughout rural Rajasthan (Jones, 1991). In spite of the stereotype of the *ahimsa*-practicing (non-violent) vegetarian Jain merchant who disdains the allegedly profligate Rajput, and the clash of this stereotype with that of the meat-eating warrior Rajput who disdains the Jains' commercial activities and alleged stinginess, the Jains' ideology of asceticism is explicitly related to the Rajput warrior ideal. As Babb notes, "most of the *Svetambar* Jains of Rajasthan consider themselves to be – like the Tirthankars [the great ascetics of Jainism], although in a different sense – transmuted warrior-kings", many Rajasthani Jains "trace their descent to the Rajputs" (Babb, 1996: 137), and consider their Rajput origins to be indisputable (Babb, 1996: 139). Jainism, in its own mythology and its practice, is on one side a matter of kings or wealthy merchants giving everything up to become itinerant beggar-ascetics (Lath, 1991), but also the symbolic transformation of an ordinary man into a warrior and a king through ascetic practices that mortify his body. In Jain texts, Jainism is described as "a weapon of war, various ascetic practices are compared to an army which conquers an enemy, and the monk is instructed to abandon his body like that of an enemy on the battlefield" (Dundas, 1991: 173-4).

The difference in the use of violence between Jains and Rajputs is not absolute, but about the direction of violence: Jain ascetics direct violence against their own bodies. Violent warrior imagery is central to the ascetic beliefs of Jains. Far from this warrior imagery contradicting the Jain ideal of *ahimsa* (non-violence), historical evidence of active Jain participation in military exploits suggests that it is "more likely that total adherence to the principles of non-violence was of importance only in certain specific and precisely defined religious contexts, such as rituals or contact with a monk, and that non-violence did not inform broader issues, such as a [Jain] king's obligation to expand his kingdom" (Dundas 1991: 175)⁶¹. Thus, the violence of war is not automatically condemned as a

⁶¹ Babb sees a stark dichotomy between violence and non-violence (Babb, 2004: 61). This dichotomy is not only questionable on the symbolic level, but nonexistent on the observed historical level, as shown by historical records of Jain military activity. These are grounds for rejecting Babb's structural-functionalist view of a complementary social logic between the image of the Rajput and the Jain, which he claims revolves around the dependence of the Rajput's power on the Jain for the financial skills he supposedly lacks, and the dependence of the Jain's commercial ventures on the physical and political protection which he cannot, as a follower of *ahimsa*, provide for himself.

violation of an “ascetic ideal”, perhaps because the ascetic ideal in Rajasthan is not seen as strictly Brahminical, especially since the Jain ascetic tradition is evidently non-Brahminical in its rejection and derision of Brahminical claims to a monopoly of spiritual supremacy (Dundas, 1991: 172).

Even though most Rajasthanis do not engage in full ascetic practices, ordinary Rajasthanis generally respect the historical examples of self-sacrificing Rajput warriors, the contemporary examples of Jain monks and nuns who starve themselves to death in world-renunciation, and the naked Digambar Jain ascetics who walk from place to place. In Jainism, laymen are free to follow “a diluted version of the ascetic’s code, as lower steps on the ladder to true asceticism”, even though this “lay life was recognised as inferior to the ascetic’s life” (Carrithers, 1991: 15). This kind of partial asceticism brings status to the performer even though it supports worldly gains rather than rejecting them: “lay fasting [...] while certainly informed by ascetic renunciation, also involves ample affirmation of the worldly values of good health and good [worldly] fortune, marriage and the family” (Laidlaw, 1995: 185). Consequently, although “the doctrines of Jainism recommend an extreme of self-mortification which made Mahavira and his followers a benchmark for ascetics in ancient India”, the most extreme example being starving themselves to death, moderate asceticism is well-established as a socially prestigious spiritual norm, which may have been reinforced by the fact that “many, such as the Buddha, [explicitly] rejected such extreme practices” (Carrithers, 1991: 15). Thus, to gain the transcendent legitimacy of ascetic renunciation and disinterestedness, a ruler (or any other person) need only be a partial ascetic, or even just well-associated with an ascetic.

This view of the sanctified and sanctifying use of specific kinds of violence is not confined to Jains, but appears to have been a historically important part of the socio-political order in Rajasthan. Summarising Vidal’s historical analysis of the kingdom of Sirohi adjacent to Mewar, the use of violence was held to be a legitimate part of the social order if aimed at obtaining redress for an injustice or breach of the moral order of society⁶² (Vidal, 1997: 5, 9, 11-14). Far from a Hobbesian anarchic existence, different castes could

⁶² Vidal argues that the use of caste-specific violence was an accepted way to Rajasthanis of various castes to establish “truth”, whether the truth of their claims to resources, or the truth of their social position more generally. Given that Vidal sees truth as the basis for legitimate power, I have interpreted him as arguing that these accepted kinds of violence were a way of securing legitimacy.

only legitimately use certain kinds of violence, and this different use played a role in defining castes' social identity. Nobles and tribals, for instance, were seen as justified in using violence against others in protection of their honour, or in their revolts against perceived injustices by a ruler (Vidal, 1997: 90-91). This legitimate use of violence placed the burden of moral responsibility for their actions on those who had forced them to abandon a peaceful existence (Vidal, 1997: 14). Brahmans and Bard (Charan) castes were limited to threats or to actually turning violence on themselves in self-mutilation or suicide, making those who interfered with these castes' traditional occupations, whether money-lending or assuring the safe conduct of goods or people, morally responsible and cursed for their deaths (Vidal, 1997: 90, 94-97, 103). Vidal's assertion that the Bard caste were the ideologues of the socio-political order suggests that (Vidal, 1997: 10), as part of this ideology, they would have communicated their understanding of the legitimate use of violence, a morality of violence that is similar to the Jain view in its aim to establish a transcendent moral order. Thus, only violence not sanctioned by these traditions of maintaining the moral order was condemned, and not violence *per se*⁶³.

The strong historical and contemporary influence of Jains and Bards in Rajasthan means that it makes as much sense to understand the warrior-king through the Jain lens of ascetic practice as it might to understand it through classical Hindu scriptural views of the warrior's self-sacrifice. In contrast with the relegation of politics to *artha* discussed in this chapter's previous section, the association of rulers with asceticism also associates politics with the transcendent realm of *dharma*, turning the exercise of politics into an ideally moral field that can be corrupted by improper practices. This association of rulers with asceticism, even if this falls short of full world-renunciation, is reflected beyond the two festivals discussed above, and is observable in a wider body of kingship traditions that are known in a more fragmented way and by separate segments of the population.

The public is, for instance, well aware that the Mewar ruling family claims descent from the Hindu god and ideal king, Ram (see also Erskine, 1992 [1908]: 13). Joining a picnic excursion of some Gopalpura officials and notables, I visited the shrine of Sitamata in a forest. Those of the party who spoke English described the area as Ram's home when

⁶³ In line with this view, Vidal characterises as "complacent" the belief that Indian society is based on non-violence, and quotes Gandhi's own rejection of this characterization (Vidal, 1997: 225).

he was a “renouncer” living in the forest with his wife, and the Hindi-speakers pointed out to me that Ram lived like a *saddhu*. This corresponds with a popular ideal of the asceticism described above. In spite of this strong association with ascetic renunciation, the ideal king is not so much seen as entirely lacking in self-interest as a full world-renouncer would be, but seen as holding his authority because he pursues his own interests in ways that do not contradict his duty to protect the greater good. In Mewar, this greater good is understood as divinely constituted: the Maharana of Mewar is only the *dewan* of Eklingji, and must therefore be a dutiful manager in the god’s name, and not in his own right. Thus, the Maharana acquires his mandate and divine sanction through association with an ascetic form of Shiva, Eklingji. In talking with the descendents of the families that ruled and administered the princely states in Rajasthan before 1947, I was also struck by the fact that they repeatedly emphasised the historical basis of their view that a ruler, whether managing family property or matters of State, is a trustee and not a proprietor with absolute ownership or power. One might doubt the extent to which this ideal of trusteeship has been applied, but the claim that there is a widely accepted moral boundary between public and private goods is consistent with and often justified by conversational allusions to popular portrayals of Maharana Pratap.

Other sources of this more fragmented Rajasthani and Mewari public opinion are widely available colonial sources of historical knowledge such as Tod (1829), Pinhey (1909), the Raputana Gazetteers (Erskine, 1992 [1908]), or the Handbook on Rajputs (Bingley, 1899), to which some of my informants referred when explaining traditions to me. The ritual of the *raj tilak* in Mewari coronation ceremonies in Mewar⁶⁴, which is understood as emphasising the duty of trusteeship and constituting a basis for participating in and challenging political authority that falls short of this standard. Until the mid-fourteenth century, a Bhil tribal cut his thumb on his own sword and anointed the new king with the *raj tilak*, a mark made by pressing his bleeding thumb on the new king’s forehead between his eyes in symbolic affirmation of the dynasty’s dependence on Bhil support, and

⁶⁴ This is also reflected in a phrase that I heard a number of noble Rajput use to criticise noble Rajputs who lacked respect in the way they addressed poor villagers or returned their greetings: “They have forgotten that our greatest families have come from goatherds and will return to being goatherds someday”.

the Bhils' support for the dynasty⁶⁵. This ritual persists⁶⁶, but the function has passed to the Rawat (ruler) of Salumbar, a Bhil-inhabited area in the heart of Mewar's hilly tribal area. As Mewaris familiar with this ceremony explained, this ritually-established symbolic dependency emphasises the ideal that the ruler owes his authority to self-sacrifice of those who will shed their blood for him. As a result, the king and certain categories of subject become one (and equal) by transcending social boundaries through the imagery of self-sacrifice⁶⁷. This ritual's emphasis on the king's dependency on his subjects provides moral justification for people's views that they are not merely subjects, but that the State depends on them and their self-sacrifice, and that they therefore have a right to criticise or withdraw support from representatives of the State using the same moral logic of ascetic-associated self-sacrifice that gives the ruler his legitimacy.

These views of courtly rituals and their importance are not confined to a few idiosyncratic traditionalist informants, but widely accepted: as Fuller notes, "kingship was portrayed [in the rituals of court festivals] as a vital component of the relationship between the deities and humanity within an ordered, harmonious and prosperous world. For Hindus living in the secular republic of contemporary India, these themes have lost remarkably little of their old importance, even though constitutional democracy has now become fairly well established" (Fuller, 1992: 127). As Fuller's analysis of the Navratri rituals in Mewar shows in drawing on other sources, Shaivite ascetics play a crucial role in establishing the sacred order of political power. Tod's account, for instance, states that on the first day of Navaratri, the state sword was taken from the royal palace and brought to the "Raj Jogi, chief of a monastic order of militant Shaiva ascetics", who then returned it to the hands of the Maharana on the ninth day of the festival (Ibid: 112-3). Biardeau and Mayer confirm

⁶⁵ According to *The Mewar Residency*, "this practice of marking the brow of each succeeding ruler of Mewar with blood taken from the finger or toe of a Bhil is said to have been observed until the middle of the fourteenth century, when it fell into desuetude" (Erskine, 1992 [1908]: 13).

⁶⁶ A similar coronation ritual exists in Marwar (Jodhpur), but it is a noble vassal of a specific lineage who slices his own thumb with his sword and anoints the new maharaja.

⁶⁷ The apparently egalitarian symbolism of the *raj tilak* leads one to question the idea in some literature that the king "encompasses" his subjects and therefore has higher status in the same way that Parry's Dumontian model holds that the Brahman caste holds the highest status because they encompass all other castes. See Fuller's point, quoting Cohn, that the practice of those attending darbars paying homage to the king and receiving honorific gifts from him is a "ritual act of incorporation, for in the Indian conception of kingship, 'rulers not only outranked everyone but could also encompass those they ruled', from conquered vassal kings to the common people" (Fuller, 1992: 126).

that more recently, the sword of state remains in the hands of Shaiva ascetics, “identified as Naths by Biardeau”, for the duration of Navratri (Ibid: 114). Fuller interprets the fact that the “king put his sword into divine custody during the festival, so that it could be kept by or given to the goddess for use in her battles with the demons” as an action that identifies the king with the goddess as “allies wielding the same weapon in the same cosmic war” (Ibid: 119). Thus, the king’s “legitimation seems to have been an intrinsic part of royal Navaratri festivals” (Ibid: 120), and this legitimation depends on his association with the goddess and the justice of divine rule. Mewar, where ascetics hand the sword to the king, stands in contrast with other kingdoms where the king received it directly from the image of the tutelary deity (Mysore), or “received it from court Brahmans or other representatives of the deities” (Ibid: 120). This contrast suggests that, in Mewar at least, contact with ascetics and even practices associated with asceticism, and not necessarily dependent on Brahmans, are understood as central to the divine sanction for legitimate rule and for establishing worldly political power as part of a transcendent moral order.

It is important to stress that the legitimization of rule by an ascetic’s mediation with Eklingji is by no means an obscure and unknown ritual, nor confined to Rajputs. The rebellion led by Motilal in southern Rajasthan in the 1910s and 1920s, and associated with the Indian independence movement, shows that Motilal himself, a man of merchant caste origins, relied on a prominent Gosain ascetic to secure Eklingji’s blessing and a wreath manifesting this blessing. Motilal himself asserted that this sanctification greatly helped him to convince people to support his movement (Vidal, 1997: 124). More recently and during my fieldwork, interpretation of Mewari courtly rituals has been complicated by a rift in the Mewar royal family. The elder brother is recognised as the legitimate Maharana, but the rival younger brother controls the wealth of the family trust and the Eklingji temple and uses this wealth to support his claims to the role and the title. This rift is very much in the public eye, and its perceived implications for the socio-political order are a real source of sadness for many Mewaris, not just for Rajputs or for closely associated tribal sections of the population. In addition, the rival brothers’ contrasting lifestyles reinforce the popular image of the simple-living Maharana: the older brother lives simply; his younger brother enjoys a lavish lifestyle.

One might expect that popular ideologies of kingship based on Hindu myths, the rituals of Hindu kings, and Hindu ascetics would, rather than promoting peaceful government, would encourage sectarian violence and support for the more extreme, violent and anti-Muslim aspects of the Hindu nationalist movement. This has not been the case in Rajasthan, possibly because of strong opposition by traditionalist Rajputs who jealously protect what they see as their traditions, as indicated in Peabody's description of the Ramlila in Kota in 1986. The Ramlila is an important annual pageant play that symbolically reasserts the moral order and provides legitimacy for rulers by commemorating Ram's victory over the villain Ravan. In 1986 in Kota, the RSS-associated *trishul*-brandishing *sadhus*⁶⁸ attempted to lead the culminating procession of a festival. The RSS also tried to re-cast Ravan as the Muslim enemy and historic oppressor, but Rajputs rejected both the *sadhus*'s and the RSS's attempts, in spite of general Rajput support and participation in the BJP⁶⁹. Peabody explains this rejection as consistent with two other aspects of Rajput behaviour. The first aspect is Rajputs' consistent refusal to renounce their historical ties of intermarriage with the Mughals and their absorption of Mughal traditions, associated with Rajput refusal to reinterpret Maharana Pratap's struggle as a Hindu-Muslim conflict. The second is Rajput suspicion of "Brahminical forms of authority, of which temples [and the Brahminical RSS membership] were a potent symbol, because it competed with their own claims to divinely based authority as expressed in, among other things, the Ramlila" (Peabody, 1997: 569). Because of these local dynamics, this religious ritual of a royal court served to suppress violent sectarian aims rather than encourage them.

The clear continued importance of courtly religious rituals where Brahmans are not central to legitimizing power forces one to question an exclusively Brahminical model of legitimate power as well as Dumont's view that the modern democratic State depends on the secularisation of the political sphere. Two points in a triangular exchange on kingship between Fuller, Mayer and Peabody (1992: 879-80) support the idea that a Brahminical logic is not the only moral logic of politics in Rajasthan. The first point in this exchange is that the shifting historical and geographical emphases in different Rajasthani kingdoms,

⁶⁸ The RSS is one of several nationally important Hindu nationalist organizations. A *trishul* is a trident associated with Shiva. A *sadhu* is a Hindu world-renouncer, often clad in saffron robes.

⁶⁹ The BJP is the national-level Hindu nationalist political party.

along with the conflictual nature of ritual, make it impossible to determine whether the Brahman or Rajput had pride of place in kingship rituals. The second point is that there is no unequivocal evidence that Rajasthani kings depended *exclusively* on Brahmans for their legitimacy, as there might be if Brahmans had been seen as indispensable to legitimate power. In another example of the complex Rajput-Brahman power shifts and Rajput manipulation of Brahminical legitimization, Clémentin-Ojha's (1999) research on Jaipur in the latter part of the nineteenth century shows how, as part of his successful effort to centralise control over the state's administration and finance, the ruler of Jaipur (a Rajput) stripped of legitimacy and excluded the entire group of Vaishnava Brahmans that had previously dominated courtly ritual and supplanted them with partisans of his own Shaivite beliefs.

Thus, understanding the popular Rajasthani ideal of the ideal ruler as self-sacrificing ruler, or even as an ascetic-king, is not a matter of denying that the Brahman has a place in kingship ideology; nor is it a matter of substituting the perspective of the ascetic for the Brahman, as Heesterman has been accused of (c.f. Parry, 1986)⁷⁰. Instead, it means acknowledging the probability of the Rajasthani population using a variety of related ideological understandings of legitimate power, no doubt often simultaneously and non-exclusively in idiosyncratic combinations. The resulting popular ideology of kingship is currently used, as seen in the speeches of the annual Maharana Pratap Jayanti and Johar Mela, to hold rulers to account and to accuse them of defaulting on their perceived obligations to the citizenry and their duty. As a result, and contrary to Dumont's belief in the secularising influence of renouncers on the creation of a moral and "rational" political realm with theories of social or political contract, the influence of association of rulers with asceticism in Rajasthan makes the political moral without secularization in Dumont's sense of a divorce from cosmic moral values⁷¹.

⁷⁰ "While Dumont has frequently been accused of purveying a brahmanical view of Hindu society, Heesterman lays himself open to the charge of substituting the view of the renouncer. From *his* lofty perspective the problem of the relationship between power and authority is insoluble and the social order lacks ultimate value. Notwithstanding the prestige of this perspective, the extent to which it impinges on the world to produce a crisis of authority is perhaps debatable" (Parry, 1986: 369-370)

⁷¹ Dumont asserts that both Brahminical and renouncer currents separated religious functions from the practical or "rational" business of running the state. This separation led to an ideology of a polity composed of individuals, necessary for the development of an ideology comparable to the philosophical development of "theories of social or political contract" in European societies (Dumont, 1980 [1966]: 301). Dumont argues

Such ostensibly high moral expectations of rulers raise Mayer's point that the standard of disinterested service (*seva*) that Indians demand of their leaders would require that they be Mahatma-like saintly politicians, a standard which politicians inevitably fall short of, leading to disappointment and cynicism (Mayer, 1981: 165), and a reaction from officials that they might as well be hung for a sheep as for a lamb. It would be a mistake, however, to think that high standards for government alone encourage corruption, when it is more reasonable to see the cause as a lack of enforced accountability. As already discussed in Chapter 2, corruption is not limitless, but has both moral (or "normative") and institutional limitations, and popular cynicism about officials' and politicians' motivations might have more to do with popular notions of social competence as with ideologies of authority. In terms of people's expectations, one of Mayer's own informant, for instance, admitted in private that some unnamed politicians do follow the precepts of *seva* (1981: 165), a claim that, made publicly, would have established him as naïve rather than a competent adult. Moreover, as is the case with Mayer's informants, people do not expect their leaders to actually be complete renouncers or saints, since they recognise this as too idealistic: people merely ask that leaders pay lip-service to the ideal of *seva* and imitate the renouncer to some degree by renouncing purely selfish gains (Mayer, 1981: 157, 170). People are, after all, aware that there are many grounds and motivations for corruption accusations, and that not all accusations are true since many are motivated by political and personal rivalries.

The well-known and less well known Rajasthani views of kingship described above show that these views can be considered mutually reinforcing, and distinctive to (although not exclusive to) Rajasthan. Certainly, not all Rajasthanis believe all of these views, any more than all Keralans or Vanniars believe all the views described by Osella and Osella, and De Neve; however, these generally shared views nevertheless create the shared

that the ideal conception of kingship (as opposed to its historical reality) has been secularised in India first by "orthodox brahmanism, in the relation between brahman and ksatra; [...then in] the work of a current which was non-brahmanical in its orientation, the thought of individualists, i.e., of renouncers" (1980 [1966]: 301). For Dumont, "the most striking aspect of [...these renouncers' texts] is the fact that society, or polity, as in the modern theories of contract, is given as a mere aggregate of individual men. [Dumont has argued] elsewhere that the individual in that sense appears in India only through the man who abandons life in the social world, the renouncer, and [...that] it is significant that it is a text of renouncers which first introduces this individualized picture of society, which might otherwise look very strange in the Indian context" (1980 [1966]: 300).

understanding of an ideal ruler who does not use his power for his own benefit, and only uses violence for the moral purposes of statecraft. This understanding of selflessness and the morally legitimate use of violence in statecraft is central to understanding contemporary criticisms of traffickers, traders and politicians: it places these criticisms in a context that is not only identifiable with contemporary Rajasthan, but identifiable with historical criticisms of rulers in the area. This understanding of political mores would be impossible were one to insist on explaining legitimate authority in terms of a “Brahminical standard of non-violence”. Indeed, historical examples support the idea that popular understandings of legitimate political violence are central to criticisms of the State, even if the jargon in which these criticisms are expressed changes or if there are new means of acting on these criticisms. As Vidal has shown, the pre-1947 criticism of rulers of princely states and the British Raj, which appeared in widely distributed pamphlets and newspapers, “involved all the principles on which the ruler’s authority over the kingdom was based” (Vidal, 1997: 222-223), an authority which Vidal argues includes the moral use of violence (see above in this section).

Identifying grounds for popular belief in a moral political sphere and the politically legitimate use of violence permits an explanation of Rajasthanis’ condemnation of officials’ complicity with violence in order to further their own gains at the expense of the wellbeing of those they are meant to protect and govern. This association explains the disproportionate condemnation of traffickers and traders when they are not more corrupting than ordinary Indian businessmen, and less violent than many. This condemnation is consistent with the condemnation of using public wealth and violence to promote the pursuit of private gain, even if it greatly exaggerates even traffickers’ use of violence. Having incorporated these Rajasthani political mores and views of personal gain and violence, one can better understand as accusations of corruption in Chapter 2 that might at first appear to be mere sour grapes – especially the complaints by opium poppy farmers and many others’ that the restriction of the opium and poppy husk trade to officials and licensed traders is unfair and a sign of corruption. In the context of local political ideologies, one can understand such “sour grapes” accusations as consistent with the belief that the *sarkar* should be a ruler-protector who is not interested in his own gain but who promotes his people’s wellbeing.

Chapter Three Conclusion

Condemnations of poppy husk traders' and State corruption are, on the most abstract level, denunciations of an exchange between categories of things or persons where this exchange is seen to constitute a perverse subordination of the long term general good to the short term gain of the few (c.f. Bloch & Parry, 1989: 26-27; Parry, 1989: 88). I have sought to place these accusations in the context of a rich literature on corruption and accusations of corruption in India, a literature that describes the ways in which Indians do accept the existence of boundaries between the use of public and private goods, or at least talk and act as if they do. Although Hansen dismisses older "cultural repertoires" of politics as "insufficient to capture the meanings evoked by the term *sarkar* in contemporary India" (2001: 36), these same cultural repertoires are useful and necessary for understanding the locally characteristic ways in which people talk about their relationship with the State, justify their actions, and relate these justifications to broader moral beliefs about the order of society. These local repertoires are also vital to showing how, in the absence of shared access to accurate facts, Rajasthanis articulate very similar condemnations and justifications for different aspects of the opium industry, trafficking, and alleged corruption of officials and politicians⁷².

As in the South Indian examples, Rajasthanis may not explicitly or always refer to popular kingship ideals in different kinds of accusations of corruption; however, because the ideals manifested in popular festivals and in people's understanding of courtly rituals are so widely known and shared in other aspects of life and accusations of corruption, one may reasonably consider them to be a locally distinctive and a plausible explanation for the similarity of Rajasthanis' accusation in condemning the use of public resources and violence for private gains that harms the public. The comparison of popular accusations of corruption in different parts of India and their related moral logic of kingship ideologies show that accusations of corruption attacking the misuse of public funds and power do not depend for their legitimacy on a foreign, secular or impersonal ideology of legitimate

⁷² It is precisely through the desire to identify and understand these characteristically local political ideals that I have deliberately avoided theories that attempt to find the truth and justify the "paranoid rationality" of conspiracy theories (Sanders & West, 2003): these explanations impose purportedly universal psychological assumptions that distract from identifying locally important moral logics that establish why the phenomenon is distinctive and specific to a given society or group.

power, even though popular kingship ideologies are compatible with the latter and can be instrumentally used to create similar restrictions on officials to monitor and restrict their use of public funds and official power.

The comparison of Indian kingship ideologies contributes to debates about the Indian State and debates about corruption by emphasising that foreign ideals are by no means the only explanation for accusations of corruption, that ideologies do not determine practices of corruption, and that there are straightforward ways of using local and popularly expressed views to explain the fact that corruption is limited and not unbounded in poppy husk regulation and in other areas of government. This non-deterministic model of popular ideologies provides a means of explaining how people attack corruption, defend it, and justify, in the light of locally powerful traditions, establishing standards of government. Through this chapter's comparison of three different examples Indian political morality, one might revise Saberwal's claim that India's political crises depend on a "lack of fit between the cultural premises of western-style democratic state institutions and those of people's traditional institutions and practices" (Osella & Osella, 2001: 155). Instead, one might reasonably think that popular Indian political ideologies have provided the basis for judging dirigiste governmental economic development policies as unjust, and consequently conclude that India's political crises stem from Indian leadership being at odds with popular political norms that demand that administration and politics be more democratically responsible than they currently are.

This chapter has shown that, in the context of Rajasthan and condemnations of narcotics corruption understanding the views of State, it is necessary to understand the basis for popular categories of permissible and impermissible transactions and violence in the exercise legitimate statecraft. This explanation is a cornerstone of subsequent chapters' explanations of how poppy husk traders view and justify the financial, legal and socio-moral risks of their practices; how traders explain and manage their organisational structures and relationships with other traders and officials; why certain kinds of courteous and apparently egalitarian behaviour give some traders authority over their colleagues; how traders view upwardly mobile ambitions; and the bitter popular criticism of upward mobility and the criminalization of politics. As Michelutti has shown, a broader understanding of Indian politics and upward socio-economic mobility requires an

understanding of the observable use of violence: “new populist lower-caste leaders and local politicians often use violence and political corruption as ways of gaining social justice and self-respect” (2004a: 474). Accordingly, I have followed Michelutti’s rejection of Jaffrelot’s idea that India has seen a “silent revolution” whereby “lower social strata have been able to access state resources [through political participation] that were previously inaccessible to them, and that they demand empowerment with reference to liberal-democratic values”. No matter what values people use to demand resources, it is necessary to describe how they view violence and the ways in which they use it to strengthen their demands. Consequently, it is also necessary to explain how others perceive and react to this political competition for resources. The same need to explain the perception of legitimate violence holds true for how poppy husk traders view power and leadership in the context of the competition within their own business, and in their own ambitions for socio-economic mobility, the subject of the following chapter.

Chapter Four: Who becomes a poppy husk trader ?

Backgrounds, choices, justifications

and the Indian middle classes

“Look down there. Would you really feel any pity if one of those dots stopped moving forever? If I offered you twenty thousand pounds for every dot that stopped, would you really, old man, tell me to keep my money? Or would you calculate how many dots you could afford to spare? Free of income tax, free of income tax!”

- ‘Harry Lyme’, *The Third Man*

Introduction

The previous chapters have shown that those who enter the poppy husk business not only face high legal, extra-legal, and financial risks, but also the social risk of being criticised and even condemned by wider Rajasthani society as corrupting and violent. This chapter demonstrates that, although the risks that traders run are distinctive, their shared characteristics, and even the differences amongst them, identify them as a group that is similar to Indian middle class groups that have already been studied. Traders, despite their different castes, religions and geographical origins within Rajasthan, have similar backgrounds and lives before becoming poppy husk traders, similar motivations and justifications for entering and remaining in this business, and accord a similar place to the poppy husk business in their plans and ambitions. Traders are largely from low social status backgrounds and want to improve their position, or are from financially vulnerable backgrounds and fear slipping into poverty. They are neither poor, nor are they part of the established, high-status middle classes. Traders and other upwardly mobile middle class groups have similar views of the State; moreover, popular criticisms of traders, as well as traders’ doubts about their own work, are similar to the criticism and self-doubt of upwardly mobile middle class Indian groups unrelated to narcotics. Traders remain different from more established middle class segments whose goal is to retain their existing status rather than improve it, by taking serious risks and submitting to hardships. These similarities suggest a complementary explanation of the moral reasons for the condemnation discussed in the previous chapter: a general public moral objection to traders’ and other groups’ risk-taking and geographical mobility that is part of their upward

economic mobility, but seen by outsiders as threatening the moral basis of the Indian family and, therefore, the desired moral order of society.

The first part of the chapter compares the family, caste and economic backgrounds of the traders I knew best. This selection is not, of course, statistically representative, but it is my experience that the similarities and differences amongst them are broadly reflective of the wider population of traders. The traders I met mainly came from the producing areas of Chittorgarh district and the arid areas of northern Rajasthan, with a smaller number from the districts in between and the desert areas of western Rajasthan. Their caste backgrounds were varied, but I never met a Dalit or a Scheduled Tribe trader. Some traders' families had gained an important increase in economic and social status within the last generation or two; others' families were poor or had lost their economic status. Given the many studies on caste-based business groups in India, collaboration amongst such a diverse selection of castes and religions might seem unusual. Nevertheless, other studies have shown the importance of multi-caste South Asian business communities. This chapter shows that, in spite of the apparently unusual constitution and focus of the poppy husk trading community, traders are not unusual or "un-Indian", but merely a part of the Indian business community that has been insufficiently explored. For most of these traders, I have less information on their families than on their individual lives, which I discuss in the second part of this chapter.

The second part of the chapter examines traders' employment history, qualifications and justifications. Amongst older traders over the age of 45, there are two groups: those investors who were building on successful family businesses through poppy husk, and investors and employees who have turned to the poppy husk business after employment or business ventures with a high degree of hardship and risk. Investors have often entered the business on the basis of their expertise and contacts in the liquor business or smuggling contraband goods. For most young traders, employment in the poppy husk business is their first or longest-term job. Some employees enter through their employers' other businesses, and others are employed as a favour to their parents or a family friend who knows an investor. Older traders are less educated in terms of their numbers of years of school than younger traders: some have finished secondary school, but a minority have also gone to local colleges. Amongst the younger traders, especially the accountants, degrees from

provincial universities are more common, even if they are not very valuable on the job market. All traders were literate, even if some of the drivers and warehouse managers were only functionally so, and some spoke a little English. All traders, drivers and warehouse managers included, have other sources of income and assets, and do not view their work in the poppy husk business as an exclusive activity, or an identity they are dedicated to. Both older and younger traders see their involvement in the business as a stepping-stone to something better, but as the best money-making opportunity in the meantime.

An important generational difference is that the older traders see their business as a means to provide their children an education and access to private sector – work that they hope will keep their children out of the poppy husk business and similar employment. Traders' view of their work as temporary, or at most one-generational, forms an important part of their self-justification on family grounds of being in a business that they are actually uncomfortable with, and traders' consequent exclusion of their children has a direct impact on the perpetuation of the business. Younger traders express a similar discomfort with their work, but perhaps more out of envy for all the new jobs they see and hear about, and are far more anxious than older ones to leave the poppy husk business quickly. The only way out for older traders is to start and shift to other profitable businesses, but younger traders, in spite of their comparatively low qualifications, have an increasingly wide range of employment open to them in new businesses in the rapidly expanding private sector.

The third part of the chapter identifies the similarities between traders and other upwardly mobile middle class groups, beginning with incomes and patterns of consumption, but focusing especially on traders' emphasis on educating their children privately and in English, and in aiming them towards private sector jobs. Traders' dislike of their own work as well as their educational and employment preferences for their children are shared by other middle class groups, and these preferences imply a view that the State will continue to support the expansion of private enterprise and business connections outside India. These views of the State – relying on it to support market opportunities rather than provide jobs – provide a comparative identification of classes insofar as this State-related class identity is the subject of moral judgement not only for reasons discussed in Chapter 3, but because it affects what is seen as society's moral core: family.

4.1- Comparison of traders' family backgrounds and castes

4.1a Chotu and the Chaudhrys

Chotu, a talkative Kalaal (Distiller) in his early twenties, was the first poppy husk trader I met. The Kalaal from his hometown of Peepliakhera, a small group of six joint families, controlled much of Chittorgarh district's poppy husk trade, and were known simply as the Chaudhrys. When I met him, he was an employee at the Gopalpura office (in Chittorgarh), and introduced me to other traders at this office, such as Ghanshyam, Vikram Singh, Pranesh and Kamlesh. The last two were important investors and Chotu's relatives and employers. As a result of the Chaudhry's caste association with distillation and the sale of alcohol, they traditionally have had a low ritual and social status, but they have steadily improved their social standing over several generations of collaborative business and political involvement.

Peepliakhera is a remote town with a population of about 15,000, and two hours' bumpy bus ride from Gopalpura over jungle-covered hills. It is at least that distance from any useful railroad station. The Chaudhrys have only a little over twenty hectares of land, but use this land as irrigated gardens to produce vegetables for sale at the local market, a more profitable venture than staple crops. They are prosperous and powerful beyond their numbers, but prosperity varies considerably among its members. Only three of the poorest and more roguish of the thirty to forty-year-old Chaudhry men are directly involved in running liquor retail shop licenses. To my knowledge, none legally distilled liquor commercially, and only one of them distilled illegally to produce a very drinkable *mahua* (moonshine made from forest flowers) that local Rajputs and Minas held in high esteem. One of the Chaudhrys is a lawyer in Udaipur, but most of the male Chaudhrys work in the family travel and trucking business, in small convenience shops, or a construction company that one of them owns in Udaipur.

The most obvious way that the Peepliakhera Chaudhrys have worked to improve their social standing is in successfully renaming themselves "Chaudhry". The goal of this renaming, which happened sometime in the 1970s, is to publicly distance themselves from low-status Distiller associations by adopting a name common to the higher-status and politically successful Jat caste. Conveniently, there are no native Jats in the area to oppose this manoeuvre. The Chaudhrys are well aware that other castes in Peepliakhera, along with

Jats and other castes in the poppy husk business, look down on them for being Distillers and deprecatingly refer to them behind their backs as “duplicate Chaudhrys”. The implication is that, like “duplicate” (imitation) branded consumer goods, the Peepliakhara Chaudhrys are low-quality imitations of Jats, the “original Chaudhrys”. The Jats in the poppy husk trade consider that the Peepliakhara Chaudhry’s are encroaching on their identity in a shamefaced effort at upward mobility, and Jats dismiss this effort as confirmation of Distillers’ low status.

As Chotu’s family history reveals, the Chaudhrys did not just re-name themselves, but have improved their standing and prosperity by four generations of close collaboration in interlinked entrepreneurial and political activities aimed at their explicitly stated goal of “uplifting” the extended family. Chotu’s paternal great-great-grandfather started the family on the path of prosperity and improved social status by profitably running his farm and liquor business (see partial family tree Figure 12, p. 159). At the time, Peepliakhara and the surrounding area was ruled as a semi-autonomous fiefdom by a Rajput family descended from and owing fealty to the royal family of the princely state of Udaipur-Mewar. The Kalaals’ influence and standing grew when one of the great-great grandfather’s sons became the main advisor to Peepliakhara Raja, as the head of the local ruling Rajput family was called, and was given the important privilege of being able to sit with him in public instead of squatting on the ground. During the 1950s and 1960s, two other sons of the great-great grandfather used his profits to acquire a fleet of 40 buses. In the early 1960s, the Kalaals (not yet Chaudhrys) spent “20-30 lakh Rupees” on building a large traditional-style *haveli* (ornately carved stone house) for the *samaj* (their local caste association), and subsequently had severe financial problems.

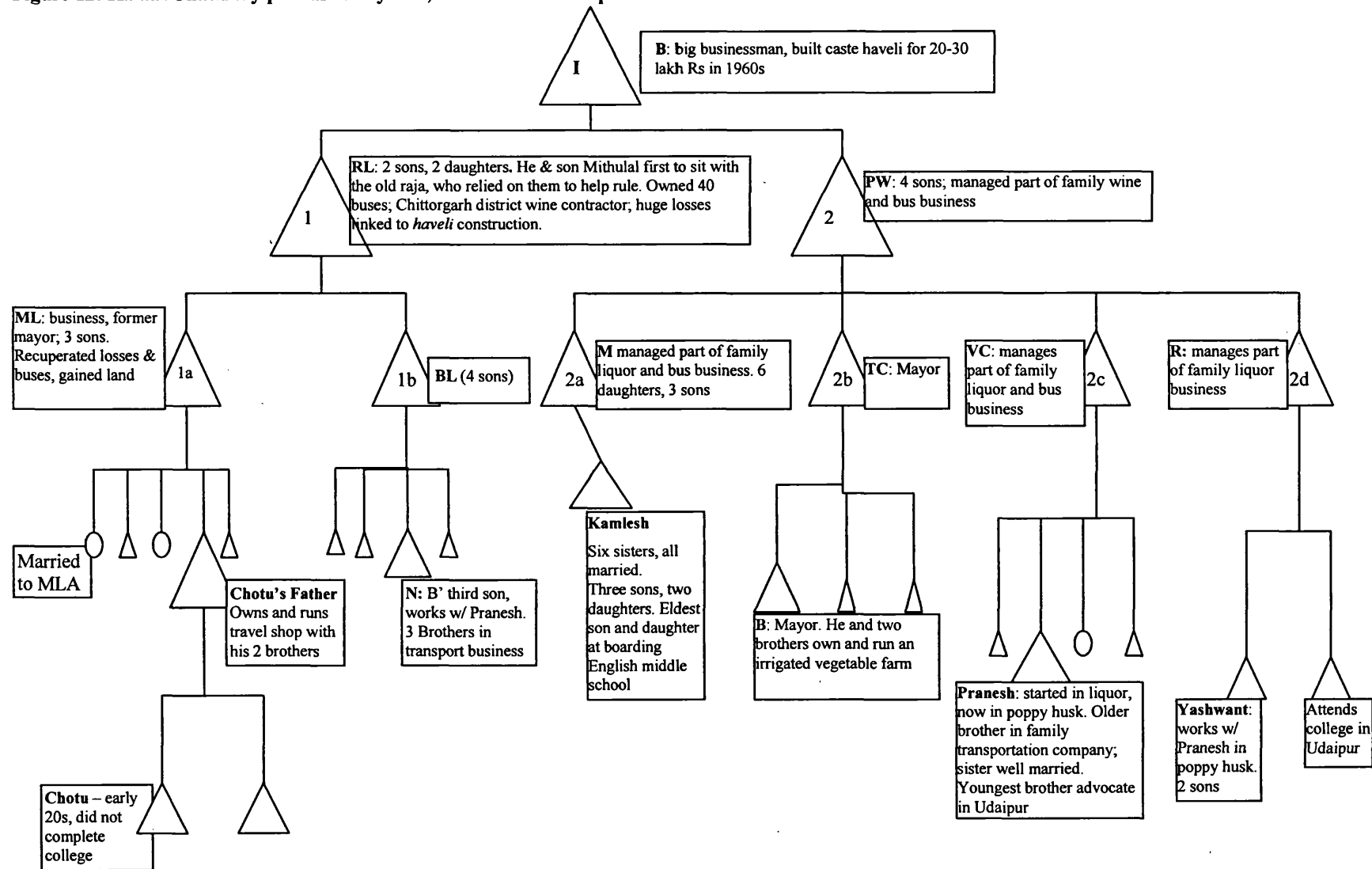
The proximity of the increasingly prosperous Peepliakhara Chaudhrys to the local ruling Rajput lineage during the latter’s decline from power gave the Chaudhrys a strategic advantage in stepping into this power vacuum, and provided an important boost in restoring and expanding their fortunes. The last governing Raja of Peepliakhara died in 1980, but had allegedly long moved to Udaipur and removed himself from local politics, even before the revocation of the privy purses in 1974 and the subsequent decline of the nobles’

influence⁷³. Beginning in the early 1970s, Chotu's grandfather's generation managed to restore the family fortunes and also began to dominate municipal affairs. Since then, the Chaudhrys have led and controlled the municipal council, a caste-mate from another town⁷⁴ recently won the state parliamentary seat (Member of Legislative Assembly, MLA) for the local constituency, and currently have a number of other members in the profitable business of local level politics. The Chaudhrys find it convenient and lucrative to have members participating in both Congress and BJP parties.

⁷³ Unlike neighbouring areas where Rajput families retain a great deal of influence, the Raja's heir "wasted his money and name on wine and girls" according to locals, and no longer has any standing in Peepliakhera. The family palace is closed and the subject of internecine legal battles.

⁷⁴ Chotu described him as his father's sister's son.

Figure 12: Kalaal/Chaudhry partial family tree, with notes on occupations



4.1b Vikram Singh and his employer Mr X.

When I first met Vikram Singh at the Gopalpura office in 2004, he had been there more than a year, and remained there until 2005 when Our Company lost the license for the area. He had worked in the poppy husk business since it began in 1986. A Rajput in his early fifties, Vikram was the second son of a medium-sized landholder in the arid area north of Jaipur known as Shekhawati. Farmers in this region rely entirely on the monsoons because the groundwater is too alkaline for irrigation, making a livelihood from agriculture precarious. Vikram and his family were ordinary Rajputs: proud of being Rajputs and of their lineage, but with no pretensions of nobility or royalty. Vikram's father died when Vikram was 19, and, to pay for their sisters' marriages, TS (Vikram's older brother) joined the army and Vikram joined the liquor business, later shifting to poppy husk. Vikram's father's elder brother's son remained in the village where he continues to make a very simple living cultivating all the family land and renting agricultural machinery. Vikram and TS are on good terms with him, and live far away from their village for economic reasons rather than because of some family quarrel.

Vikram Singh's professional history is closely linked to the family background of his employer, Mr. X, a visibly non-observant Sikh in his late forties, born in Hanumangarh in northern Rajasthan. Mr. X's father was a dry goods retailer from Indian Punjab, but he did not speak about him. His mother's brother had moved to Hanumangarh during Partition from what is now Pakistan, and established brick kilns, grain trading operations, agricultural machinery rental, and a travel and passport business. He currently retains the brick kilns, a cotton ginning and baling plant from the 1960s, a small amount of agricultural land, commercial rental property, and an agricultural machinery rental business. As part of expanding his liquor business, the older Sikh employed Vikram. When Rajasthan imposed alcohol prohibition in 1986 and distilleries were taken over by the Rajasthan state monopoly, Vikram Singh's employer entered the poppy husk trade that had been newly made profitable by the severe restrictions on opiates imposed by the NDPS Acts. Mr. X had entered the liquor business in Hanumangarh with his uncle, and shortly afterwards followed him into the new poppy husk business. Mr X has now taken over the management of the higher end of the family's poppy husk business as well as their liquor

interests in Jaipur, which he has made more up-market. As an affluent Sikh in Rajasthan, Mr. X has a good social status.

4.1c Ghanshyam and Udailal

Although the traders described above are certainly ambitious and upwardly- mobile men who have risen far by their own hard work, they are not “self-made men” in the way that Ghanshyam describes himself. Ghanshyam, a Gujar⁷⁵ in his late fifties from near Ajmer, is a minor investor without employees. His caste has good status and, especially in northern Rajasthan, is closely associated with Rajputs, making him more like Mr X and Vikram Singh than the Chaudhrys, but he comes from a poorer background than any of them. He was born in the central area of Rajasthan near Ajmer. On my first evening visiting his home, we sat outside drinking and eating meat dishes served by his sons and grandsons in one of his vacant properties, and he told me about his four plots in the city area and two large separate plots outside the city: “My family has all this because I bought it. When I was a child, my father had only some goats and cows” and lived in a mud-brick house. “I am a self-made man”, he concluded with happy pride.

Udailal, the Anjna caste “poppy husk king” in his mid-sixties, has a background comparable to Ghanshyam’s: the Anjnas are a mid-status farming caste, and Udailal’s parents were poor agricultural labourers. The Anjnas in Chittorgarh district have a reputation for helping caste-mates get jobs⁷⁶ and having a strong caste association. They are also notorious for being accomplished opium farmers and successful traffickers, to the extent that police officers in the area say they are “like a criminal caste”⁷⁷. The association with trafficking may give them low social status, but they are a mid-status traditional tenant-farmer caste thought to be related to the larger Patidar caste in the area, being originally from Gujarat, but they do not intermarry. Anjnas have ritually higher status than the Chaudhrys, but are still seen as lower than Rajputs and Gujars like Vikram Singh and Ghanshyam.

⁷⁵ Gujars are a traditionally pastoral caste, and stereotyped as being traditionalistic, proud and assertive.

⁷⁶ The caste council forbids eating meat and drinking alcohol, limits wedding expenditures, and local branches of the council are allegedly effective in resolving disputes amongst members who are traffickers.

⁷⁷ The village of Basar, for instance, on the road from Pratapgarh to Mandsaur is dominated by Anjnas, and remains infamous in the district for its opium and heroin trafficking.

4.1d Caste and ethnographies of businesses in India

These traders' backgrounds emphasise two shared characteristics. The first is that many traders, as I will soon show in greater detail, have either a family or a personal background in the liquor business. The Chaudhrys have shown remarkable cohesion in their collective effort to move away from liquor to other businesses in their effort to improve their social and economic status, but this movement has been well documented in other parts of India and reflects people's effort to move away from a business associated with low status, whether it is a caste-related occupation or not. The Izhava "toddy tappers" in Kerala, for instance, have sought upward mobility away from their hereditary ritually and socially low-status liquor-producing and vending profession. One of their more recent means of doing so, labour in the Persian Gulf states whose low status they concealed (Osella & Osella, 2000: 70, 76), presents hardship and risk to status that are similar to those which poppy husk traders face.

Like many upwardly mobile groups or individuals in India before them, the Chaudhrys or Udailal Anjna have benefited from entering politics, joining mainstream parties but staying away from more extreme *hindutva* elements. The Kalwar Distiller caste in northeastern India in the late 19th century, for instance, moved away from liquor, diversified into the licensed opium trade and other businesses including merchant banking, and used their profits to gain the support of Brahmans and local political movements. In the 1870s, the Kalwar were "still stigmatised as 'liquor distillers'" whose lack of a developed *gotra* [clan] system supposedly revealed their lowly origins; however, many had by this point become extremely rich through government liquor and opium contracts, and some had even become "major bankers and landholders" (Bayly, 1973: 381). Especially for those Kalwar in Benares and Allahabad, this wealth allowed them to "survive the progressive erosion of their distilling monopoly by [imposition of a government monopoly]". As a result of these social and economic pressures and of "a number [...] taking to western education", so many Kalwar abandoned their traditional occupation that "at the 1921 Allahabad Kalwar Conference it was claimed (undoubtedly an exaggeration) that out of 4,000 Kalwars in the city, only fifty were still actually concerned with the liquor trade, while most had become bankers, contractors, and even government servants" (Ibid: 382). At the same time, richer Kalwars claimed Kshatria status and Brahman priests, who gained

social standing from that of their patrons, began to “ascribe the richer men to a clan [*gotra*]”, as befits high-status castes. The Kalwars also gave financial support for Gandhi’s non-cooperation movement (Ibid: 382-5) rather than more extreme movements, and in turn benefited from their support and gained power at the local level. Thus, the movement away from hereditary low-status occupations, even if profitable, is an established part of upward mobility in India, and closely linked to political involvement. As Bayly (1973) notes, opiate and liquor-funded politics are as old as the relationship in the late 19th century between “moneyed groups in north Indian towns”, including opium and liquor contractors, “which provided many of the north Indian city notables”, and the related “new political forms [...of] ascriptive organizations and pressure groups which formed within the arenas of municipal and provincial politics, among which the Congress was pre-eminent”. These notables did not dominate provincial or Indian levels in nationalist organizations, but they did use “Congress publicists to propagate their interests in local society, just as the publicists employed the backing of the notables to forward their careers in provincial and later in electoral politics”. As a consequence of backing by these notables, “some nationalist leaders, beginning their careers as clients or relatives of local magnates, remained indebted to them for the finance of quasipolitical, educational and religious movements” (Ibid: 386).

The second characteristic apparent from the backgrounds of traders that I met is that none were the sons of traders⁷⁸. This is a pattern that, as the next section shows, traders repeat by not recruiting their own sons, but rather poorer relatives or unrelated people. This may seem odd in light of the many studies of business in India that have focused on mercantile castes’ involvement in business and the caste-based organisation of their businesses, especially Rudner’s classic study of Nattukottai Chettiar caste merchant bankers in South India (1994), and Pache-Huber’s (2002) more recent study of Maheshwari merchants and the role of their caste councils in creating and enforcing norms. Like these studies, the research on Jains’ credit networks in Rajasthan has also emphasised caste and religion as an organizing principle, and present the succession of the business from father

⁷⁸ The only exception that I am aware of was an Ajmeri Muslim whose son worked in an office whose contract he had bought. Other traders, and especially Ghanshyam, saw him as dirty and unprincipled.

to son as an ordinary pattern. Studies of “informal sector” business, organized extra-legally without the benefit of legal incorporations and contract law, likewise emphasise the importance of kinship ties or those of ethnicity as the basis for trust and therefore the foundation of business networks.

Other studies, however, show that neither the traders’ lack of caste and kinship ties nor their lack of father-son succession is abnormal, but actually very much like many Indian business communities. Markovits’s historical study of the extremely successful Sindhi merchants, for instance, shows that neither ethnicity nor caste was “a crucial factor [in maintaining solidarity and generating trust between Shikarpuri and Hyderabad *baniyas*, or Sindhis] since the merchant milieu of the two towns was multiethnic” (2000: 293), and merchants recruited from this multiethnic geographic base. Amongst Sindhi merchants, caste and kinship ties did not automatically generate trust: opportunistic behaviour amongst even close kin was widespread, trust and credit “depended largely on reputation”, and “nowhere do we find the spirit of ‘collective capitalism’ which, according to [Rudner], characterized the Nattukottai Chettiar bankers” (Markovits, 2000: 294).

De Neeve’s data on contemporary weavers and dyers in Tamilnadu further undermines the assumption that caste and kinship are necessary to create the trust as the supposed basis of collaboration: on one hand, employers see kin as less desirable employees and sometimes prefer not to hire them because of the complications of kinship ties and pressures from relatives; on the other hand, employees also prefer to avoid employers who are kin⁷⁹ (De Neve, 2005: 15, 206, 224-35). Engelshoven’s (2000) study of the diamond industry in Surat (Gujarat) provides an even more dramatic revelation of the extreme distrust, exploitation, and violence between employers and the caste-mates and kin whom they employ. This being the case, it would be better not to assume the explanatory importance of such identities as ethnicity and caste, but rather to focus on how such collaborative identities are created, as does Tarlo’s (1997) analysis of Vagri street traders, or De Neeve’s emphasis on local practices and ideologies of patronage (see Chapter 3). The next section therefore describes how, in the case of traders, their qualifications, their career paths, their choices, and their views of their work all illuminate how people of different

⁷⁹ Chapter Five explains why this logic precludes fictive kinship ties and ritual friendship.

backgrounds join the poppy husk business, how they recruit new employees, and what place their work in the poppy husk business has in their aspirations.

4.2 Traders' careers and the place of the poppy husk business in their lives

Udailal Anjna's rags-to-riches story and his extraordinary success as the "poppy husk king" mean that he is hardly an ordinary trader, but he does typify the upwardly mobile ambitions of traders who aspire to his degree of success in spite of their critical view that he embodies everything that is bad about the business. His career progression serves as a template for examining how other traders entered the business, the role of poppy husk in terms of their other sources of income, their political activities, and their goals for their families. As the following comparisons will show, traders' different perceptions of the role of the poppy husk business in their lives influence how they recruit employees and manage their staff.

The popular rumours about Udailal's life all claim that he wore rags and begged for food as a child growing up near Chhotisadri. Some say that he worked in farmers' fields, others that he worked as an errand-boy for shopkeepers and as a courier for opium smugglers. Consistent accounts from several unrelated reliable informants describe how Udailal made his first successful business venture in gold smuggling when the Indian government still had strict controls on the gold trade. Udailal's father or uncle was given a large amount of gold to safeguard by a merchant in Chhotisadri who had discovered huge amounts of gold in his house's double walls (see p. 75). The merchant's grandfather and father had sold opium to Bombay traders before 1947, hidden the gold, and died before passing on their secret. On hearing of the discovery, government officials came to take custody of the gold, but the merchant, warned of their imminent arrival and fearing confiscation without compensation, threw gold bars, coins and jewellery out into the street for his neighbours to pick up and safeguard. With some of this gold, Udailal entered the gold smuggling market, a beginning that ties him to the romanticised popular imagination of the older opium trade and the fabulous wealth it generated so rapidly in the Malwa area during its heyday (see Introduction and Chapter 2). Udailal's association with the glories of opium smugglers of the past, his rags-to riches story and his reputation as a successful *taskar* all combine to make him a living legend.

According to two local senior advocates familiar with the circumstances, Udailal established a gold smuggling partnership with a non-Anjna man from his area, and expanded into the opium trafficking and the poppy husk business by forming another partnership with the former Narcotics Control Bureau officer Ashwini Bhardwaj, who had been sacked under suspicion of embezzling opium. Udailal made enough profits from these businesses to allow him to successfully invest in the poppy husk business, to employ many of his caste-mates and others from Chhotisadri, and to abandon the riskier businesses of opium and gold smuggling. At a time when well-drilling was just beginning, he also established companies for drilling bore wells near Chhotisadri. With a dropping water table and no public irrigation works, these wells are essential for most farmers to cultivate dry season crops, among which is the opium poppy. Udailal's ability to expand his influence and establish himself as a caste patron stood him in good stead amongst local farmers in general. This popular base created by patronage, his financial resources and public visibility allowed him to successfully enter politics and win the local MLA seat (1993-98), followed by the MP seat (1998-99, 12th Lok Sabha), and then become the Congress Party head for his district (see also Chapter 2). Udailal is, like many of the Chaudhris described in this chapter, and like the newer political leaders in Rajasthan whom Chakravarti describes, a "political entrepreneur" who has risen because he has been able to identify and use changes in the rules of the political system and undermine the power of traditionally dominant castes in the area (Chakravarti, 1975: 210-11).

More recently, Udailal founded a construction company and was able to use his political influence to win major road and highway construction projects in Rajasthan, Gujarat and Maharashtra. His apologists point to his diversified business holdings as proof that he is just a successful ordinary businessman, and accuse those who call him a smuggler of doing so out of envy. Udailal has in fact used his commercial successes to move to ever more legitimate businesses and to distance himself from illegality, rather than trying to found a criminal empire. As an MLA, Udailal began to delegate daily management of his poppy husk business to a "cousin-brother", a poor but ambitious man mentioned as the "Right Hand Man" in Chapter 1. This handover had been completed well before my fieldwork. Udailal's son has nothing to do with the poppy husk business, but was sent at

great expense to a good university further south and later to the UK for a postgraduate degree in business administration.

Udailal's relatives and other knowledgeable informants plausibly argued that Udailal's poppy husk investment is now only a minor part of his business, but one that helps him maintain vital political influence over officials, politicians and ordinary people in Chittorgarh and adjacent poppy-cultivating districts in Madhya Pradesh. Udailal's political participation echoes Bayly's (1973) description of 19th century liquor and opium traders (see p. 163) as well as Brass's descriptions of how the upwardly-mobile local politician, strong-man and "second rank of party worker" transformed Congress Party leadership in UP when they replaced "the prophets of independence, whose positions in the movement depended upon the esteem and awe in which they were held by the rank and file of Congressmen". These new and more political leaders' positions depended "less upon their personal esteem than upon the political patronage they distribute" (Brass, 1964: 1038). The difference is that Brass notes that "for the new political leaders, politics is a vocation; the contemporary faction leader does not bring status and prestige to office, but rather seeks status and prestige through office" (Brass, 1964: 1040). Udailal certainly did not have the status of the independence leaders, but he brought the status of his success and his notoriety to politics, and used politics to improve his social and economic status.

4.2a The Chaudhrys

As already explained, Udailal's main local poppy husk rivals are the Peepliakhara Chaudhrys, Kamlesh and Pranesh. These two began from a financially stronger family position than Udailal, and the Chaudhrys' investment in poppy husk is part of a coordinated extended family strategy that has stretched over several generations, but many of the developments are similar to Udailal's, especially their hiring poorer local caste-mates, their involvement in politics, their diversification into other businesses, the money they spend on privately educating their children, and their exclusion of their children from the poppy husk business.

Kamlesh and Pranesh both told me separately that they entered the poppy husk trade because they had the capital and saw this business as their most profitable option given their lack of other skills or training. At the time of my fieldwork, Pranesh and

Kamlesh had jointly controlled the lucrative poppy husk wholesale license in Gopalpura for three consecutive years, and had large holdings in other licenses in Chittorgarh district and elsewhere. In a similar way to their forbears' diversification away from the liquor business, Kamlesh and Pranesh also own a new, clean, comfortable and air-conditioned hotel in the popular tourist destination of Chittorgarh. To this hotel, they have attached a growing fleet of new air-conditioned cars and jeeps. They are in the expanding and profitable business of catering to wealthier domestic tourists and businessmen, but have also been successful in attracting mid-level foreign tourists.

In the context of the Rajasthani tourism industry, Pranesh and Kamlesh's hotel is not only profitable, but also prestigious. Rajput-owned and run hotels in forts or stately homes have dominated the high and mid-level foreigner-focused Rajasthani tourist industry, and hostels run by middle-class Indians have catered to foreign backpackers. Working in the foreign tourism industry as a whole is not just seen as more lucrative, but as far more prestigious. In my experience, most Rajasthani hotels that focus on foreigners reject Indian clients and refer them to grotty state-run hotels. The Chaudhry's hotel provides a middle ground in that it is spotless, centrally located and has a backup generator. Unlike those in state-run hotels, the air-conditioners are quiet and work well. All this, combined with courteous staff (who supply clients with girls and liquor) brought the two cousins reasonable prestige by placing them at the entrance of the mid-level foreign tourism market, and firmly establishing them in the high-end domestic business market. The hotel business is a good example of one of the many new, lucrative and status-bearing business opportunities that recent economic growth has opened to the Chaudhrys and people like them.

The Chaudhrys have a lower level of political power than Udailal, but participation in politics is nevertheless significant and an important part of their collective effort to improve their lot. Politics remain a pragmatic business for the Chaudhrys, who do not see it as a matter of ideological conviction or loyalty, but as a way of gaining benefits, distributing patronage and promoting their business interests. Thus, different family members are in the Congress and BJP parties, even though they prefer the BJP overall because they see their main commercial rival in the poppy husk business, the powerful Congress Party cadre Udailal Anjna, as thwarting their opportunities for advancement in

Congress and as generally harming politics in the area by favouring candidates with bad public images. Both the Chaudhrys, as Distillers, and the Anjnas benefit from the OBC, or “Other Backward Class”, classification that has made them appear more influential in their access to State resources, even though none that I knew had been able to use this to get a government job. The OBC classification is not so much a pejorative or associated with “backwardness” as enviously associated with beneficial job reservations and other state benefits.

In Peepliakhhera and the surrounding area, lower and higher status castes and richer and poorer individuals alike envy the Chaudhrys’ success and prosperity, and criticise them especially for having used the illicit and illegal gains from liquor and poppy husk businesses to fund their rise in social standing and political power. The Chaudhrys are conscious of this, and not only do their best to establish and maintain good ties with other castes, but emphasise these ties in very public ways. Pranesh’s daughter’s wedding was an occasion from some of the most ostentatious displays of the Chaudhrys’ political influence and social ties. The highlight was the orchestrated whirlwind appearance of their Chaudhry MLA in great pomp, but they also showed off their good ties with other locally influential and high-status individuals and castes. The officer in charge of the Peepliakhhera police station and his two assistants made only a brief appearance at the main function, but spent a good hour drinking and talking merrily with Pranesh and close relatives and business associates at a side function in Pranesh’s living room reserved for drinking away from the censure of the public eye. As one Chaudhry took me aside so that I would not embarrass the police with questions, a small suitcase of money was brought in, counted, and given to the police. The initially surprised police did not object to my presence, probably because Pranesh had told them that I was his friend and working with him. Like other politically active opponents of Udailal in the area, the Chaudhrys cultivated their own coterie of officials to counteract Udailal’s influence over officials in place, or, at a higher level, over the power to transfer officials.

Two prominent local Bohra Muslim⁸⁰ men in their sixties also attended the wedding and sat in places of honour, well waited on by Pranesh and his senior relatives. One of the Bohras was pleasantly drunk and told me that they often had joint business ventures with this Chaudhry clan, and that he and other local Bohras had a strong tie with them because they were “good people”. An influential Rajput noble family from a neighbouring area⁸¹, and that had long been involved in the Congress Party, was also invited to the wedding. The senior male members, being unable to attend, had me deliver a letter conveying their best wishes and a customary symbolic monetary gift. Their good intent and the fact that they had sent a gift through me rapidly became public knowledge and this sign of respect bolstered the Chaudhry’s public standing.

Part of the Chaudhry’s social politics consists of maintaining good relations with other castes by publicly showing their respect for traditional forms of social hierarchy, and especially deference to Rajputs. In the interactions I saw between the Chaudhrys and the Rajput family they had invited to the wedding, the Chaudhrys always played a subordinate role and ostensibly placed the Rajputs above themselves in the social hierarchy, but without going so far as to squat on the floor. The Rajputs, without seeming removed or haughty, accepted this superior position and the obligations and courtesy it entailed. In conversations with the Rajputs and Chaudhrys, I saw that they both realised that the Chaudhrys had greater wealth and local political influence: the Chaudhrys’ conspicuous expenditure on new TATA air-conditioned luxury jeep models certainly provided a sharp contrast with the Rajputs’ choice (enforced by their limited resources) to remain with their old Ambassadors and Fiats. In spite of this, the Chaudhrys apparently preferred to have the traditional hierarchy eclipse the current balance of power: the social and political association with a

⁸⁰ The Bohras have better standing than other Muslims in the eyes of Hindus: they are seen as peaceful and unlike other Muslims (like Pathans or Ajmeris), and as having originally been Gujarati Brahmins. Bohras also spend money on local philanthropy and build lavish houses with local labour.

⁸¹ This Rajput family had governed a nearby area similar to Peepliakhara, but had maintained close ties to the area, and fulfilled what they and others described as their hereditary obligations to the people and therefore retained their social standing. They are active in state politics through the Congress Party, and have strong ties to politicians at the centre. The head of this Rajput family, a former MLA (Member of the Legislative Assembly of Rajasthan), described the Chaudhry clan as having become wealthy and politically powerful through “smuggling”, and remembered when the current Chaudhry’s MLA’s late father (as well as Pranesh’s father) had, out of respect and tradition, always declined the offer of a chair, even when they were drinking together.

politically active Rajput family that has retained its local obligations and status constitutes a useful election campaigning tool and a powerful symbol of social legitimization.

Like Udailal, Kamlesh and Pranesh have strengthened their roles as patrons by employing members of their own caste from Peepliakhhera, and have likewise not employed their own sons but poorer relatives like Chotu. Pranesh, Chotu's 'uncle' (Chotu's father's sister's son *bua ka bachcha*, Chotu said), explained to me that "he [Chotu's father] is my brother: I must help him". Pranesh's tone reflected his and other traders' view that Chotu was incompetent, uninterested in the business, lazy and inconsequential. As a result, traders kept Chotu out of all but the most routine tasks, but nevertheless treated him politely while occasionally scolding him as if he were a junior relative. At less than Rs. 4,000 a month, his salary was lower than the ordinary starting salary of Rs.7,000 for a new accountant.

Shortly after Our Company lost the Gopalpura auction in 2005, Chotu left the poppy husk business after three unproductive years as a low-ranking employee in the Gopalpura poppy husk office. Rather than move to the new office that was much farther away from his hometown and in a less agreeable district, he moved to a relative's construction company in Udaipur, where he managed a team of several digging and earth-moving machines on a construction site. Chotu, his family, and other traders saw this switch to construction as an improvement because Chotu and everyone else realise that he lacked the ability or motivation to become a good enough trader to make it worth the risks. He worked well for the construction company and later successfully took a second job managing mobile phone subscription distributors, one of the many new reputable and profitable businesses that have recently appeared in Rajasthan. In contrast, the Chaudhry in his late forties who lived in and managed the Gopalpura warehouse, and who had a similar low financial standing to Chotu's father, stayed with Our Company and moved to the new office. He did not have Chotu's opportunities and had the responsibility of supporting his family.

The different Chaudhry families in Peepliakhhera have different levels of wealth and social status. The houses they live in and their levels of education serve as an indicator of both. The house and education of an individual and his family is also correlated with their different place and degree of involvement in the poppy husk trade, and is most strikingly illustrated by the difference between Chotu's family house and the houses of Kamlesh and

Pranesh. Chotu's parents lived, in traditional style, with Chotu's paternal grandparents. Their simple one-story brick house, faced with lime and cow dung, is typical of modest semi-rural middle class family homes on the edge of Peepliakhhera and similar towns in the area. The kitchen is in a partially covered section of the walled and gated courtyard, where Chotu's mother and a young female servant prepare meals over a wood-burning *chula*⁸² on the beaten-earth courtyard floor. Their plumbing is basic: a standing tap in the courtyard, an outhouse with a bucket-flushing squat toilet, and another outhouse for bucket-bathing. Chotu's father and his father's two brothers run a small grocery shop and a travel agency that sells bus and train tickets and charters buses and jeeps. Chotu's younger brother, Vishesh, is in secondary school, and, according to his parents and brother, doing much better than Chotu. Vishesh is the only member of the nuclear family to speak a bit of English, and Chotu compares his younger brother's success in a joking way to his own self-proclaimed weakness in school, something his parents also laugh about.

Kamlesh lives just across the paved street from Chotu's father's house in a two-storey house faced and floored with designs made of coloured marble and stone. The indoor kitchen is equipped with gas burners, and the indoor bathrooms have running water and electric water-heaters. The living room conforms to an aesthetic common to prosperous middle class Rajasthani homes: marble floors, built-in bookcases of fake wood with plastic bric-a-brac, bouquets of artificial flowers, school trophies, family portraits, and large stuffed animals in cellophane wrappers. A few framed posters of the pastel-puppy-and-kitten type decorate the walls, and the sofas are upholstered in exuberantly-coloured synthetic shag.

Pranesh, Kamlesh's business partner and father's brother's son, lives with his family in a 4-storey house in the commercial centre of town, a kilometre away from Kamlesh and Chotu. This location is noisy but has the advantage of being close to the family's shops and transport offices, where Pranesh likes to sit, talk, drink chai, and be an active presence in advising his family members. Pranesh clearly enjoys the life of the market far more than the soft-spoken Kamlesh, and he does a good job of maintaining his theatrical image as a rough, hard-drinking, crude, jovial and uneducated *badmash*

⁸² The chula is a traditional small mud cylindrical fireplace with an open top for a pot and an aperture at the base for inserting sticks.

(gangster). In fact, he had done well in secondary school and has a functional understanding of English.

Neither Kamlesh nor Pranesh, nor any of their older relatives whom they have employed, have any children in the poppy husk business. Kamlesh pays a great deal of money to send both his eldest daughter and son to an expensive English-speaking boarding secondary school in Mount Abu, Rajasthan's hill station. The daughter intends to become a doctor and the son a lawyer. Listening to his children talk to me about their plans one day in his living room, Kamlesh thoroughly embarrassed his children by enthusiastically overstretching his English in an exuberantly proud explanation of how much better his children's opportunities and dreams were than the ones he had at that age. Kamlesh only beamed with greater pride when the two children apologised to me for their father's English.

Pranesh has also made sure that his children received a better education than his own. His daughter's B.A. in Udaipur was not intended to give her professional options, but to increase her marriageability, and she was married to a wealthy Distiller who is a lawyer and businessman in Jodhpur. Pranesh sent his two sons to an English medium school in Udaipur, and during my fieldwork they were studying engineering and chemical engineering at the highly reputed Birla Institute of Technology and Science in north-eastern Rajasthan. Like most traders, Kamlesh and Pranesh see professions like medicine, law and engineering as more prestigious and secure than commerce alone, and as more likely paths to success than trying to get a government job with equivalent remuneration. Also, like other traders, they see degrees in hotel management as desirable and profitable opportunities to work in five star hotel chains. Hotel management degrees from Western schools, even relatively unknown ones, are widely seen as prestigious.

4.2b Mr. X

Mr. X, Vikram Singh's Sikh employer, had an approach to recruitment and politics that was opposed to that of Udailal and the Chaudhrys, but his emphasis on his children's education and job opportunities is remarkably similar. Mr. X's investments were geographically broader than the Chaudhrys, stretching from the poppy growing areas to the highest value consuming areas in northern Rajasthan. Through his education in Jaipur and

his choice to live between Jaipur and Delhi, he had become thoroughly urban, if not urbane. I was surprised by the polished English he spoke with an accent of the established Rajasthani upper classes. He maintained good contact with his relatives in Hanumangarh, but they visited him, rather than the other way around. I later discovered that established families in Jaipur and Chandigarh (the capital of Punjab) knew Mr. X and his brother, and considered them some of the more successful *parvenus* at the periphery of their social network⁸³.

When I first met Mr. X, he immediately began to explain his level of participation in the business, its position in his life and his motivation for engaging in the poppy husk trade. He had begun working in the liquor business with his mother's brother out of ambition to leave his home town. Since then, he had moved into the poppy husk business, taken over this part of the family business, and started businesses of his own. His holdings approach half the values of the licenses in Ganganagar and Hanumangarh, and a smaller stake in southern poppy growing areas. He is not registered on any legal documents as being a partner. He describes his investment as representing approximately 20% of the value of all poppy husk licenses in Rajasthan, and claims to have profits of 30% on his investment in the past, amounting to a very approximate estimate of "5 to 7 crores a year" (50-70 million Rs.). He contrasts this with what he says is a "maximum of 10-12% profit" in his other business interests in liquor and bars, commercial and residential real estate, and high-end shopping centres. Mr. X believes that most investors' holdings in poppy husk usually represent less than half of their business interests, an investment that provides the highest profits in return for the lowest risk. Unfortunately, Mr. X was deliberately vague about figures, and possibly understated the returns on his investments.

Mr. X had good ties with politicians who could help him avoid business problems, but rejected any possibility of personal political involvement in politics, and criticises those traders who are in politics as corrupting. He says that he prefers to leave such political work to his relatives still living in rural north-eastern Rajasthan. This is obviously unlike Udailal and the Chaudhrys, but more like the previous "poppy husk king," who retired from the business to concentrate on marble export and has avoided any association with

⁸³ For a further exploration of the difference in styles of behaviour between Mr. X and his relatives, and the relationship to the social morality of upward mobility, see Chapter 5.

politics. The latter's son, with an even more polished urbane style than Mr. X, told me that politics were a waste of time, and that exporting marble to the Persian Gulf states was far more lucrative. This marble exporter was no longer involved with poppy husk, but saw his continued association with traders as a potential source of capital to expand the marble business.

Given his lack of personal interest in politics, Mr. X had no need to cultivate a political support base through patronage, as Udailal, Kamlesh and Pranesh did. None of his employees that I met were related to him, nor were they even Sikh. He recruited staff from amongst his and his extended family's businesses, whether liquor, dry goods retail, grain trading or real estate, and among those I knew were Vikram Singh, as well as a Brahman accountant in his early 60s, two Jat (but not Sikh) office and operations managers, a Bishnoi accountant in his 50s, and a Bishnoi operations manager in his 30s. All were from the north of Rajasthan, Jaipur or Jodhpur.

When I asked Mr. X why he did not have Sikh or family employees, his answer was curt: "Why should I have any of my people in this business?", and further emphasised his distance from the business by declaring that he never visits offices. In response to a question about office dynamics and how people collaborated, Mr X suddenly looked annoyed and shot back "I am not interested in that", explaining in the same dismissive tone that it would not suit him to visit offices, and that he left it to smaller investors and to his staff. I expected to annoy him more when I asked him about how bribes were given, but his tone became affable and relaxed as he explained that he obviously could not be involved in such things: he kept his distance from all of the operations and confined himself to his staff's periodic reports. That Mr X's distance from the business goes beyond practical precautions is evident in his description of the men employed in the liquor and poppy husk business as "low people with a very low level or background". Mr X added that "these people" switch between liquor and poppy husk because there are very few other jobs, especially in northern Rajasthan, and because they are not qualified for anything else.

In spite of his disdain for the business and his employees, Mr. X was aware of the details of Vikram Singh's life and career, and mentioned in an offhand manner that Vikram Singh did a good job of protecting his interests. As I knew from Vikram Singh that Mr X had given him a loan to cover a family medical emergency, I asked whether loans and other

forms of assistance were part of his relationship with his employees. Mr X responded that he only rarely gave loans, and when he did, it was only the equivalent of a few months' salary because the annual instability of the business based on annual licenses meant that employees could easily move to another employer after a year and not repay him. Unlike Udailal and the Chaudhrys, who frequently give larger loans in support of power as patrons, being a patron and distributing largesse was not Mr X's style of management: he had no base of voters to establish since he had no political ambitions.

Mr X's distance from the poppy husk business made him more like Udailal and less like Pranesh, Kamlesh, Ghanshyam and the other investors who constantly toured offices. However, the way in which he expressed this distance and his vehement criticism of the poppy husk business made him unlike Udailal, Kamlesh and Pranesh, three whom I never heard say anything bad about it. In discussing the business with me, Mr X was less interested in answering my questions about the poppy husk trade than in denouncing it as immoral and providing arguments for the State's nefarious complicity in this business. He argued this claim by passionately describing how many of his poorer relatives, caste-mates and people from his natal area have suffered under poppy husk addiction. Mr X, like the politicians around Chittorgarh and the Chaudhrys, particularly objected to the way he says Udailal Anjna uses his profits and official connections from his poppy husk business to augment his influence in party politics, and to prevent good candidates from rising to positions of power.

Although Mr X may condemn the poppy husk business, he justifies his ongoing participation on the grounds that it allows him to educate his children in good schools, and to make sure that they will be able to earn well as doctors or lawyers. He explicitly stated that he uses his substantial profits for "household expenses", including the high costs of sending his children to study medicine and law in southern India. He later also sent his son to the UK for a hotel management degree to help him get a job in a big Indian luxury hotel company. Once they have jobs and are earning enough money to securely support themselves, Mr X claims that he will quit the poppy husk business.

4.2c Ghanshyam

Ghanshyam, a Gujar by caste, was the smallest investor whom I knew well, and the poppy husk business was for him part of a long sequence of opportunities that he had seized in spite of their hardships and risks, in order to improve his life and that of his family. Having completed the naval cadet program at his secondary school, Ghanshyam was dissatisfied with his other options and signed up for the Indian Navy without consulting his father. The Navy trained him as an electrical technician, and on completing his service he had an arranged marriage and began working in the merchant marine. He implied that the attraction of this job was not just a good salary but also the lucrative opportunities for smuggling goods into a heavily restricted Indian economy. He worked on cargo ships until the early 1990s (when the liberalization of Indian markets began in earnest), and quit to return home because of his father's failing health. On returning, he used his accumulated capital to invest in several different businesses: poppy husk licences, *bhang* licenses, and a small marble polishing factory. His work in the Navy and merchant marine, his travels abroad and his knowledge of English all gave him the kind of experience that other traders do not have but admire and envy, perhaps all the more because they assumed that he also had experience in smuggling goods through Indian customs controls. On his return he also married a second Gujar wife in a "love marriage" conducted with all the proper ceremonies and his first wife's approval⁸⁴. He subsequently further diversified his businesses and landholdings, establishing a gravel plant and renting some of his land to a petrol pump.

Like other small investors, Ghanshyam made profits of well over Rs. 1,200,000 a year when things were going well in the poppy husk business. He characterised his poppy husk investment as more profitable than his investment in licensed *bhang* shops, but also points out that his monthly revenue of Rs.100,000 from one *bhang* license is stable and regular. Poppy husk provided him with greater returns only at the risk of larger losses, and he only received his returns at the end of the contract year when company accounts were balanced and partners' shares of profits allocated. Since the end of the auction system, Ghanshyam only makes Rs.50,000 a month (in 2007-8) from "sub-leasing" part of an

⁸⁴ This claim is hard to reconcile with Hindu Family law, but many men in Rajasthan do have more than one wife to whom they have been married with full religious rituals.

important poppy husk district retail license near his home. The less risky proposition of buying a part of a contract is far less profitable than being an investor, a position that Ghanshyam has been forced to take under the current cartel-like conditions that Udailal has managed to create after the end of annual auctions. Ghanshyam has remained in the poppy husk business because the returns are still good, and because he is used to the work and skilled in it. He is not large enough to pose a threat to Udailal, but his good contacts with local officials, community leaders and businessmen make him an asset to the business. One Ajmeri Muslim, who had managed to gain the contract under the auction system, found that he could not operate the contract without Ghanshyam, who had previously held the contract, and therefore made him a partner.

In visiting many of Ghanshyam's relatives with him, I noted that, unlike Pranesh, Kamlesh or Mr X, Ghanshyam did not have interlocking business interests with his relatives. They were on a much lower economic plane than he, and looked up to him for advice and patronage. Like Pranesh, Kamlesh and Udailal, Ghanshyam regarded his obligation to help his relatives as a moral duty; but the connections he saw as most enjoyable, if not most important for his business, were with his old school friends who had also been ambitious and successful. He did not necessarily have business ties with these close friends, but did look to them for advice about how to develop his own business interests. With the exception of Vikram Singh, Ghanshyam did not make time to socialise with traders outside of the poppy husk offices.

His selection of closest friends reflects his admiration for "self made men" like himself, and the nature of his wider network reflects his business and political ambitions. The most colourful of these friends is a Rajput who had gone to school with Ghanshyam. He had turned his large holdings of arid land along the highway into a strip of small shops that he leased to mechanics, and *dhaba-wallas* aimed at catering to truck drivers. Some of these *dhabas* also provided poppy husk, but were not licensed shops. The Rajput also owned a licensed liquor store on this stretch that did a very profitable trade with the *dhaba* clients. After establishing that I had no objections to drinking rum at noon, he poured out large measures as he and Ghanshyam assured each other of the well-being of each others' families, and moved into a discussion of the intricacies of local politics. We were soon

being pressed to accept an invitation to shoot hare and partridge and to join in a “muzzle-loader” (musket) hunt for some marauding wild boar.

Another old school friend was a Sindhi who owned a fireworks factory and a modern air-conditioned cinema with varying degrees of luxurious seating. With Ghanshyam and the Sindhi, I attended the Sindhi’s son’s opening of a “business process outsourcing” centre (a level above a call centre), where teenagers just out of secondary school made between Rs. 10,000 and Rs. 12,000 as their first month’s salary. One of the three partners in the BPO invited Ghanshyam to invest as a partner and to work with them to recruit badly-needed English-speaking staff. While visiting this business, Ghanshyam and his old Sindhi friend amused themselves trying to imitate the accents of the language trainers⁸⁵ and marvelled at how rapidly Rajasthani society was changing and how many more opportunities there were now than in their youth. What astonished and pleased Ghanshyam the most was how little the BPO partners had given to officials for bribes to get the broadband lines installed. As we left, Ghanshyam waggishly noted that, with corruption dropping and girls fairer from working in air-conditioned offices, India was truly shining⁸⁶.

Ghanshyam learned from his friends’ commercial ventures and how they dealt with problems, but apparently did not have business ventures with them. After this visit, Ghanshyam drove by a property of his on a highway, a property which he had already leased to Reliance (a major Indian company) for the development of a petrol pump and an attached small shopping centre. This, he pointed out, was a far better business proposition than his Rajput friend’s shops, since he was assured of his large monthly payment and did not have to chase many individual shop owners for it. If Reliance tried to cheat him, he explained with a grin, he would be able to organise a protest that would cost them a lot of money by diverting customers to their competitors, a state-owned company petrol station a few hundred metres away.

⁸⁵ What I observed at this call centre bore no resemblance to Bear’s description of the Americanising experience of call centre workers in Kolkata (Bear, 2007). Trainers and managers advised staff against using English regional accents, but trained their recruits to sound “less stereotypically Indian because people find it difficult to understand”.

⁸⁶ This is a reference to the BJP slogan in the 2004 national election, which they lost.

Like many other traders, Ghanshyam thinks of politics as an aspect of business, and is considering beginning a political career. After meeting Ghanshyam's many Gujar caste-mates, people at all but the top levels of the marble business, wealthy Sindhi businessmen, and some *doda-pani* [poppy-husk water] sellers whom Ghanshyam had helped to get the licenses for their vending-shacks by the highway, I joked that he knew enough people to become a politician. He responded by admitting that this was his ambition: "It [politics] is the best and most profitable business in India. If you have no political connections, you cannot do good business," he said merrily. The friends we were sitting with were equally cheerful in their encouragement and insistence that I must tell the world that Indian politics were corrupt and that bribes were necessary to prevent officials and competitors from extorting money from one. In private, Ghanshyam elaborated his plans: "I will not try for *nagarpalika* (municipal council), I think I will try for MLA, with the BJP. Congress is not possible and is too expensive and they will prefer Mohammedans- like the poppy husk contractor here".

Discomfort with the poppy husk business

Although Ghanshyam saw politics as corrupt, he did not see it as being "dirty" like the poppy husk trade. Perhaps it is not the corruption in the poppy husk business that bothers him, but its transitional position and its relative distance from status and power when compared to the role of a politician. The distance Ghanshyam keeps from the poppy husk business and his discomfort with it puzzled me until I realised that it might reflect many traders' fear of damage to their social status, and an undermining of their efforts at upward mobility. Like many other partners in the business, Ghanshyam takes the precaution of distancing himself by not having his name appear on records of poppy husk licenses, and hopes to eventually leave the business. The first time I visited his home he declared, almost as an afterthought to telling me about his life and ambitions, that poppy husk is "a dirty business". In contrast, he was not at all critical of the *bhang* retail license he owned, even though he talked of both as less desirable than his intended expansion of his marble business. Nostalgia for his work in the merchant marine and regret at having left this certainly played a part in his dim view of the poppy husk business. He enjoyed telling me stories about his travels abroad, and speculated about the reasons for differences amongst countries and peoples, and especially his interest in such fascinating minutiae as

why Australians drank so much fruit juice and read so much. But Ghanshyam's repeated condemnation of his poppy husk business is more than simple nostalgia or a moralistic pose⁸⁷.

Ghanshyam was ordinarily the most helpful of informants and constantly bombarded me with information, so I was surprised when I found Ghanshyam dismissing my requests to observe sales and consumption at small roadside poppy husk retail shops. "What do you need to know? I can tell you everything. You do not need to go there", he said. My explanation of my methodological justifications had no impact, and he arranged our time so that we visited many of his friends, but had no time for the poppy husk stands. However, on the pretext of introducing me to grain-trader friend of his, who happened to have a shop next to one of Ghanshyam's *bhang* retail shops, Ghanshyam encouraged me to observe *bhang* sellers and eaters unobtrusively for an hour as we chatted with his friend.

His reluctance to have me spend time with retailers and consumers did not stem from wanting to keep me away from sensitive information about their business: they and others had previously told me details that were far more important. Neither is it likely that they feared I would frighten customers away: on other occasions, traders had used my presence to attract customers curious to talk to a foreigner visiting an area so far off the tourist trail. Ghanshyam might have feared that my very visible presence would lead the police to ask what I was doing there, and require long explanations; however, traders were generally proud of having the police under control. It is also possible that they feared my presence at the shop might start rumours amongst passers-by and result in unexpected problems; but such caution would be unusual for people who enjoy risks, and especially relished the risk of welcoming an unknown foreign researcher into their midst.

A plausible explanation for Ghanshyam's reticence could be his concern for maintaining his social status. He and other traders had long made it clear that, as their foreign friend, I was someone to be shown off and introduced to their high-status friends to whom they had already spoken about me. For me to spend my limited hours with low status shop keepers, truck drivers, farmers, and illiterate labourers who are "*regulars*" (i.e.

⁸⁷ Traders realised very early what I thought of them when they put this question to me and I answered that they were as respectable as Swiss bankers. They found this comparison amusingly complementary and acceptably ambiguous, since they thought of Switzerland as the "*dhunia ka swarag*" ("paradise on earth"), but also believed that Indian politicians all had secret bank accounts there.

addicts, the same word used for alcoholic or addicts) would be taken as a slight by those who would find out that they had been given less attention. Spending time with “low people” could be interpreted by the offended as a sign of my – and perhaps accompanying traders’ – own low standing. This would risk Ghanshyam’s social status by tarnishing his image as a polite person, and by jeopardising friendships he valued. This concern with status might also partially explain Mr X’s distance from his employees and his ostensible disdain for them, and also explain why employees like Vikram Singh perhaps accept this distance and even think it admirable.

The second marriage and tensions between Ghanshyam’s ambitions

Ghanshyam’s second marriage and his provisions for all his children emphasise his ambitiousness and desire for a better life, but also highlight the tensions and difficulties this has created, and how he balances his ambitiousness with his understanding of paternal duties, the greatly increased expense of two households, and his distaste for the poppy husk business. His two wives live in separate houses and neighbourhoods on different sides of town “to prevent problems”, as he says. He insisted that his first wife had accepted the second marriage, but it seemed to me that there were strong tensions. I visited Ghanshyam’s first household several times on extended visits, but was never introduced to the women in the house, nor did I see their faces as they crossed the courtyard with their veils down. Ghanshyam explained to me from the moment I arrived – before I had seen any of the women – that they followed Gujar tradition strictly and wore the *gungat* (veil). However, in other Gujar households I visited with Ghanshyam, households that were no less traditional, the women did not observe *gungat* as strictly, lifting their veil and chatting with me on my second visit or even my first, much like traditionalist Rajput households I visited. It therefore seems possible that tradition was not the only reason for the women’s strict observation of *gungat* in Ghanshyam’s first household, and that resentment of Ghanshyam’s second wife played some part in this.

Ghanshyam’s behaviour in his second household was quite different, and he explained that his second wife did not observe *gungat* as strictly as his first because “it is different”. On my first visit to his home, while explaining how he had acquired different plots of land for his businesses and his sons’ personal use, he added with a roguish smile that one of the plots he owned in another part of town “is for my other wife”. I had not

heard him mention a second wife before, nor did I ever hear him speak about her amongst traders, and was surprised when he insisted that I meet her. His eyes lit up as he talked about the son and daughter he had with her, emphasizing that they were doing well in school and spoke English, unlike his older sons. He hoped that his son would be as ambitious as he had been, and that his 12 year old daughter would have a good marriage with the match that he had already arranged. Visiting his second household, I noticed that Ghanshyam was much more cheerful and relaxed. He merrily ordered his son and daughter to shake hands and greet me in English. The wife, after bringing tea, sat on a mat in the living room and watched a Hindi film on a colour TV, while chatting and making *bidis* (Indian leaf cigarettes) with another woman on contract for a tobacco merchant.

As we smoked the fresh bidis, I was asked to test the children's knowledge of English and arithmetic. The children did well and Ghanshyam beamed with pride and spoke of plans for their future education at a private "English Medium Convent School" in Ajmer. Like other traders, Ghanshyam preferred the so-called "convent schools", usually named after a Christian saint and run by nuns and clergy. These are widely considered the best affordable education. Ghanshyam and his second wife were also planning to build (and have since then) a new three-story house on the front part of this plot so that his second wife could have an income from renting out the current accommodations and a shop on the ground floor of the new building. These, he said, in addition to some other properties he was developing, were his provisions for his second family to have enough money for the children's upbringing and decent private education should anything happen to him.

In contrast with his enthusiasm about his second family, his tone was regretful when he told me that his two older sons from his first wife had not done well in school, and that they were neither hard-working nor shrewd businessmen. Consequently, he had to establish each in a business where they could make a good livelihood, marry well, and support their wives and children. The older son ran the *bhang* shop and the younger ran the marble plant. Ghanshyam takes care of his poppy husk, real estate investments, and the overall coordination of businesses. Ensuring his older sons' capable management of their businesses did not fill him with the same pride as his youngest children's eagerness to learn.

Along with Udailal, Ghanshyam is the trader I knew with the poorest origins, but who has successfully undergone hardships and risks to gain opportunities and to live the kind of life he wants – whether it has been seeing other countries, marrying a second wife, or having a car. Ghanshyam enjoys the comfort and convenience of his Maruti-Suzuki car, prefers to smoke Indian cigarettes rather than *bidis*, likes to wear a baseball cap he bought abroad, and enjoys good whiskey and plentiful dishes of good goat meat. However, he is dismissive of the flashy consumption and taste in foreign goods of some of the people he knows, and his own luxuries are minimal expenditures or displays of social status compared to what he spends on educating his children or giving them businesses. Ghanshyam appears to subordinate his pride in being a self-made man and his pursuit of the life he wants to the well-being of his family. The poppy husk business, as distasteful as he may find it, is a means to this moral end.

4.2d Vikram Singh and the variations amongst traders

Vikram Singh, one of the most experienced traders I knew, was well respected by his employer Mr X and by his colleagues. He provides an excellent point of comparison for understanding traders, whether their diversification of their business and attitudes to poppy husk, their families and their children's education, and the differences amongst older and younger employees. Vikram's work in the poppy husk is part of a series of measures he and his brother have taken to compensate economically for the setback of his father's death when he was 19. His elder brother, TS, enlisted in the Indian army to support his family and to provide the dowry to marry off his sisters. Vikram Singh found a job in the liquor business, and later entered the poppy husk business.

While being employed to run retail liquor shops in north-eastern Rajasthan, Vikram got married at the age of 30, late for a man of his background. Shortly afterwards, he started a poultry farm next to where he lived on the Rajasthan-Haryana border. The market for chickens was booming and his plan was to make enough to leave the liquor trade, but his business partner embezzled money, chicken prices crashed, the business failed, and Vikram lost Rs. 200,000. Over the subsequent six years, he tried to make up for this loss by working as a liquor agent for his Sikh employer, Mr. X's mother's brother. During this work, he was offered an opportunity to move into poppy husk, which he took because it

was better paid and less violent. At the same time, he made the chicken barn habitable and this is where his family still lives to prevent any squatters or neighbours from occupying it.

As a liquor store manager in Haryana, Vikram gained a solid reputation as a man who would thrash troublemakers at the slightest provocation. When some of his friends were present, Vikram explained to me with an apologetic smile that “in that business (*dhandra*) it is either the rule of the stick (*danda*), or your business fails”, a play on words that made people chuckle and humorously recount how Vikram had thrashed some local miscreant or other. Several of Vikram Singh’s friends in the liquor business who had known him since then said that this experience was how he developed the kind of personal presence that allowed him to calm most situations with only a few words. Vikram Singh was glad of the opportunity to leave the unavoidable violence of the liquor business and to work for a higher salary in the poppy husk business, even if this meant living far from home. For the first nine years he worked in Mandisor (northern Madhya Pradesh) a town notorious for its trafficking since the early nineteenth century. He was subsequently rotated through several wholesale license offices in southern Rajasthan, during which time Mr. X took over his family’s poppy husk concern and became Vikram’s employer. Thus, Vikram has worked for the better part of twenty years in an area so far from his family that it takes him an exhausting twenty four hour bus trip to get home.

Vikram Singh’s pay of Rs.10,000 a month, as much as accountants, is a substantial incentive for him to put up with the hardships and risks of being a trader. His salary is a consequence of his skill in the complex organizational and managerial work of recruiting and managing truck drivers for long-term contract work, renting offices and warehouses in the right place, making purchases from poppy farmers, ensuring that office staff work together, dealing with officials, and managing crises. The relatively good salary for his level of qualifications is only one incentive; the other is the opportunity for making working connections with influential businessmen, officials and politicians. Vikram Singh and his brother own a valuable amount of property on the outskirts of the city of Jaipur, and have, since the late 1990s, been fighting powerful groups of land-grabbers and others in a long legal battle over the ownership and use of these plots. Vikram Singh sees the poppy husk trade as a good way to try to sway the case in his direction by making helpful contacts with powerful businessmen, politicians, bureaucrats, police, and members of the

underworld connected with gambling and racketeering. Indeed, most of his friends near his home and elsewhere are poppy husk traders, liquor merchants, police officers, bookies, and several large landlords near his home. Vikram lives a more frugal life than even traders who have a lower salary, but he has a Honda Hero motorcycle (the cheapest motorcycle) that his brother-in-law also uses, and the office life provides him with whiskey and good meat. His friends in liquor and poppy husk throughout Rajasthan also mean that he has access to office jeeps when he needs them, whether to visit his paternal village or friends.

Children's education: a major motivation

Vikram's longstanding collaboration with his elder brother, TS, is central in the pursuit of their ambitions for their extended family, especially their children's education. Several years ago, TS was retired from the army due to a severe injury. One of his commanding officers offered him a well-paid and prestigious job, but he turned this down in favour of another officer's offer that he become chief mess officer at an expensive, prestigious and good private school in Punjab. The pay and prestige were lower and the work harder, but the position allowed him to have his two children and Vikram Singh's sons attend a good school for free, an opportunity that they could not otherwise have had. Vikram Singh's work in the poppy husk business has helped to provide enough cash to send TS's son to a hotel school in Switzerland, and to pay for the schooling of his daughters and second son.

Vikram's wife and children, watched over by his wife's unmarried brother, had to remain in the chicken farm in Haryana, not just to prevent squatters from occupying it, but because the Haryana school boards were harder and had a better reputation. Meanwhile, a Jat neighbour and farmer whom he considered to be a good friend, and whose wife and children often helped Vikram Singh's wife, was accumulating the money to buy the chicken farm. In explaining to me that the converted chicken barn was a temporary arrangement, Vikram seemed embarrassed, but his explanation portrayed it as a necessary hardship for his family's goals. There was also a good agricultural college nearby which two of his daughters attended, and which helped him to arrange good marriages for both of them. As for employment, he wanted his sons to work in the private sector, and was adamant that if his daughters were to work at all while married, they should teach in private "English Medium" schools. Government schools, he claimed, were little better than the

police, where one of his daughters had been offered a place and where he was sure that women had to pay for promotions in sexual favours. No member of the family is more adamant about the importance of these sacrifices for education than Vikram Singh's illiterate wife, but perhaps she was also happy to be the head of her own household, rather than subordinate to her mother-in-law.

The extent of Vikram Singh's preoccupation with his children's future is evident in the disturbance of his usual calm when he talks about his different projects for his own and his elder brother's sons and daughters: he squeezed his clasped hands in a fist anxiously while attempting to conceal his worries, and his face acquired a distracted look that contrasted with his usual alertness and bonhomie. These paternal concerns affect him more than any of the trading risks he regularly deals with, even troublesome officials or truck accidents.

Even Vikram's relationship with his two mistresses reflects his devotion to his family. When I met both of these women in two different towns, I had already met Vikram's family. Before I met his first mistress, Vikram gave me a short explanation that he only rarely saw his mistresses – perhaps every two months or more, depending on where his work took him. Both of these mistresses are married with children. He took pains to describe them using the English “lovers”, stressing that it was about love, and that there was no financial transaction or expensive gift-giving involved. When I saw Vikram with his mistresses, I noticed that the relationships were indeed very affectionate and tender, but no money matters were ever discussed. He might visit one of his mistresses for an afternoon when business took him near, but he made sure, he said, that they did not take up the time or resources that he could otherwise spend with his family. Vikram's justification of his mistresses is therefore in many ways like Ghanshyam's attitude to his second family: that it in no way impinges on his first family.

Vikram Singh's discomfort of the poppy husk business

Vikram may see his work in the poppy husk business as a means to ensure his children's future and to settle land disputes, and definitely sees it as better than the liquor business, but he is nevertheless uncomfortable with it and qualifies it with an understated “not good” (*accha nahin hai*). Vikram seems to be genuinely uncomfortable with the idea

of addiction, something I did not notice in Ghanshyam, but both traders seem to fear that the poppy husk trade might damage their social standing.

Vikram had a similar reaction to Ghanshyam when I asked him if I could sit in shops to see what kind of people came there. Instead of his customary helpfulness, he answered “All kinds. There are lawyers and doctors and business men”. When I explained that I wanted to see in what proportions different kinds of people visited, he elaborated “mainly labourers, farmers and truck drivers” in an attempt to stem my desire to visit. We drove by several retail shops he pointed to in passing, but when I asked to stop and observe, he suddenly remembered that he wanted me to meet some people and drove on. Vikram eventually relented and took me to a shop where I talked with the vendor when there were no clients, and then sat in the back drinking chai and observing the clients. After less than a half hour, Vikram Singh began to look restless and repeatedly ask whether I had all my information. He suggested that we go see other friends of his, and rejected the possibility that I stay there alone. I realized that it would be rude for me to ask to stay.

On another occasion, Vikram Singh, some of his colleagues and I were drinking at a roadside truck stop (*dhaba*) one evening, when a trucker sat on *charpay* (string cot) near us. I mentioned to my drinking companions that the trucker looked worse than brown sugar addicts I had seen, and, as my friends were in a roguish mood, they decided to ask this supposed *aphimchi* (opium addict) what he took. The truck driver claimed that he only ate poppy husk, and that he did not touch opium or brown sugar. In response to my questions, he answered that he had been eating poppy husk for the last 15 years, but only on a regular basis for the last 10 years, and took three doses of 25 grams (a big handful) a day – which we calculated by how long it took him to use a one kilo bag. He explained that he did not take opium or alcohol because they were not good for his alertness, and also because pure opium was also expensive and very hard to find. A few minutes into the conversation, the traders had all become serious. The association of their work with the truck driver’s sickly appearance was visibly difficult for them to bear, and Vikram wore a tense grin and discreetly wrung his hands as he did when he was truly uncomfortable.

Vikram’s and his colleagues’ nervousness with this trucker was similar to that when Vikram and many of the same group joined me on another occasion in my conversation with workers at an office and warehouse we were visiting in north-east Rajasthan. These

half-dozen workers were employed to grind the poppy husks into powder, and the office staff did not socialise or eat with them. When I began talking to them, I found out that they were employed at 2000 Rs a month (a starting cook's salary) to grind poppy husk by machine into flour and pack it in plastic bags of 100, 200, 500, and 1000g for retail. They also told me that they also consumed, free of charge, all the poppy husk they needed while on the job. The quantities and frequency suggested dependency, and one sixty-four year old man told me that he had been working there for fifteen years and eating poppy husk throughout.

As Vikram Singh and his colleagues walked over to the warehouse to join us, I heard him comment "He wanted to see people eat *doda* in the shops, now he can see it here", whereupon he politely and laughingly asked the workers to demonstrate their different methods of consumption. They did so eagerly and with shaky hands, some making a paste of the powder, others using a length of head-cloth as a strainer to make a cold infusion in a bowl of water. The nervous distance between the traders and the poppy workers was very different from the comradely rapport between Vikram Singh and contracted truck drivers or his most subordinate colleagues. Most traders are aware of the role of poppy husk in securing bonded labour, know the personal cost of opiate abuse, and disapprove of both. Not all of them express themselves so readily as Mr X or become as visibly unsettled as Vikram Singh, but none like to be reminded of their role, especially if it is possible that many of their caste-mates or extended family members use poppy husk or are potential clients. Perhaps Vikram's lurking distaste for the poppy husk business and his admiration for education is one reason why he admires Mr X in spite of his visible distain for the business and far greater separation than other investors. In urging me to meet his boss, Vikram described him in glowing terms as very successful businessman who had managed to improve his situation, and as a "*bahut educated admi*" (very educated man), implying that he was not only educated but cultured.

Differences between older and younger employees

Vikram's age and experience provides a useful contrast with younger employees. The generation of traders above forty mostly had a limited access to education, and had their entrepreneurial efforts limited by national and state governments' severe regulatory system. They explained that smuggling of different sorts was merely an accepted fact of

life and necessary for a successful business. Most of these older employees, whether operational staff or accountants who had learned on the job, began in the liquor business and shifted to poppy husk. Even though it is generally seen as a status regression, some traders have moved back to the liquor business as investors because they are better at it and can make more money. This was the case of Rajesh, a middle-aged Distiller caste (unrelated to the Chaudhrys) employee from Jodhpur who had worked in Gopalpura for several years, but who was more valued for his goat-cooking skills than professional abilities. He had installed his family in Gopalpura, was happy with his children's schools, did not like the peripatetic trader's life, and thought he could have a better family life and make more money as a liquor contractor in the area. His trader colleagues thought he made the right decision, although some made snide remarks in private about Distillers reverting to type. Rajesh had prior experience of the liquor business, relevant local knowledge from the poppy husk trade, and has indeed been very successful.

All of the older traders know that they have neither the education nor political connections to get a government job as lucrative as their illicit activities, far less the new businesses which they find wonderful but very alien and mysterious. Older employees' more profitable options are generally limited to the familiar fields where they have connections and relevant experience, such as liquor, *bhang*, transportation, marble finishing and export, construction, politics and commercial real estate. All are not equal possibilities: some businesses require more capital or specialised knowledge than others. The same options are available to poppy husk investors, although they may permit themselves a greater range and size. Older traders' aspirations outside these fields are for their children, not themselves, even if this means that they must stay with work they find distasteful. Older traders' moral emphasis on the importance of their families, and especially their children's education, not only helps to explain why they enter and remain in the poppy husk trade, but why they are uncomfortable with it, why they exclude their sons in favour of poorer relatives or distant caste-mates, and what businesses they add on or shift into. Having their sons enter this business would be an admission of failure in their family goals, and undermine the moral justification for their work: family "upliftment".

The younger traders are different in that they do not yet have children, or their children are not yet of school age. Their focus is more on their own development than on

their families', and this is reflected in their vocal expressions of their frustrations with their work. With the exception of Chotu, who had not finished college, the younger traders were all accountants who had begun work in the poppy husk business almost directly out of college as the best-paying job they could get. Some of them had been introduced by a parent or relative's friend to a trader, and passed a short trial period in one of the trader's other businesses before moving to poppy husk. These accountants' dislike for the business was more vehement than Chotu's apathetic aversion, but their antipathy seemed to stem less from the moral discomfort of older traders and more from their frustration at not being able to get the jobs in the new Indian economy that they see and hear about, whether in IT, telecommunications, or the burgeoning tourism industry. A Pathan and a Brahman accountant, the first working for a Jat investor in Our Company and the second for Pranesh, repeatedly told me that their work was "*bekar*" (useless), and "not good". The bitterness in their tone left me in no doubt that they disliked their work – even if it did provide them with a good salary and good living conditions. Both liked to talk with me about what sort of work they would rather do, and asked what sort of work and opportunities I had seen in other countries and parts of India, which ones I thought they could aspire to, and how they could go about this. The young Brahman hardly objected to opiate trading as a whole: he also volunteered to help my research by putting me in contact with a successful Pathan Muslim heroin trafficker, saying "He is a very good man; he is my good friend. I rented a room from him when I worked there [in his town]".

A comparison with traffickers not only clarifies that traders start from a higher level of skills and economic resources, but also emphasises the difference between young traders and young traffickers. Although traders are clearly differentiated from traffickers by the legal basis of their work (see Chapter 1), many come from similar economic backgrounds and sympathise with each other's conditions. Many of the middle-aged traffickers in the poppy-cultivating areas are, like traders, from families with inadequately productive landholdings, and either barely completed secondary school or did not have this opportunity. These traffickers, however, did not have the opportunity that their peers in northern Rajasthan had of entering a profitable legal business like liquor, since there were no distilleries nearby. Like people from most other castes, they would have been unable to enter the only other local lucrative employment, agricultural commodity trading, since this

was and remains controlled by a small number of Jain, Gujarati Brahman and Sindhi families. The traffickers whom traders knew socially were exceptional in their success, their discretion and lack of ostentatious conspicuous consumption. Like successful traders, they had diversified into other businesses, but mainly agricultural machinery, vehicle rental and rural transportation. These successful traffickers retained their arms-length involvement with heroin and used it in the same way as many traders, remaining dependent on their opiate interests for revenues to plough into other businesses.

Most traffickers under forty whom I knew were farmers who did not do it full-time, but only occasionally to supplement their income. The young men who did no other work but trafficking were members of farming families with far too little land to accommodate all the brothers and their families. Many of these were illiterate Pathan or Ajmeri Muslims, amongst the poorest castes of Chittorgarh district, or from the even poorer castes of Muslims who were Dalit converts. Others were poorer Minas (a Scheduled Tribe). The majority flaunted their new money by ostentatiously buying new clothes and motorcycles, and were either soon jailed, forced out by competitors, or both. These failed traffickers returned to a less lucrative group of activities than those available to traders: subsistence farming, agricultural or construction wage-labour, or very low-status occupations like street-sweeping.

A smaller number of traffickers were from families of small shopkeepers or government clerks, and had failed to do well in their local college or even complete secondary schooling. They found trafficking less hard work, more lucrative and more exciting than shop-keeping, and realised that their literacy, numeracy and greater confidence with petty officials (including low-ranking police) gave them an advantage in the business. These traffickers, when caught, are more likely to be turned into informants by police than prosecuted. This role gives them a further advantage in trafficking, but also subjects them to far higher risks of playing a double game. Should they decide to leave trafficking of their own accord, as many have with currently diminished supplies, increased competition and risks, and diminished margins, they become agents for mobile phone companies, soft-drink distributors or other similar new consumer businesses. Only very successful traffickers prosper like Udailal or even set up motorcycle dealerships, hotels or construction businesses.

Younger traders were also mainly from families of petty clerks or shopkeepers, but were harder working and better educated than their trafficking counterparts from a similar background. The three younger accountants I knew best, a Brahman, a Pathan and a Jat, were like the older accountants in the pride they took in the skill and hard work it took to balance the double books, keep an eye on each other, and manage the illegal money transfers, official payments and bribes. Some accountants used their abilities to embezzle for themselves or to help their employers cheat other investors. Doing so without being caught required even more skill.

The important difference between younger and older accountants is that the latter, such as the Bishnoi who was briefly put on leave under suspicion of embezzling, did not expect to change their line of work, even if they occasionally changed employers. Younger accountants, on the other hand, thought only of changing and their main gripe with the poppy husk business was that there is “very little scope” (*“scope bahut kam hai”*) or chance for progression in the business, which they see as blocked by less qualified and slower older accountants. Unfortunately for their desire to get other jobs, their degrees in business from provincial colleges did not distinguish them in the job market, and they lacked IT or English skills. Thus, younger traders are more qualified than older traders, but they are also more frustrated in their ambitions.

4.3 Traders as part of the Indian middle classes

As I show below, a number of traders’ characteristics are similar to other Indian middle class groups that have already been studied: their incomes, their emphasis on and self-justification by family and upward mobility, their choice and views on education and employment, and their consumption patterns. This comparison goes beyond the parallels between the upward mobility of different Distiller castes discussed above, and extends even to new Indian IT professionals. The similarity of the popular criticisms of IT professionals and poppy husk traders indicates a common objection to rapid upward mobility, whether through legal or illegal means, as a threat to the socio-moral order. Traders’ own criticisms of their work and of each other supports this, especially some of their criticism of other traders’ political involvement. Traders’ different views of their opportunities and those they desire for their children reflect their perceptions of their relationship to the State, and these perceptions also identify them as new middle class Indians rather than as part of the

established middle classes. Although there is more than enough literature that identifies and analyses different segments of the Indian middle classes, there remains a lack of consensus on what is meant in general by class or middle class in the Indian context. Lack of space precludes a consideration of these larger debates here, but I will briefly outline the reasons for the approaches I take to both before comparing traders with other middle class groups.

4.3a Class, middle classes, and caste

Weber's approach to class seems the most congenial for an analysis of poppy husk traders because of its analytical emphasis on the mobility and mutability of the class status of a person with many interests, the role of satisfaction or frustration in his position, and his ability for upward mobility depending on his chances for beneficially exchanging the goods and services he controls. For Weber, class identity is not merely defined by an individual's simple ownership of property or by his putative interests in control over production and consumption for revenue generation: shared interests and collaboration are only seen as a *possible* (but not necessary) feature of class status, and there are potentially as many different combinations of skills and interests as there are individuals. People's shared interests shift as they emphasise one combination or other of their many interests, leading to groups with a "plurality of class statuses between which an interchange of individuals on a personal basis or in the course of a generation is readily possible and typically observable". These transitions "vary greatly with fluidity and ease". This multiplicity of interests means that only "persons who are completely unskilled, without property and dependent on employment without regular occupation, are in a strictly identical class status" (Weber, 1947: 424-5). Moreover, Weber emphasises that individual and group class status depend as much on "subjective satisfaction and frustration" as the "provision with goods" and "external conditions of life" (Ibid: 424). These class-defining external conditions or "specific life chances" are established, whether a person owns property or not, by what that person can exchange them for on the market: "the kind of chance in the market is the decisive moment which presents a common condition for the individual's fate" (Weber, [1946]: 22). This approach is germane to traders' ambitions, to their multiple interests and skills, and to the conditions that restrict and facilitate their ability to exchange their goods and services on the market. Following Weber's approach, I assess traders'

incomes, their typical opportunities as reflected by the lines of work they come from and diversify into, their views of their position and others' views of them, and their relationship to chances for different opportunities in the market. This outlines traders' comparative class position amongst other Indians considered to be part of the middle classes.

It would be remiss in a discussion of class mobility in India not to raise the relationship between caste and class, a relationship shaped by individuals' and groups' relationship to State control over resources. Some, like Nijman, claim that “[caste has a] declining significance in relation to class”, describe the relationship between caste and class as “highly complex, obscure” (2006: 762), portray caste and class as distinct, and represent the politicisation of caste as a recent and abnormal phenomenon⁸⁸. This may facilitate the analysis of economic aspects of class (specifically the lack of structural income changes and the trend of increased consumption that is largely debt-funded), but it fails to address the necessary political and social aspects and establishes a misleading opposition between caste and class. For one, class reproduction remains dependent on caste-based marriage patterns, especially amongst the professional middle classes, shown by Bêteille (1992), Fuller and Narasimhan (2008), and Parry (2001), amongst others. The political aspect of caste is by no means recent: it is a historical force for caste formation, differentiation and mobility, whether in colonial and pre-colonial military recruitment practices (c.f. Kolff, 2002), or the scripturally legitimized prerogative of kings to change a caste's status from untouchable to clean on the grounds that its prior demotion was unwarranted (Parry, 1979: 120). Caste identity has therefore long been a means for groups to establish a relationship to the State that helps their aims of upward mobility.

Currently, as Jeffrey and Lerche argue in the context of Uttar Pradesh, “access to these forms of state power [such as policing and government job reservations] has become central in the reproduction of class advantage”, which are reflected in caste advantages (2001: 94). The specific forms of access in terms of job and educational reservations may be new, but the general role of State resources, whether goods or official nomenclature, is

⁸⁸ “[...] First, caste as a communal and ritual support system is increasingly reduced to kinship-based micro-communities. Second, caste has become subject to the machinations of electoral politics at state and national levels resulting in the increased politicization of caste at larger scales. Third, as a marker of social stratification caste is increasingly overshadowed by class and increasingly functions to differentiate social strata *within* class segments — what some call the ‘classization of caste’”(Ibid: 764).

not. Moreover, access to State resources is not confined to maintaining class advantage: it is also fundamental to challenging these advantages in the struggle for upward mobility. Michelutti, among others, shows how, in the case of the Yadav caste, caste reservations and the politics of patronage surrounding reservations have encouraged disparate groups to meld into new cohesive castes, complete with origin myths and traditions, in order to take advantage of these State benefits and to compete with other castes doing the same (2004b). A more recent example in Rajasthan is the Gujar caste movement in 2007 and again in May 2008, which resulted in violent riots and dozens of deaths at the hands of police as Gujars protested to demand that the Rajasthan government change their caste's legal designation from OBC to Scheduled Tribe to increase their opportunities for advancement through an increased allocation of state education and jobs (known as reservations). Bhils and Minas, large and politically powerful groups classified as Scheduled Tribes in Rajasthan, objected strenuously to the Gujars' movement because it threatened to dilute their benefits. In a compromise solution, the state reclassified Gujars as a special category, Economically Backward Classes, alongside Banjara and Rebari, nomadic groups that are often locally referred to as "criminal castes" (Bareth, 2007a; 2007b; BBCNews, 2007a; 2007b; 2007c; 2007d; 2007e; 2008; Johnson, 2007; Reuters, 2008; Singh, 2007).

Even though there is no direct, easy or uniform correlation between specific castes and classes, caste is plainly an incontrovertible element of class identity in India on both the social and political level. This being said, this notion of caste should not be confused with or confined to a more restricted idea of caste as being constituted by ritual hierarchies and commensality restrictions, even if issues of class hierarchy and mobility are often expressed in the idiom of caste. Insofar as State market regulations strongly shape the "specific life chances" of individuals and groups, and therefore their class status (see p. 194), class and caste formation and change bear a similar relationship to the State and the politics that affect these regulations, whether for poppy husk traders or others.

4.3b Comparative incomes and businesses

Those who enter the poppy husk business have a higher educational level than the 34% of Rajasthani men who are illiterate (Jain & al., 2003: 76), many of whom can only

sign their name or pass state tests aimed at inflating literacy numbers⁸⁹. It is only the non-office contracted employees amongst traders, such as truck-drivers and the loaders and poppy husk grinders employed at warehouses, who are illiterate or semi-literate. Traders are also in a far better financial position than the 31% of Rajasthan's 56 million-plus population considered beneath the poverty line (*Departmental Facts and Figures*, 2008). Employees almost all have individual annual incomes well above Rs. 90,000. The lowest-paid office operations staff, the semi-literate jeep drivers, make Rs. 5,000 a month, and successful senior operations managers, office managers and accountants receive Rs. 7,000 to 20,000 a month. Even small investors like Ghanshyam make over Rs. 50,000 a month from their poppy husk investments alone, and all traders, the drivers included, seemed to own agriculturally productive or commercially valuable real estate worth over Rs. 200,000⁹⁰. In comparison, it is worthwhile considering that a reliable, long-term unskilled labourer at a quarry is lucky to earn Rs 150 for a day of backbreaking labour with no additional benefits, a wage that leaves him with little after buying food for his family.

As Fuller and Narasimhan point out, "the Indian middle class is sometimes identified [...] as a 'consuming class' (c.f. Corbridge and Harriss, 2000: 123-4; Deshpande, 2003: 134; Mankekar, 1999:175-6), which may in turn be equated with the 'middle-high' income category, as defined by the National Council of Applied Economic Research; in 2001-2, this category included household with annual incomes over 90,000 rupees and made up 28 per cent of all Indian households" (2007: 125). By this standard, traders (with the exception of drivers) are members of the middle class well within the middle-high income category, and investors are well above this. One should also take into account that offices provide, free of charge, comfortable lodging with cooks, a laundry service, and good food, chai and alcohol. As seen above, small investors such as Ghanshyam are able to afford Maruti cars as well as several small-cylinder motorcycles in their family, and large, comfortable masonry houses with electricity and indoor plumbing. The extent of traders' conspicuous consumption tends to Indian brands of cigarettes as a habit, and to higher-

⁸⁹ The literacy officer in Chittorgarh noted that functional *illiteracy* was at least twice the official figure as a result of literacy drives that only sought a favorable statistical impact generated by skewed tests.

⁹⁰ The sum of Rs. 200,000 represented more than the price of fertile plot with a well for profitable year-round vegetable production, or a large plot of land on a bustling town's major road, which could be lucratively rented to vendors or mechanics.

priced Indian-made whisky at Rs 800 a bottle on special occasions. Big investors like the Chaudhrys or Udailal have marble flooring and facing for their homes, Indian-made luxury jeeps (but not the far more expensive Mercedes that Punjabis of their income prefer), and imported Indian-bottled liquors on special occasions. No matter their level, traders' greatest expense is their children's education, which also serves as a form of claim to social status through conspicuous consumption.

Even in comparison with Rajasthanis and Indians of much higher qualifications, traders are well paid. Their salaries, benefits and disposable incomes are comparable to the starting salary of 10-12,000 Rs a month that teenagers with good English and IT skills can make by joining one of Rajasthan's new business process outsourcing companies. In addition, traders receive benefits that these IT workers do not: food, liquor, lodging, the use of jeeps, loans from their employers, and their possible supplementary incomes from embezzlement or taking cuts from bribes to officials.

Traders' holdings in other enterprises above, whether commercial real estate, marble processing, liquor, politics or construction, all establish traders as sharing common economic interests with other middle class Indians who invest in these businesses but are not part of the poppy husk business. The ability of individual traders to participate in these interests obviously varies greatly, since some of these enterprises require more capital, specialised knowledge, or political support than others. Traders' participation in new businesses, such as mobile phones and subscriptions, that were inconceivable in the more tightly regulated environment five years before my fieldwork highlights the importance of these new opportunities in allowing traders to reduce their risks and secure their social standing by developing more interests beyond poppy husk. With the decreased profit margins and drastically increased competition and risk since 2005 (see Chapter 2), increasing numbers of traders seek to abandon poppy husk and are helped by the fact that rapid economic growth in Rajasthan provides even those of most modest means with the opportunity to enter profitable licit businesses rather than turning their talents to trafficking drugs or people. Traders' incomes, consumption patterns and businesses establish them as middle class Indians, and their opportunities for income from poppy husk and for diversification into other businesses further illustrates the importance of the State's market

regulatory practices in forming the opportunities available to this and other upwardly mobile entrepreneurial groups.

4.3c Emphasis on family, education and private sector jobs

The patterns of traders' consumption of education for their children, and their desire that their children obtain private sector jobs, better defines traders' membership within a particularly ambitious and legally precarious segment of the new upwardly mobile Indian middle classes, rather than the longer-established segments. Traders' emphasis on their children's education is rooted in the moral centrality of the advancement of their family as a justification of their participation in the poppy husk trade. This moral compunction explains why traders insist that their children not become traders or anything similar, and why their children become private-sector professionals. Success in both these areas can justify the hardships and financial, moral and social risks that the poppy husk business entails. The emphasis on private education in English, and on private sector jobs, may be pragmatic, but it also reflects traders' views of the State as an undesirable source of employment, a view that places them amongst ambitious upwardly mobile middle classes, and differentiates them from more established members of the middle classes and from poorer Indians.

Traders' emphasis on the moral centrality of family echoes B eteille's analysis that the notion of family has replaced that of caste as moral centre and locus of social reproduction for Indian middle classes (1992: 16-17). This emphasis on their children's education and career development has for some time been seen as "proverbial" of Indian middle classes, and "most conspicuous in large metropolitan cities such as Delhi, Bombay and Calcutta, but [...] growing elsewhere as well" (Ibid: 17). Fuller and Narasimhan, for instance, note that highly-paid IT professionals send their children to expensive schools (2007: 127), and imply that their focus of these resources on their nuclear family is to a certain degree at the expense of their extended family.

A description of traders' work seems similar to that of IT professionals, who work "long and antisocial hours under the continual pressure of tight deadlines" with the goal of paying for their children's expensive educations (Fuller & Narasimhan, 2007: 127, 128, 134). Clearly, IT professionals' work is far more stable, more highly remunerated, and less

risky, and traders do not have IT professionals' opportunity to reject high-level government jobs or to express "total disdain for government and public-sector employment" that is "linked to the younger generation's confidence [in economic prosperity]" (Ibid: 142). Nevertheless, traders are sufficiently confident in future prosperity to dismiss as undesirable the low-paying stability of government jobs that their children might easily get (IAS posts being far better paid but extremely difficult to get), and pragmatically do their best to prepare them for private sector employment, which is seen as affording a better "scope" for money-making opportunities.

Although the idea that traders and others would be influenced by pragmatic concerns in their job choices and the choice of education for their children, Donner appears to dismiss the possibility that middle classes chose English educations on pragmatic grounds. She prefers the explanation of "powerful imagery of new global workplaces and competition", reasoning that "the switch to English-medium education was therefore not inspired by opportunities in the city but rather by the lack of alternatives" (2005: 123-4). Donner further explains the attraction for private sector jobs by pointing out that government pay cannot fund the "rising demand for consumer goods and increasingly affluent lifestyle preferred by the middle classes" (Ibid: 126). This attempts to explain the preference for private employment in terms of consumerism alone, rather than relating choices to shrinking opportunities in government employment, rising real costs of living and competitive pressures on State-distributed resources, and increased opportunities in the English-speaking private sector in pockets throughout the country. On the other hand, Bear's analysis (2007) supports the view that economic policy changes have resulted in new kinds of jobs in West Bengal, jobs that do require and financially reward English language skills. Traders also know how difficult it is to get any government job, much less a lucrative one, in a state like Rajasthan where state jobs are subject to caste reservations dominated by Scheduled Tribes and Scheduled Castes – reservations from which traders (even the OBC ones) do not benefit.

Hansen (and others whom he cites) claims that government jobs' loss of prestige is the consequence of the State's recent loss of legitimacy and cites ordinary Indians' loss of respect for the "modern nationalist aristocracy" of high-ranking bureaucrats, scientists and politicians [that] was referred to with awe and respect". Previously, the high-level

bureaucrat was seen as a “hero of modern India” and of Bollywood films (2001: 37). Even if the majority of Indians did idolise the bureaucrat as a hero and aspired to his position, they were probably not just attracted by his ideal goodness but by the security of his power and money. With the abolition of the License Raj, the rise of private sector employment, the improvement of consumer goods and durables through foreign partnerships and relaxed import duties, and the decline in relative importance of government salaries and opportunities, it is hardly surprising that the scales have fallen and that even high-ranking bureaucrats are seen as ordinary, fallible and corruptible by the Indian middle classes. Some claim that “this newly imagined freedom brought about by liberalization of the economy and connections to global economic networks is [widely] represented not as a break with the past but as the long delayed liberation of Indian national potential” (Bear, 2007: [Rajagopal, 2001]). Many Indians, traders and IT professionals included, feel this way, and would certainly be deeply offended should anyone say that their activities constitute a break with the legitimacy of the local traditions and identities that they hold dear. The more established middle classes, on the other hand, who benefited from the License-Permit Raj, remember those days happily and are suspicious of liberalisation policies (Fuller & Narasimhan, 2007: 143-4). In a similar fashion, and as discussed in Chapter 3, the critics of traders’ political involvement criticise traders not just for having benefited from State regulations, but for having perniciously undermined moral local traditions of rule and influenced the State.

The different view of government jobs probably separates Indian middle classes from the Indian poor, or those living in “lawless” States like Bihar, who desire government jobs as the best way out of poverty in an environment where small private enterprise is all but impossible (Luce, 2006: 60-3). The lure of government positions has faded for middle class Rajasthanis, but the business of electoral politics, even minor local elected positions like the *sarpanch* in the *panchayat* system, is increasingly attractive due to increased devolution of development funds to locally elected officials. These positions also require less time and education than securing equivalently profitable government employment. The traders who are more securely established, like Mr. X and the former poppy husk king, can afford to express disdain for such political entrepreneurs.

4.3d External and self-condemnation by traders and other Indian middle classes

Traders' criticism of their own work, as much as they try not to think about it, contains an implicit accusation that their ambitions and business put their families in danger. This criticism is much like popular Indian criticisms of professional middle classes for purportedly abandoning their moral duties to their families and to India. Judging from the way Ghanshyam, Vikram Singh, Mr X, and others condemn their work (but not explicitly themselves), traders distance themselves from their business for complex moral reasons as well as a practical desire to avoid legal risks. Ghanshyam's reasons may be more of a concern for his and his family's social status and the desire to preserve it by avoiding association with the low social status of poppy husk consumers. While this is probably also an element of Mr X's condemnation, his is also plainly driven by guilt at being partially responsible for and benefiting from the addiction of people to whom he is related, or could plausibly be related to. Although Vikram Singh's views are much less clear, the sight of poppy husk consumers and aspects of their work might be a painful reminder to him and his employer of the condition of their extended families, and their limitations in being able to fulfil their sense of duty to help their relatives. Traders' condemnation of their work may be affected by guilt at failing to help their kin, but it is also influenced by their concerns for their and their family's social standing and economic amelioration.

Traders' unease should be taken in the context of other Indian businessmen's similar condemnation of their own work, a condemnation that does not require the element of opprobrium attached to narcotics or the ritual pollution of liquor-merchants or other lower-status occupations. Harriss-White, for instance, quotes one rice miller as saying that "trading and politics are occupations for robbers", and a cotton wholesaler as protesting: "we businessmen don't always like to participate in this kind of immorality" (1996: 290). Unfortunately, Harriss-White does not explain their views on their own terms, or how they might also defend their business. She seems to assume that their objections are a result of their guilty knowledge that their business is exploitative and partially illegal. The general Rajasthani public may condemn traders on grounds that largely depend on moral views of the State (discussed in Chapter 3), and some traders themselves condemn their colleagues on these grounds; however, traders' own criticism of their work is similar to popular criticisms that Indian professionals and migrant labourers put their families and Indian

traditions at peril. The moral subordination of individual ambitions to the family's well-being appears to be a way to make a trader respectable in his own eyes and in the eyes of his friends and colleagues.

IT professionals, who are in a higher income bracket than traders⁹¹ and enjoy a safer legal position, are criticised for abandoning their families and regional Indian ways, when they are in fact quite attached to these and see their work in the private sector and economic liberalisation as creating better opportunities for themselves, their families and their country. The middle classes in Chennai, however, entertain “negative stereotypes” and “occasional lurid fantasies” about IT professionals (Fuller & Narasimhan, 2007: 133). Among these stereotypes are that they are crassly materialistic, consumerist and greedy; that they are overpaid, overworked and obsessed about abandoning India for the West; that they drink, have affairs and form “love marriages”; that they neglect their parents ; and that they have generally “disturbed the social fabric” (Ibid: 133). However, IT professionals’ observed behaviour does not substantiate the accusations. They are not substantially different from comparable groups of Indians that escape such criticism, and, in spite of their travels and the international nature of their work, they are not “globalised” in the sense of being less Indian or less committed to the idea of India: “They [...] may become more committed to living their lives in India than many of their predecessors in India’s aspirational middle class” (Ibid: 148). Why, then, are they condemned?

Envy of better salaries, stock options, more rapid promotion and better employment opportunities no doubt plays a large part in these criticisms, especially from middle-class managers in the stagnant or shrinking sectors of the old manufacturing economy (Ibid: 133). A stronger explanation for these criticisms lies in the common thread of these factually unsubstantiated criticisms, whether of allegedly high frequency of affairs and love marriages or of a supposed abandonment of the moral duty to care for parents by working abroad and being too far away (Ibid: 145-5), or of conspicuous consumption (Ibid: 135-6). All these are condemnations of IT workers’ perceived attack on or abandonment of family obligations that are held to be morally fundamental and characteristically Indian. In fact, IT professionals do not necessarily have more difficulty returning home than Indians working

⁹¹ The ‘new rich’ IT professionals’ incomes are in the high income bracket by NCAER standards (Fuller & Narasimhan, 2007: 125-6), compared to the average traders’ upper-middle position.

in distant parts of India, and the latter are not criticised (Ibid: 135-6). Moreover, these IT professionals are engaged in less conspicuous consumption than less financially secure segments of middle classes (Ibid: 135-6), and “conventional, arranged marriages are definitely the norm [...] love marriage is rarer than outsiders often suppose, and in general most IT professionals appear to have conventional middle-class marriages and family lives” (Ibid:140).

At the other end of India and the spectrum of skills, similar sorts of criticisms have been levelled against those Keralans who migrate to work in the Persian Gulf, and against the “widespread ethos of mobility, now lexicalized in Malayalam as *progress*” (Osella & Osella, 2000: 8). Keralan politicians’ criticisms of migrant workers’ conspicuous consumption are phrased as condemnations of “selfishness”, “new imperialism” and “cultural decay”, meaning that increased “state intervention is then justified by the moral failings of the migrants and middle classes”, conveniently concentrating developmental power in the hands of politicians and bureaucrats. Similar condemnation was previously aimed at the upwardly-mobile tenant-cultivators who, in the 1970s and 1980s, abandoned political mobilization after they obtained the land reforms they wanted (Osella & Osella, 2001: 114).

Curiously, academics such as Fernandes have similarly criticized the Indian middle classes by arguing that they are characterized by a “politics of forgetting” the poor, and thereby shirking their moral duty (2004). This analysis seems as biased as the criticisms of the middle classes discussed above, especially when one considers the vast sums that India spends on food subsidies for the poor, the Rural Employment Guarantee Scheme, or the many middle class men and women one runs into who have abandoned lucrative careers to join or lead grass-roots development movements – among which the founders of the farmer’s NGO Mazdoor Kisan Shakti Sangathan (MKSS) in Rajasthan, which has successfully campaigned for freedom of information on budgets and development project works as a way of fighting corruption (Corbridge, Williams et al., 2005: 28, 211-4; Jenkins & Goetz, 1999). Of course, in the case of traders, it is precisely because they cannot forget that many are uncomfortable with their work.

This moral condemnation of upwardly mobile Indian groups, whether on grounds of abandoning family or political morality, and whether by outsiders or the upwardly mobile

themselves, is similar in structure to the moral logic of legitimate power discussed in Chapter 3, where the disinterestedness in worldly benefits of the ideal leader is closely identified with such a transcendent long-term good. In a similar way, as Bloch argues, the family is usually taken as the quintessential representation of this morality of the long term general good (1973)⁹². This moral logic provides legitimate grounds for condemning people who appear to disrupt conventional family patterns as threats to moral society. Needless to say, this moral logic may also conceal envy at the success of these new middle classes, and fear of competition from ambitious men who think of themselves as “self-made” and who have a large appetite for risk.

Chapter Four Conclusion

To conclude, traders’ incomes, aspirations, consumption patterns, views of employment prospects and views of the State establish them as part of the more risk-taking upwardly mobile middle classes, rather than as part of the risk-averse established middle classes that are mainly interested in maintaining their position. In addition to their approach to risks, traders can also be distinguished within the mobile Indian middle classes by the group of occupations within which they easily and typically move. The typical occupations from which traders originate are low-ranking State employment, small-holding agriculture, landless labour, agricultural produce trading, shop-keeping, transportation, and liquor production and trading. Traders become or remain involved with poppy husk to finance their children’s education, amongst other ambitions; but they also diversify their source of revenues where they can in order to limit the risk of their exposure to the poppy husk business. The businesses into which they typically and easily diversify are real estate, processing construction materials, tourism, politics, transportation, liquor, construction, and, to a lesser extent, agri-business. Since many traders also have qualms about poppy husk, their degree of diversification, and especially that of their children, measures their

⁹² Bloch’s argument is that the tolerance for a long term imbalance in reciprocity is not only characteristic but also constitutive of moral relationships. The common factor in the logic of moral systems, Bloch argues, is that people see “the moral” relationship on a scale commensurate with the presence of tolerance of a long term imbalance in reciprocity of exchange. Bloch identifies three parts to the logic of morality: 1) that kinship and family are universally thought of as ideally constituting the most moral ties, 2) what characterises transactions between these people is the tolerance of long-term imbalance of reciprocity, and 3) that how people understand interactions as being more or less moral is correlated with how much a long term imbalance of reciprocity is tolerated.

success from their own perspective. Considering the habitual range of occupations to indicate class (see p. 194), then traders' children often belong to a different class as they enter the very different occupational range of professional employment in law, medicine, administrative positions in high-end hotel businesses, IT or communications business, or large-scale marble exporting. Thus, from the State's creation of the licensed poppy husk business in 1986, through the different State regulatory changes in the official and observable regulation of poppy husk, and on to the State economic deregulation and permission of less regulated private enterprises, traders' and their children's life chances and class mobility have been and remain strongly shaped by the Indian State's changing policies (and varying enforcement) as a market regulator. The same could be said for most Indians, but the highly regulated nature of the poppy husk business serves to highlight the role of State market regulations in forming and changing class mobility.

Comparison with such different groups as IT professionals and Keralan migrant labourers highlights important differences and conflicts between established middle class segments and the newer upwardly mobile segments, placing poppy husk traders in the latter camp. The main difference between these two groups is not caste or education beyond a secondary level, but a willingness to attempt to manage the risks and hardships that allow them to take advantage of changes in State economic regulations. Traders' similar views of their own work as a means to advance their children's future helps to explain why they enter and remain in the business, how they diversify their other business holdings, and whom they recruit.

As Béteille remarks, "no discussion of [middle class] values will be sociologically adequate unless it takes the polymorphous character of the Indian middle class into account" (2001: 79). I did not recognise in traders the characteristics that Deshpande identifies with the middle classes: the 'intelligentsia', government administrators, and "entirely a product of the developmental regime" in order to focus exclusively on "the role played by this class in building and maintaining the hegemony of the ruling block" (2003: 142-5, 147). Markovits, on the other hand, provides a useful contrast between the values of bureaucratic or professional middle classes and merchant middle classes. He characterises the merchant classes as durably differentiated from the bureaucrats by the latter's "fairly large conspect of caste and regional groups, albeit mostly from upper castes", compared to

the *bania* and assimilated caste's limited number and regional concentration in Gujarat, Sindh, Rajasthan and Punjab (2001: 53). Markovits argues that professionals hold a contradictory set of values: Victorian middle class values to be expressed in the public sphere, and "indigenous values" to be preserved and expressed in the sphere of "domesticity" (Ibid: 50). In contrast, merchants' values are unified: they centre on the goal of family reproduction and preservation by elevating the values of creditworthiness and thrift and denigrating ostentatious behaviour and conspicuous consumption (Ibid: 51-2). There is no clash between norms of public and private spheres since the dominance of the family firm meant that the business world was and remains "largely coeval with the world of domesticity and did not entail entering into a 'public sphere'" (Ibid: 51)⁹³. This perspective can be questioned on a number of levels, not least changing financial practices, but they provide a context in which to place traders.

Traders, whose companies do raise capital from a limited public, make a distinction between their family sphere and their business, and come from many castes, bridge the gap between the merchant and other middle classes. As such, traders are what Markovits describes as "a new breed of entrepreneurs, not belonging to these [merchant] castes, [that] is undoubtedly present on the one hand in the agro-industrial sector (where they often come from peasant castes) and on the other hand in the so-called 'new economy' such as the computer software sector" (Ibid: 53-4). Of course, this group is not new: it only appears so because Markovits does not account for the existence of low-status entrepreneurs that are not traditionally assimilated to the *bania* castes, such as the Distiller castes discussed above. These differences between traders and Markovits's merchants reflect how State regulations surrounding the poppy husk auctions have unwittingly promoted the diversity of poppy husk traders (c.f. Chapter 1), just as movement away from a dirigiste import-substitution economy has given traders more opportunities to diversify. Once again, this emphasises the role of the State in shaping classes and the transformation of the social status of castes, and perhaps their values. Assessing the values of an entire class is beyond the scope of this study, but the following chapter explains how, in the ambiguous moral

⁹³ Markovits claims that the basis for this pattern continues today because "even nowadays, it is only a minority of large-scale firms which raise capital from the public at large"(2001: 51).

environment of the poppy husk business, ambitious traders of different castes and religions share moral norms of interaction.

Chapter Five:
Traders' interactions and behaviour:
friendship and the normative basis of the poppy husk trade

"Louis, I think this is the beginning of a beautiful friendship."

-'Rick', in *Casablanca*.

Introduction

Chapter 4 explained how traders take the risk of participating in the poppy husk business, how they justify these risks in terms of family morality, and how the business is the best available way for them to help their families. Because they justify their business on the basis of their families being their morally paramount objective, traders are also morally uncomfortable with their work because they feel that it threatens their family's standing and undermines the wider family morality that includes more distant kin. Traders realize that using the poppy husk business as a means for upward mobility also presents a status and legal threat to their moral ambition of uplifting their family, and they react to this threat by minimizing participation of their close family to the point of excluding their sons. As I have shown, there are also pragmatic reasons of business administration for both employers and employees to shy away from participating in business with their kin.

As evident from the previous chapter, traders cannot rely on common caste or religious norms, the rulings of a caste council, or courts for enforcing common practices and resolving disputes. Traders' separation of their poppy husk business from the moral sphere of the immediate family would seem to cast the already largely illegal business out of the realm of moral interactions. What, then, is the basis of the shared understanding on which traders work and live together, resolve conflicts peacefully, bribe officials, and successfully manage the difficult business choices within the legal and practical constraints of their business? Unlike some commercial communities that emphasize different kinds of kinship ties as moral bases for collaboration (see Chapter 4), traders deliberately avoid close kinship ties or fictive kinship ties, and emphasize friendship instead. This chapter describes how traders talk about this friendship, examines the context of this friendship in terms of the wider literature on friendship, analyses the relationship of this friendship to traders'

other moral ties, compares the interactions between traders and different kinds of friends, and evaluates the role of these friendships in the practices of the poppy husk business.

The first part of the chapter focuses on traders' introductions and representations of each other. These are a fundamental part of their interactions given their different origins, their mobility, their annual staffing and partnership changes, and the importance of personal ties in being able to operate successfully. These introductions emphasise friendship, and its qualities of discretion, as a laudable characteristic that signals an ability to work well within the ambiguous moral and legal field of the business. The absence of discretion raises suspicion and limits a friendship; its presence fosters intimacy. These introductions, like those in wider Rajasthani society, also establish this friendship in relation to caste and geographical origin. Although it appears that friendship might be ideologically conceived as existing outside the boundaries of family and caste ties, traders judge the quality of friendship in terms of a person's devotion to his family. According to the literature on friendship, the disassociation of the ideal of friendship from family and other social institutions is characteristic of friendship in general, and makes it necessary to understand friendship within the context of these institutions.

The second part of the chapter describes the context of friendship within the daily routine in poppy husk offices, and especially the implications of drinking alcohol and eating meat together. One of the most prominent routines of poppy husk office life, drinking alcohol and eating meat amongst with colleagues and with collaborative officials, is surprising because many traders are from castes that proscribe alcohol and meat. This phenomenon is not so much evidence of "Rajputizing" rather than vegetarian "Sanskritizing" upwardly mobile behaviour, nor is it straightforwardly characteristic of any caste in particular, whether Rajputs or upwardly mobile Jats. I suggest that it can be better explained as typical of casual, non-ritual friendship in India. Neither the drinking and meat-eating, nor other office activities with more overt religious meaning, seem to raise tensions of conflicting caste or religious customs, but these activities do reveal how traders enforce norms of generosity and respectful politeness as a collective style of behaviour. Traders' displays of respect for each other can also be seen in advice-seeking in important matters like children's weddings and in the way they joke with each other.

There are certainly variations in the kind of friendships amongst traders, in their views of friendship, and in their styles of behaviour. Most notably, traders appear to differentiate amongst close friends with whom they do no business, and friendships with traders and officials that have a clear instrumental value and are essential to good business. Nevertheless, all seem to respect as legitimate an ideal of interaction that they refer to as friendship and that revolves around generosity, politeness, discretion, an admiration for the “self-made man”, and a belief in the family as the basis for moral life. Such an ideal of friendship provides plausible moral grounds for traders to justify their collaboration within the business in the face of their own and others’ criticisms, and exists outside the institutions of caste and family even while referring to these.

This shared norm of respectful friendship is complementary with the structural incentives mentioned in Chapter 1, which encourage traders to peacefully resolve conflicts rather than drawing attention of law enforcement officials through displays of violence. There are doubtless other ways of explaining traders’ style of behaviour and collaboration, and traders certainly have different views of friendship; however, explaining their interactions by friendship has the advantage of relying on mores similar to the moral logic of condemnation of corruption and ideals of State authority described in Chapter 3, and the related logic of traders’ choices and discomfort with their work described in Chapter 4.

5.1 Traders’ introductions and descriptions of each other

As in introductions in wider Rajasthani society, traders’ introductions follow the conventional pattern of situating people socially in reference to family, caste, and geographical origin. To introduce someone is to approve of him socially, and to have his status reflect on one’s own. Traders will introduce a person with variations of the phrase “This is my hearty friend Mr X, he is a very good man...”. Superlatives, including a mix of English words, follow to emphasise the strength and closeness of their bond: “Yeh mera pyara dost/accha dost/hearty friend/lovely friend/close friend hai” (This is my dear friend/good friend). The introducer then follows with a favourable sketch or anecdote, and allows the conversation between those being introduced to take the usual course of inquiries about family, more subtle questions about caste, and inquiries about common acquaintances. Fundamentally, these introductions create characterisations that establish that the people share a set of ideals that allow them to be colleagues and friends. As a

newcomer with no family ties in the area, with no previous connections to the business, and with no actual business involvement, my position was different from that of a new trader; nevertheless, the way traders introduced me to each other and spoke of me is a useful reference point to compare how they introduced and talked about each other, and what they emphasised as valued qualities.

5.1a Discretion: a prized characteristic of traders and friends

My first contact with poppy husk traders was the fortuitous result of a long bus ride from Udaipur to Gopalpura, on which Chotu introduced himself to me and showed himself to be the antithesis of discretion that I later learned traders valued so much. Like most of my bus conversations this one started with questions about my origins and moved to inquiries about our respective occupations. Chotu told me in expansive terms about the poppy husk trade and how his classificatory uncle was an important partner and license-holder, and invited me to come by any time for lunch or dinner with the other traders at the Gopalpura office. Ignoring the convention of not publicly talking about eating meat and drinking, and to the visible shock of some people within earshot on the bus, he emphasised that they always ate lots of goat and chicken, and had good whisky. I learned later from other traders that his garrulous indiscretion was one of the many reasons why he was an incompetent trader.

On my arrival for dinner several days later, Chotu introduced me to his colleagues as his *dost* (friend), and explained how he had met me and what I was doing in the area. Chotu was, except for the office cook, the most junior of the office by twenty years, and the other traders remained polite and hospitable but were visibly annoyed and concerned that Chotu had told me about the business and invited me to the office without consulting them. Vikram Singh, among the most suspicious, subjected me to a polite but thorough enquiry about what I was doing in Gopalpura. Fortunately this moved on to how I liked the area and the food, and the inevitable rhetorical question “Hamare Bharat kaise laga⁹⁴?” (“How do you like our India?”). He and some visiting senior office staff decided to bring me along to a wedding of the son of a liquor contractor whom they knew. Suspicion gave way to hospitable affability in the convivial atmosphere of surreptitious drinking outside the

⁹⁴ This is a prevalent dialectical form, even though “kaise lagta hai” is more grammatically correct.

“marriage palace”. The traders introduced me to everyone we met as “*hamare dost*” (our friend), and later brought me along to continue drinking at the house of the local illegal gambling syndicate chief, who was closely associated with the traders and liquor contractors. This evening of drinking and laughing stood me in good stead several days later, when I met the initially severe, disapproving and intensely suspicious Ghanshyam. Fortunately, Vikram Singh and the others who had invited me to the wedding were able to appease Ghanshyam’s anger at Chotu and suspicion of me by speaking well of me and emphasizing how I had drunk and eaten with them, and that I had both liked the food and kept pace round for round. Vikram Singh’s, Ghanshyam’s and others’ later introductions of me to various offices sparked none of this initial unease, even when they made introductions over the telephone rather than in person: unlike Chotu, they were established and highly regarded in the business, and my standing in other traders’ eyes benefited from this.

The pre-dinner drinks that are a staple of poppy husk office life were often a time during which traders would introduce visiting colleagues to the others in the office who might not know them. It was also a time when colleagues joked and told stories. Luckily for me, my primary informants like Ghanshyam and Vikram Singh took pleasure in seizing such moments, whether we were visiting other offices or whether traders were visiting Gopalpura, to introduce me by retelling and exaggerating a story that cast “our foreign friend” or “our foreign trader” (*hamare angrezi mittar/ thekadar*) in a good light.

The most illustrative and useful of these stories condensed some of my difficulties with some over-zealous policemen in Pratapgarh. My friends in the poppy husk offices were understandably interested to hear what, in my frequent meetings with police, I had learned and said. Some were nervous that I might have let slip some compromising detail about the poppy husk trade; others wanted to know what the police might have said about them. Vikram Singh was the better story-teller, so I will condense his many retellings of one story here, loosely imitating and translating his style. The broad outline is true, but the synthesis is a result of Vikram Singh and Ghanshyam fusing two incidents and exaggerating for effect – not just to promote me, but because they were good storytellers.

“The police at the time were asking Rolsji [my nickname, with polite honorific suffix] many questions for renewing his visa, and they sent a policeman to his room. That

behenchod [sister-fucker] arrived out of uniform, and asked the landlords of Rols to sign a blank paper attesting to good character and to the fact that he was not a missionary trying to convert Hindus. His landlords are Brahman⁹⁵! Ha! But Chillum Ford⁹⁶ saw that the policeman was whispering to his landlord and trying to scare him to give a bribe. Rols *bhai* [brother] told the policeman to leave and come back in his uniform and with a printed statement, otherwise he would call the SP, the MLA and MP and make an FIR [First Incident Report, the form for registering a charge] for not wearing his uniform on duty, and for trying to extort bribes. *Kya?* Yes, he told him to go away and do things properly! The policeman tried to get angry, but Chillum Ford told him to go and return with the proper forms! When he returned the policeman said that they should go and have tea, because he was supposed to ask questions about moral character. You see? The police try many tricks so that people will see them drinking tea with Rols *bhai* and think they are friends! The policeman invited Rols *bhai* to his house so that his sister could serve *makka ki roti* and *dal* – maybe he wanted to arrange a marriage! – and asked Rols *bhai* what he did, and our *angrez* [foreigner] answered that he was looking at cash crops. The police had noticed that Rols had come to our office many times, and asked if he did not know that the *doda chura* [poppy husk] people were *taskar* [smugglers] and doing illegal business. Ah! Listen! Rols *bhai* said, “But do they not have government licenses? How can they be illegal? Tell me, how many litres of illegal liquor do the police seize in one year?” The policeman answered that, so far, they had captured several hundred litres of spurious liquor. Rols continued, “And how many kilos of poppy husk?” The policeman answered that they had taken no kilos, but that was not because the traders were clean, because the police took bribes to let the trucks pass. Ha! So Rols *bhai* said “Accha. To illegal kaun hai? [Right! So who is illegal?]

What did he say? Yes! Ha!” There was usually a lot of laughter and spirited participation during and after the telling of this story, and people I had newly met would thereafter occasionally greet me jovially or with mock *badmash* severity with an “Illegal

⁹⁵ My landlord and his family were actually deeply offended by the insinuation that they might support Christian missionary activities.

⁹⁶ One of my nicknames. Several traders initially insinuated that I was a spy for some unnamed foreign power. My supporters reacted tactfully by nicknaming me Chillum Ford. The nickname refers to an anecdote that one trader told about the late Maharaja of Bikaner having met, when he was already elderly, with one of the James Bond actors. The Maharaja forgot his name, and instead called him Chillum Ford. With good timing and a few bada pegs of McDowell's Number 1 Whisky, everyone found the joke hilarious, and the *reductio ad absurdum* successfully dismissed suspicions.

kaun hai?" Underlying this humorous story-telling and reaction, however, was the undercurrent of bitter indignation at the perceived abuse of power in the policeman's hypocritical criticism. This probably touched the raw nerve of traders' own ambivalent view of their work, discussed in Chapter 4.

None of the traders who told this story had seen my interactions with the police, but this had not stopped them from repeatedly embellishing my own limited account in order to portray me as more tactful than I probably had been as a way of promoting me amongst other traders as someone who shared their practical abilities and outlook. Thus, my supporters' accounts of the incident gave me three important credentials for a good poppy husk trader, thereby making me an acceptable member of the group. The first is that I knew about the illegal aspects of the business, but did not admit it and instead defended its legality and traders' insistence that they were just like other businessmen. The second is that I defended the claim to legitimacy without being rude, but by humorously exposing the hypocrisy of critics. The third is that by doing so, I show both loyalty to traders' business aims and sympathy with their social ambitions. No doubt traders found it novel and amusing that a foreigner would share and act on their collective values.

Discretion and traders' differentiation amongst each other

I found that the issue of discretion repeatedly arose in traders' judgements of each other. Chotu's lack of discretion was somewhat tolerated as an attribute of immature youth, even though they were furious at his foolishly bringing new friends to the office in Gopalpura when they were not there. On the other hand, older traders who brought up things that should not be talked about, or who did not show adequate tact, were actively disliked. A Sindhi accountant and office-manager in Our Company, for example, took great pleasure in gleefully showing off his membership card for the All Rajasthan Anti-Corruption and Crime Preventive National Federation, taking pleasure in the double-dealing that he used his membership for, and declaring that everything was corrupt and all officials could be bought. The other traders sitting around had been giving me detailed information about bribing officials, but they fell silent when the Sindhi began to gloat, and later made remarks to me to the effect that what the Sindhi had done was not proper. Traders in general were proud about how they bribed officials, but it seems that they found

the Sindhi excessive in his cynicism: they believed that anti-corruption efforts were a good thing, and should not be ostentatiously suborned.

Office altars, rituals and discretion

Even in matters of divine protection, discretion is a sign of traders' standing and an important aspect of managing inter-personal relations. Contracted truck-drivers, and even low-ranking employees like jeep drivers, often carry an amulet of Savliaji, the idol of Krishna at a temple of the same name near Chittorgarh. This particular incarnation of Krishna is widely held in the area to be powerful protection for traffickers, and the temple is extremely wealthy from the offerings of traffickers in M.P. and Rajasthan. The traders who are accountants and operation managers, on the other hand, would never be seen with this image because it would be a tacit admission of the trafficking identity that they reject. When I asked why they did not carry this image or have it on their office altars, traders told me "because we are not smugglers". Nevertheless, every office that I visited (with the exception of one owned and run by an Ajmeri Muslim) had, in the office room for the accounts and the money, an altar on an open shelf at chest height⁹⁷. On all of these altars there was an image of the infant Krishna with his hand in an overturned cream pot – a reference to the fun-loving god's trickier side.

Apart from Krishna, there were framed prints of Ganesh, Lakshmi and Shiva⁹⁸. The first two are perhaps the most common gods in the offices of other businesses. In offices in north-eastern Rajasthan there were also images of Sikh gurus. In three of the offices I knew best, the images of Durga and Krishna were most prominent. Durga is the favourite of Rajputs, and is usually seen as the most powerful deity one can comfortably be associated with, and Durga is also commonly worn as a neck medallion by the Chaudhrys. In two offices, I saw images of what traders claimed was Durga, but which looked exceptionally fierce with an extended tongue, and which looked more like representations of Kali. Moreover, the image was accompanied by three or five whole lanced poppy husks with their stems. In other offices, I found the groupings of lanced poppy husk on the altar near Durga. It is hard not to associate these groupings of *doda* with poppy farmers' small

⁹⁷ The shelves higher and lower were used for clothes and traders' other personal possessions.

⁹⁸ Only in one office, where a Brahman accountant was the most senior employee, did I see the image of Laxmi, the goddess of wealth and prosperity and favourite of merchant castes. Ram was absent from the office altars: he inconveniently represents unwavering moral integrity.

field-altars to Kali, but she is considered too dangerous to invoke unless with a very pure heart, or if bent on vengeance, destruction, or illegal deeds. The only person I knew who wore a Kali medallion was a deputy superintendent of police whom other officers regarded as odd, dangerous and perhaps mad.

In the offices where *puja* (worship) was performed regularly, it was performed alone by one of the Brahman employees. When there was no Brahman, the *puja* was sometimes performed by a Jat or Rajput. The other traders stayed out of the *puja* and accounts room during the *puja*, so as to not disturb the *pujari*. Although traders were respectful of religious practices, none that I met was strictly pious and religion was more of a personal matter that varied greatly amongst traders. Most traders were in fact fond of a saying that reflects their general scepticism of pious appearances: “*Mumh mein Ram, bagle mein churi*” (“In the mouth, Ram; [hidden] in the armpit, a dagger”). This expression conjures the image of someone who is overtly pious, but actually a thief or murderer.

After the *puja*, the officiant would bring the offering of food he had made to the gods (*prasad*, usually cashews and raisins, raw brown sugar, or sweet milk-based confections) to each person in the office, distributing pieces to each person in the order that he meets them. The officiant would not seek out the Muslims in the office to give them *prasad* unless they were close friends, and the Muslims often discreetly absented themselves when traders other than close friends were distributing *prasad*. Likewise, if Muslims prayed, they did so discreetly. In this way, any overt expression of religious differences was avoided.

The few Muslims adapted to the fact that the main religious symbolism in traders’ office life is Hindu, and drank and ate with their non-Muslim colleagues. I only knew one Muslim-dominated office, and did not spend enough time there to observe their daily practices, but I was there enough to notice that, like many Muslims in ordinary Rajasthani life, they did not answer the calls to prayer from a distant mosque. The few Muslims in offices I knew better made perfunctory prayers in their room, if at all, and observed Ramadan in a way that did not conflict with their work. One Pathan driver wore a silver and gold bracelet on his right wrist decorated with the raised golden letters ‘786’, a reference to a Koranic verse, he said. Muslims I knew in the offices did wear amulets around their neck with Koranic verses rolled up inside them, but these look like the amulets

that many Hindus wear. None of these practices clashed with general office sociality or the social norms of the Hindu majority. In greeting each other and Hindu colleagues, they used the religiously neutral greeting “Kya hal hai?” (“How are you?”).

Rituals such as the intermittent daily *puja* at the office shrine, and even the existence of the office shrine, are an invocation of divine sanction and protection for the enterprise and its participants. This religious symbolism also has the effect of helping to reassure visiting and inspecting officials of traders’ social legitimacy as decent people. As already explained, the particular choices of gods do not just have to do with traders’ personal preferences, but are heavily influenced by the perceived social acceptability of religious imagery in traders’ efforts to establish their desired place in broader society.

The downside of discretion: “cunning”

Discretion is highly valued amongst traders as necessary to create and maintain sociability, but it must be balanced with sincerity, otherwise it may be seen as “cunning”, an English word that traders use to identify behaviour suspected of deviousness. The best illustration of this is probably different traders’ reaction to “Namkeen King”, the Jain who ran the illegal gambling racket (*satta*) in Gopalpura, and who was frequently at the Gopalpura poppy husk office in the evening.

Namkeen King took the habit of ribald joking while drinking farther than anyone else, and his speciality was startling comparisons between foods such as *namkeen*⁹⁹ and the taste of various prostitutes’ vaginas. He joked incessantly about his sexual escapades, and described with vividly comic and lewd gestures and grimaces the origins and ghastly symptoms of diseases prostitutes had given him, and the hilarious consequences of his subsequent temporary impotence. Almost all the traders found this most amusing, if repetitive, even though this sort of talk was socially unacceptable and scandalous outside the office: they knew that, outside the poppy husk office, Namkeen King scrupulously observed social forms and was a soft-spoken and observant Jain. The only sign of his success was his nice new house in a respectable new neighbourhood where he lived with his wife and children. He was not flashy by any means, and moved about town clad in a simple white kurta pajama, rode an ancient Bajaj motor-scooter, and tended to the business

⁹⁹ *Namkeen* can refer to salty snacks in general, but in Rajasthan it refers to the deep fried spiced pulse dough in many pasta-like shapes.

of a small shop he had with relatives. His gambling business was public knowledge but he was a respected member of the town and appreciated for his quiet, self-effacing ways. When his father died, all the local notables came to pay their respects.

It was not public knowledge, however, that Namkeen King had a stake in the area's liquor contract, was a close friend of Vikram Singh and Pranesh, and coordinated the joint poppy husk, liquor and gambling effort to keep local officials compliant with their business objectives. In spite of the fact that he was a Jain, he frequently drank with traders at poppy husk office and even went so far as to eat egg, which for observant Jains violates their rule of strict vegetarianism. He once told me that he ate chicken and goat regularly when he was younger, but that now it gave him indigestion.

What elicited a strong difference of opinion between Vikram and Ghanshyam about Namkeen King was his lucidity when he drank. He drank as much as anyone else, but became impeccably lucid when he received his evening call from his gambling syndicate associates in Bombay¹⁰⁰, as he often did in the poppy husk office. He recited from memory the daily information that he needed to pass on, all in a special code that *satta* organisers use to transfer financial information and organise booking odds throughout India. At the time, this was a string of numbers followed by a code word, or vice-versa. Vikram Singh was impressed by how shrewd Namkeen King was, but also told me that he was very helpful, "a very good man" (*bahut accha admi hai*), both personally and in business.

Ghanshyam, on the other hand, thought Namkeen King a shrewd businessman but did not like drinking and eating with him. He once angrily told Vikram Singh when Namkeen King was not there that he wanted to "give him [Namkeen King] a thrashing" because he was "not a good man", and did not want to see him in the office again. When I asked him about this in private, he told me that Namkeen King was "a very dangerous *bania*". What visibly rankled Ghanshyam most about Namkeen King was his rapid switch between drunkenness and sobriety, which Ghanshyam took to reveal a deceitful and dangerous man who was not "sincere" but playing a caricature of drinking and being silly. As a result, Ghanshyam also took offence at Namkeen King's monothematic jester act as not only excessively familiar, but as trying to ingratiate himself into their group by aping a stereotype of manners associated with Jats and Distillers. This caricature offended

¹⁰⁰ I never heard traders or their friends say "Mumbai".

Ghanshyam, who aspired to a more refined style of behaviour in spite of his frequent sailor's curses. It is in this context of feared duplicity that Ghanshyam evoked the negative popular stereotypes of Jains as loan sharks.

Dissimulation, sincerity and sociability in Rajasthan

To be discreet and tactful without appearing insincere is a demonstration of mastery of the social and legal minefield of interactions with outsiders, and of the many possible grounds for conflict amongst traders. The specific context of traders' discretion may be distinctive, but a similar sort of discretion and dissimulation is the basis for amicable social interactions in wider Indian society. Moreover, many have argued that polite deception is an essential part of sociable and amicable interactions in general.

One of my first contacts in Gopalpura, a successful tractor salesman, instructed me to do as he did and to always tell his vegetarian-caste clients and prospective clients that I was vegetarian. Otherwise, he said, I would lose status and develop a bad reputation, and he would lose customers by association with me. The salesman, who enjoyed whisky and meat, always made a successful public presentation of himself as a strict teetotal vegetarian especially since, he explained, his dealership was owned by strict vegetarians. It made no difference, he said, that he knew that many of the farmers who railed against the immorality of meat-eating did so secretly. For someone of vegetarian caste who is denounced for eating meat or drinking, there is the very real danger of being sanctioned or fined by their local caste association for breaching these dietary rules, and the fear that other vegetarians (who might themselves enjoy meat and drink in secret) will use this lapse as a pretext to destroy their "standing in the market" through all sorts of calumny.

To admit meat-eating to a member of a vegetarian caste would be like a foreigner admitting to eating beef or pork to an ordinary small-town Indian: it would emphasise a moral gulf, deny a shared moral basis of sociability, and would be considered the pinnacle of rudeness. For similar reasons of discretion, all my informants advised me from the beginning of my research to tell people that I was investigating cash crops: talking about opium poppies from the beginning would make people wary that I was someone who did not understand the need for social discretion about opium or other things, and was therefore unreliable or dangerous to talk to (see also thesis introduction).

The emphasis on discretion and dissimulation is by no means particular to Rajasthani society. Gilsenan's comparison of society in the Lebanese marches with other societies argues that, where interaction is heavily based on appearances, such as overtly following a code of honour, the overt praise of truth contrasts with the fact that "people actually live by secrecy and *kizb* [lying] in complex situations, by tacit collaboration and flexibility, and by blurred definitions. They [people] exist by *creating* ambiguities out of the unambiguous exigencies of status honour, the private out of the public, the invisible out of the visible. And they do so in ways that must at the same time appear to others to satisfy the demands of the normative code, all the while conscious that situations may arise which pose critical challenges of violence or shame". Thus, "lying is vital to the life of this society- indeed, lying *makes it possible*" (Gilsenan, 1976: 211).

Where, then, does this emphasis on discretion leave friendship amongst traders, since authors like Carrier define friendship as a free, non-instrumental choice of individuals to communicate sincerely, a definition that denies the friendship that many people claim to have (1999: 29, 31, 33)? The problem that Carrier's definition poses is easily surmounted: it reflects a particular idea of friendship that was articulated as a integrated ideology by "four figures of the 18th century Scottish Enlightenment- Adam Smith, David Hume, Francis Hutcheson and Adam Ferguson", who "celebrate the liberation of friendship from instrumental concerns made possible by the advent of commercial society"¹⁰¹ (Silver, 1990: 1479, 1480). To say that an absence of sincerity precludes friendship would be just as exaggerated as claiming that sincerity bears no relationship to friendship: traders have friendships amongst each other where dissimulation is crucial, but, as I will show later, appear to place higher value on those friendships where they see a more free and sincere communication.

¹⁰¹ "According to Smith, the replacement of [the Roman attachment for colleagues and trading partners called] *necessitudo* by commercial society brings with it a morally superior form of friendship – voluntary, based on 'natural sympathy', unconstrained by necessity. It is superior also, Smith argues, because it is not exclusivistic, like fictive kinship and clientage – typical forms of precommercial personal solidarity – but reflects a new universalism in civil society, as does the market in the economy. Adam Smith does not share the view – dominant in anticapitalist, conservative criticisms of capitalist society and in current exchange theories – that the ethos and principles of market exchange pervade and explain personal relations [...] because he understands exchange relations have been more pervasive before commercial society instituted the distinction between markets and personal relations" (1990:1481)

5.1b “Family values” and traders’ evaluation of friends

A person’s attitudes and relationship to his family are also an important part of how traders gauge each other’s moral worth as colleagues and friends. My own entry into the traders’ community highlights some of these aspects. When I met new people in Rajasthan, it was usual for them to ask whether I had a mother and father: Westerners, as glimpsed through films and tourists’ antics, are seen as disregarding and publicly flouting the ideal of family as united, permanent, and the foundation of moral life. Renting a room in a Brahman household certainly helped my standing since people assumed that they would never have rented me a room in their house had I been a degenerate foreigner. My parents’ and brothers’ visit helped my situation even more.

I accepted Vikram Singh, Ghanshyam, Pranesh, and Chotu’s enthusiastic and repeated invitations to bring my family to the Gopalpura office for dinner. My mother did not join us, since I thought it would jar with the norm of men and women drinking separately, and I introduced Ghanshyam and Vikram Singh to her the following day at my landlord’s house. The traders had prepared a fine selection of roasted meats to accompany the best whisky available, and repeatedly had me translate their expressions of pleasure to meet my father and brothers. Following this, traders introduced me to other traders with lengthy descriptions of my family calculated to create the best impression of me as a man of status and moral worth, descriptions that also reflected well on them as having hosted such proper foreigners.

Traders’ interactions with each others’ families and mistresses

Traders also distinguish amongst friends in terms of those who meet their wives and children, and those who do not, and even by those who meet their mistresses. Traders do not talk about their wives or their mistresses in the offices. One of Vikram’s mistresses was questionably Rajput and the other was a Brahman, and both were married and had children. He had kept it secret from the other traders, even though he met one when she lived next to an office, and Vikram told me that I must never mention them to anyone. One evening when he, his friend Namkeen King (the Jain who ran the local gambling syndicate) and I were drinking alone in the Gopalpura office, Namkeen King mentioned that he needed a proper “lover”. It seems a mark of their friendship that Vikram revealed that he had a mistress in a nearby town, and that he thought that one of her friends, another nice married

Brahman woman, would be suitable for Namkeen King. Several days later, the three of us took a trip in Namkeen King's car to Vikram's mistress's town. Namkeen King met the woman and was delighted¹⁰².

As a result of this escapade, the friends were more closely associated by the fact that their lovers were close friends, but the tie goes beyond a mutual acknowledgement of each other's reliability or of their complicity: Namkeen King and Vikram both had the same view of their families, and were horrified when I jokingly asked whether they would have children by their mistresses. Both emphasised that family was far too important to risk by having children other than by one's wife or by getting financially involved with a mistress. "Lover is for love only", as Namkeen King haltingly but emphatically stated in English, to Vikram Singh's repeated approval. Thus, even though traders separate their families from their work or leisure, their families remain a moral point of reference, and therefore central to how they see their interactions.

Just as Lambert sees cross-caste fictive kinship ties amongst Rajasthani women being accepted and used in interactions between their respective husbands and male relatives (1996), so it also appears that the friendship between the two mistresses strengthened the friendship between Namkeen King and Vikram. In a closer parallel, Vikram's wife's friendship with a Jat woman, her closest neighbour, resulted in a strong friendship between their two husbands, to the extent that there is a constant coming and going between the different households of all members of both families. The Jat neighbours went even so far as to lodge many of Vikram's guests during his daughters' wedding. Vikram regarded the rest of the villagers as treacherous *badmash*.

Advice, Wedding Invitations, and family visits

The way traders sought advice from each other on family matters was also a sign of esteem. One evening during drinks at the Gopalpura office, Vikram Singh singled out Ghanshyam among the traders to ask for advice about the suitability of a double marriage for his two eldest daughters to two cousin-brothers who were officers in the army's officer formation unit. He had plausible grounds for asking, even though Ghanshyam's military

¹⁰² The mistresses also used the mask of family morality: both brought along one of their children, and Vikram Singh's mistress cheekily explained that the children's presence made their excursions outside the house seem irreproachable.

experience had been in the navy, and Ghanshyam was very touched to have been asked. Of course, Vikram Singh had no practical need to ask Ghanshyam since Vikram Singh's older brother had a long and distinguished service in the army in which he maintained contacts. The request emphasised the importance of their relationship and in a way that publicly emphasised Ghanshyam's status as a former military man. Ghanshyam gave the matter thorough consideration, and also would have been an honoured guest at the wedding had not business complications not prevented him from attending¹⁰³.

Wedding attendance may seem an obvious way to map social networks, but the complexity of factors involved in who is invited and who can actually attend makes it difficult to identify these variables, much less interpret the relationship between them. None of the younger traders got married during my field work, but I did attend three weddings of traders' children. Some invitations had been issued out of courtesy and the invitees were expected not to come, but it was difficult to get clear answers naming these unwanted invitees. On the other hand, some guests whose attendance was desired were not able to because of business demands and the distances to travel. Because of all these constraints, traders' visits to each others' homes outside of the ritual context of weddings may provide a better understanding of the role of each other's families in their friendships.

The distance between traders' homes greatly restricts these visits, and their desire to spend time with their own families, makes them more likely to visit friends in their home area who are not traders. There are also restrictions depending on whether there is an appropriate space in the house where they can stay, separate from the main living area, and at the front of the house, to allow the women of the household the privacy of *gungat* (see Chapter 4). It is also seen as inappropriate to drink heavily in one's own house with guests both because of the sanctity of the home and the presence of women in the house. As a result it is generally more convenient for traders to socialise in each others' offices.

When traders who are close friends do visit each other for dinner or longer, much of the invitation stresses the importance and healthiness of eating home-cooked food. This sort of invitation, made and accepted in spite of the impediments listed above, marks a close friendship amongst traders. When Vikram Singh's poppy husk colleagues from a

¹⁰³ Ghanshyam possibly decided not to attend a wedding in 50 degree heat. His absence did not cause offence.

nearby office dropped in now and then to take us on tours in the jeep, or to go for dinners, however, the women stayed out of sight and the youngest son served the food. Only if the guests were close friends or relatives would the daughters or wives would serve, but would generally do so with their *gungat* over their faces, and eat separately and afterwards. Although traders do discuss some of their health and family lives with each other, and especially their children's education and prospects, they do not mention their wives. Even close friends will not inquire about the welfare of wives, mothers or sisters in front of others, since drawing attention to them would be regarded as indiscreet and improper. For a trader to invite another to visit his home is therefore to invite him to learn about that highly private and moral side of his existence: his family home.

Caste and family

The importance of a person's context within his family and their occupations was also apparent in how many of the people I met in Gopalpura and southern Rajasthan, from illiterate farmers to college graduates and officials, who asked about my caste in an effort to determine my position in society. Sometimes my interlocutors would catch their mistake of assuming that foreigners had castes, or someone nearby might make fun of their gaffe. Most would hazard a tentative guess "Christian?", but they also found this unsatisfactory since the Christian castes of the area have low status. If I answered that castes were completely different in my country, they understood because they knew castes varied greatly in different Indian states. They would then pursue my answer by asking about what I ate, about my parents' and grandparents professions, and about whom I would marry and at what degree of interrelatedness marriage was forbidden. From this, they would sometimes draw explicit conclusions about my status and caste equivalency, and a few times I was amused to hear several bystanders debating my classification in terms of castes they knew.

Questions about diet, marriage patterns and occupations, aim to compensate for a lack of knowledge about the variety and respective positions of specific sub-castes outside a person's immediate region, or even within it. In Gopalpura, for instance, Brahmans and Rajputs often had mistaken ideas about each others' the internal status distinctions, and most people were not aware of the differences amongst the different farming castes of Chittorgarh district, but the importance of caste as a system of marriage patterns, and moral

template for society is clear. When on several occasions I rashly answered that castes did not exist in my country, some reacted in quiet disbelief and changed the topic. Others reacted in scandalized shock at the idea of such chaos and asked “How do you arrange marriages? How do you ensure that you do not marry your [classificatory] sister?” The difficulties of trying to establish an unknown foreigner’s caste emphasise that questions about caste are not just to identify social standing, but also reflect a belief in caste as a universal moral order based on family and marriage patterns (c.f. also Chapter 4)

Friendship: a moral relationship outside other social institutions

Given traders’ ambivalent attitudes to the morality and social standing of their own work, and the given moral importance that they place on their families, it is understandable that traders should favour ties of friendship that lack the more long-term or permanent moral demands of ritual friendship and kinship. Many traders explicitly and emphatically stated, when describing another unrelated trader who was absent or present, that they were “friends, not brothers, just friends”, as a way of emphasising the strength of their friendship, stressing that this friendship was not dependent on an element of fictive kinship. The implication is similar to the factory owner whom De Neve quotes talking about his workers saying, “We are close friends and friends are even more than kin” (2005: 119-20). Both of these statements, however, appear to be at odds with the fact that the word *bhai* (brother) is used casually amongst friends and acquaintances in Rajasthan and much of northern India. Moreover, as Lambert’s research shows, cross-caste fictive kinship ties are not only common but a very important part of social life in many parts of Rajasthan (Lambert, 1996). It is also understandable, and not contradictory, that a reference to family plays an important part in this friendship even as the idiom of kinship is rejected: traders have higher esteem for those who consider their family paramount family. This attachment to their values of family also explains why traders’ friendships are not the ritual friendships described by some (Desai, 2007), which, like fictive kinship, would have an inconveniently permanent moral quality ill-suited to a business where alliances shift frequently. Moreover, many kinship terms have strong hierarchical meanings that traders would find disagreeable.

Patterns in traders’ friendships coincide with descriptions of friendship in other parts of India as a moral relationship that exists outside the conventional order and social institutions of family, caste and religious community, but whose mature form takes into

account the practical importance of these institutions. Thus, “[young men’s] intense involvement in distance-negating intimacy [of cross-caste, physically close friendship], like their disregard for private property or accumulation, marks them in mainstream society as not yet adult or *serious*, not yet prepared to take on their full-casted social identities and the persona required by mature males pursuing respect and prestige. Focused on accumulating and consolidating capital for the family group, mature men generally remain distant and formal with ‘outsiders’, limiting public same-sex physical contact to hand-holding with a selected few men, those of equal status or those with whom distance must be denied for political reasons” (Osella & Osella, 2000: 228-9). This distinction amongst mature and immature friendships that the Osellas describe mirrors the difference in close friendships amongst younger and older traders, both in the physical aspect and its instrumentality. The mature kind of friendship (in the Osellas’ usage) amongst traders allows for the creation of a moral relations of interaction that does not conflict with their perceived family, caste and religious obligations.

It is in light of Osella and Osella’s analysis of friendship and my own observations that I approach Eisenstadt’s general analysis that friendship is universally seen as creating a moral field of interaction and trust outside the social institutions of other moral relationships, and therefore in competition and in opposition to them (Eisenstadt & Roniger, 1984: 42). Influence by these institutions’ power relations and obligations, resulting in the institutionalization of trust, Eisenstadt reasons, is understood to compromise the egalitarian aspect of friendship (1984: 16, 38-9). Friendship exists as a way to evade these social institutional obligations in the pursuit of “pure trust”, “pristine meaning” and communication (1984: 40), Eisenstadt argues. Consequently, the extent of emphasis in a society on friendship being a disinterested, non-instrumental moral relationship is correlated with the existence of institutionalized structures of trust that allow for impersonal interactions (1984: 42; also Silver, 1990)¹⁰⁴. For Eisenstadt, this spectrum of friendship and moral ties incorporates ritual friendship and fictive kinship ties as more institutionalised aspects of a voluntary search for relationships of trust, but where the purity

¹⁰⁴ This analysis parallels Parry’s interpretation of Mauss’ understanding of the gift. Parry argues that, for the concept of the disinterested gift cannot have currency without its conceptual opposite, the concept of the commodity. See Chapter 3.

of meaning and trust is put under strain by these institutions' obligations (1984: 16). Eisenstadt's emphasis on "pure trust" may reflect the reliance of his analysis on developmental psychological and sociological studies of friendship amongst children and youth groups (1984: 3-4), but his identification of a correlation between kinds of friendship and social institutions is nevertheless relevant to understanding poppy husk traders, whose friendships have a strong element of instrumentality, operate in a business whose observable institutional dynamics do sustain impersonal relationships of exchange, and even demand that some exchanges be highly personalised.

As Carrier notes, friendship is a recognition of the kinds of moral people who can be friends (1999), and this creates a moral sanction for their interaction. However, Carrier's understanding of friendship also makes an idealistic and excessively limiting demand that friendship must follow a narrow ideological model of a relationship between disinterested equals (1999: 26), and this perspective is inadequate for assessing what people in different societies call friendship. As Smart concludes in his comparative analysis of *guanxi*¹⁰⁵ and friendship in China, "there are no sharp and uncontested boundaries between friendship and *guanxi*, and [...] the practices and expectations of the two realms of social interaction are connected rather than discontinuous. Friendship is a claim that is made about certain types of *guanxi*, but that does not negate the position of that friend within a *guanxi* network" (Ibid: 132). Smart, like others whom he cites, "does not see instrumentality and expressivity as opposed, but as potentially interrelated phases in the cultivation of a relationship" (Ibid: 123). Smart's analysis is consistent with Eisenstadt's approach to the institutional context of friendship: Smart notes that his interpretation of the practices of *guanxi* and friendship, and the importance of other relational idioms like "classmate" in understanding what they mean, are "consistent with arguments that Chinese societies are structured on the basis of fluid, person-centred networks rather than on corporate groups or rugged individualism" (Ibid: 133). Drawing on Eisenstadt's and Smart's graduated and pragmatic views of friendship, one may explain that, for traders, the kinds of colleagues they can be friends with are ambitious, self-made men who are discreet and modest, and

¹⁰⁵ "The distinctive feature of *guanxi* is that it incorporates both genuine sentiment or *ganquin* and a series of techniques for getting things done [...] The ambiguity of *guanxi* allows it to adapt to dramatically different types of situation, changing its features and practices, but without ever losing its importance" (Smart, 1999: 131-2).

who work hard and endure hardship for the sake of their family and children. More than disinterestedness, traders emphasise shared practical interests and moral objectives, and this provides a basis for their friendships. Thus, traders' emphasis on friendship amongst themselves and with collaborative officials provides them with both a moral sanction and a normative basis for their interactions, norms that are also compatible with their moral obligations to their families. Traders' friendships might not be disinterested, but their instrumentality is subordinated to the greater moral good of their families, not their own exclusively personal interests. The following section describes the ways in which friendships amongst traders, and between traders and officials, manifest themselves.

5.2 Office life, business operations, friendship and authority

Traders' emphasis on friendship is central to how they interact amongst each other and with officials, establish and maintain professional networks to arrange purchases from farmers, and peacefully manage the business risks explained in Chapters 1 and 2. I describe these friendships by setting them within the daily activities of the poppy husk office, especially in the context of activities not immediately related to business, among which are their shared meals. These activities reveal the tensions that are part of traders' living together in their offices; show how the activities that bring them together emphasise generosity and courtesy; and suggest how these values are used to maintain order, resolve conflicts amongst traders, and facilitate their business transactions.

Of course, not all of traders' friendships are the same, nor are all traders even friends in name. Comparisons amongst traders' friends further illustrate the qualities, (apart from discretion, sincerity and devotion to their families) that traders value in a friend, what makes some friends closer than others, and what transgressions create dislike or destroy even the pretence of friendship among colleagues. Traders' friendships with officials reflect similar interactions and values, and provide the moral basis on which officials accept bribes from traders and illegally help them. The strong preference that traders show for discretion, sincerity, family morality, generosity and courtesy suggests a normative basis that makes those who adhere to these norms leaders in shaping the social practices of the business community. These shared activities and principles, even if they are reflected in conflicts, add to the common moral framework of traders' interactions that bridge not only

traders' idiosyncratic differences, but also bridge the differences of disparate geographic, caste and religious origins.

5.2a The structure of friendship: daily routine of life in the poppy husk office.

Traders' interactions in poppy husk offices were not always amicable. These strains or outright conflicts are part of the operational structures of the poppy husk business discussed in Chapter 2, especially the demand for collaboration and cohabitation from that traders of different backgrounds who representing different investment interests. Poppy husk offices are a comfortable size, but it is easy to see how office life is rife with tensions and why some consensus about behaviour outside of business is necessary to maintain a civil and effective working environment. What compounds this need is that there is no clear division between leisure and work time or space. An effective trader's social style ought to be suited to both. The difficulty of the constant stress of living and working together is not exclusive to traders, but the exact form in which these difficulties find expression is particular to the Rajasthani and Indian social context, and specific to the particular demands of the poppy husk business.

The basic conditions of traders' styles of behaviour are the concrete context of life together in an office, itself a product of basic business constraints and structures presented in Chapter 1. The houses that serve as offices are well equipped with one squat toilet in a cell with a floor a little larger than one square metre, a separate bucket-bathing room in a room twice the size next to it, a sink in the common reception area or hall for washing hands and shaving, two to four bedrooms (with one doubling as an office), a kitchen, and a roof on which people sleep in the dry warm months. The number of staff living in an office means that they must coordinate how they use these limited facilities: between four to eight men live in a poppy husk office at any given time, not including visiting business partners and friendly officials. The maximum number I saw staying in an office at one time was ten traders in a four-room office over a period of three days, during which traders had to make a particular effort to prevent tempers from fraying.

The discipline of office life begins to manifest itself in non-business activities as soon as traders wake up, and continues throughout the day. Traders rise at 7 AM unless urgent business or travel requires an earlier start. The cook brings tea to each of them and they all

take tobacco in different forms, often offering what they have to each other. One after the other, they defecate, bathe and shave. Those who use the toilet and bathing rooms first have cleaner rooms, and the more senior staff are ceded this privilege. Some traders then make their prayers, especially the accountant in the accounts room, and all gather to eat breakfast.

Not to perform one's ablutions before breakfast would be seen as unconscionably dirty, uncivilized and low status, and would alienate one from colleagues. No one would make such a mistake. To defecate during the day, and not in the morning before bathing, is seen as a sign of illness; to persist in this is thought dirty. This number of people living together demands organisation and considerate behaviour amongst traders begins as soon as they wake up, without which there would be an intolerably long wait for a filthy toilet and a great deal of bickering, recrimination and insulting insinuations about colleagues' filthiness. After breakfast, a Bhangi (Sweeper) caste woman arrived to clean the floors, bathing room and toilet, reinforcing the association of dirt and excrement with moral pollution and with Dalits' low status.

At midday, traders whose work has not taken them too far a field gather to eat together. If they do not have much work, they watch television and play cards during the hot hours of the day. In the evening, they have a drink and eat dinner together, and go to sleep at around 10 or 11 PM unless there are trucks to be loaded, sent off and monitored. All the food is prepared and served by the office cook, sometimes aided by an assistant cook-in-training. The food and the alcohol are purchased from office operational funds, meaning that the shopping and the menu require a consensus amongst the traders in the office, as well as the approval of visiting investors. It may seem surprising that, although many traders' caste rules prohibit the consumption of meat and alcohol, these two items were not a subject of contention, but accepted as a necessary part of office costs for reasons that will become clear.

Alcohol, meat, cooking skills and status

Meals together are one of the most evident manifestations of friendship amongst traders, and drinking alcohol and eating meat together is also typical of male friendship in India. The hearty dinners that most offices have three or four times a week were important social events that all traders I knew enjoyed and looked forward to, even the few who quietly abstained from eating meat. Special preparations of meat or particularly good

bottles of *desi daru* (moonshine) were a source of compliments and standing for the traders who prided themselves on such specialised knowledge. Traders would later tell others who had not been there about the *daru* selector's skill.

In the Rajasthani environment where there is strong pressure in commercial circles (influenced by Jains, Brahmans and other *bania* castes) to be vegetarian and to shun alcohol and meat (see p.220), this perceived transgression is also compensated by an association of meat and alcohol consumption with Rajput status¹⁰⁶. But the mere fact of drinking and eating meat is not enough to rise to high social status: an appreciation of status requires an implicit demonstration of special knowledge of these foods linked with different levels of status, and this is only partially demonstrated since traders' meals only follow some Rajput customs. In fact, there is a stronger numerical argument for Jat influence on traders' eating habits. I suggest that traders' dietary choice is more reflective of the ethos of friendship amongst them, and of Indian male friendship more generally, rather than an imitation of any specific caste.

Traders do not drink every night or excessively, but big meals were always preceded by drinks, and traders judge each others by their drinking manners and habits. Sometimes they would only have a small glass of whisky; at other times, they would take their "full quota," as they said. Either way, drinking marked a time when traders joke and relax, but are not excessive to the extent of vomiting or losing physical or emotional control. Traders disapprovingly associate such a loss of control with the "drunky", "regular", "habitual" and low-status ST drunks around liquor shops¹⁰⁷. The selection of alcohol also provides a basis of judgement. The better brands of so-called Indian-made Foreign Liquor (IMFL), in which

¹⁰⁶ Caste characterisations by dietary habits are often inaccurate but remain prevalent. Rajasthani employers, for instance, assumed that the Bengali Brahman office cooks were vegetarians like Rajasthani Brahmans, when in fact they neither object to cooking nor to eating meat. The cooks' adaptation of this expectation lightened their workload by exempting them from cooking meat, but they never gave up fish.

¹⁰⁷ Opium consumption is more circumscribed by conventions than alcohol consumption, and traders usually eat it alone if at all. Only three employees I knew took opium regularly: the Bishnoi accountant took a small dose in the morning and evening; his Pathan accountant friend took it several times a week; and the Pathan jeep driver took opium regularly to help with his long drives. Much as with liquor, a trader's ability to maintain control over his opium consumption contributes to his image as a *siddanth admi* (principled man), and "habitual" consumption is frowned upon. More generally, traders recognize the need to occasionally take small medicinal quantities the size of a grain of rice for bad stomachs, or as an aphrodisiac when they went to visit prostitutes or mistresses. On the three occasions I saw opium offered in poppy husk offices as a *marwar* (a traditional gesture of hospitality), it was by senior employees from northern Rajasthan where this is customary. Although poppy husk is readily available and would have a similar effect, I never saw or heard of any trader consuming it. This is understandable given its low status connotations.

there was a boom during my fieldwork, are considered high status. On the other hand, the locally or illegally distilled *desi daru* (village liquor), especially the *mahua* of the hilly and jungle-covered tribal areas, carries a less obvious and more ambiguous prestige. *Mahua* has the positive moral *swadeshi* connotation of reliance on Indian products and association with traditional rural life; but for this prestige to apply, a person must not be associated with the usual mahua-drinking Mina or Bhil tribal. Because the better *mahua* is illegally distilled, it also provides the opportunity to display one's status-bearing knowledge of alcohol. *Mahua's* strong silage-like taste of the fermented flowers from which it is made marks it as a drink for the strong, and is not taken with ice.

The way of serving drinks is also laden with symbolism. The person who takes the role of host by opening and serving the bottle might also silently pour the first drops against a wall. Drinks always began with the same toast spoken by all, "*Jai Matajiki!*", right ring fingers dipped in their drinks, and a drop flicked on the floor or placed in the middle of the forehead, both in reference to alcohol being Durga's *prasad*. Beyond this, toasts are not customary. The whisky was served, usually by the office's most senior trader, into a glass a little higher than the width of a large palm, in a *chhota peg* (small measure) or *bada peg* (big measure). Guests whose teetotal nature is questionable were urged to drink by offering a glass to them as *manwar*, a ritual offering of hospitality. A few fingers of water and a little soda were added, and sometimes a few cubes of ice. Traders drink in rounds: laggards will be joshed and urged to finish up, and no glass was be refilled until every glass is empty. On a less symbolic level, offering ice can be a mark of sophistication and courtesy, but asking for it can be considered effete and impolite. The whiskey or a local distillate was accompanied by *namkeen*, often along with sliced onions, tomatoes and cucumber sprinkled with a little spice mix and salt. As a special delicacy, there may be fish pakore, or pieces of roasted chicken, goat, or liver.

Although less obviously marked by ritual forms, a similar level of symbolism applies to the main meat dish of the meal. Most Rajasthanis, even of vegetarian castes, are aware of the basic criteria for meat: the animal should be male, and goat is preferred. Village rooster is second, but sheep is considered "soft" and low status. Game like partridge, antelope, deer, is considered to be the most pure and delicious, and is also associated with hunting and noble Rajput status. Many are not aware, or entirely deny, that buffalo was the

sacrificial animal of choice at Dusshera for those who could afford it, and only recently replaced by goats. Likewise, most who are not Rajputs would deny that it is an old Rajput custom and a cherished identity marker to hunt and eat wild boar: just as many approximate the buffalo to the cow, many also confuse the wild boar for the impure pig.

I observed several cases where knowledge of these distinctions was used to differentiate “real” Rajputs from “duplicate” Rajputs. The many vegetarian Hindus who enjoy meat but who are not knowledgeable about it rely on their more knowledgeable friends: they are afraid to buy meat for their surreptitious parties from Muslim butchers in Gopalpura, not just because they fear public exposure, but because they fear that the butcher might maliciously sell them beef. Thus, without the right specialised knowledge, a meat eater can actually lose standing and be scornfully seen as mere *bania* who risks defiling himself while trying to enjoy forbidden fruit.

In traders’ eyes, being a good cook was an important part of being a good trader, and required the basic knowledge described above, even though game was never served. Rajesh, for instance, was thought incapable of anything beyond routine office business, but was nevertheless liked and respected as a skilled ‘non-veg’ cook to such an extent that Vikram Singh, Ghanshyam and other senior traders readily followed his instructions to chop onions and peel hundreds of grams of small garlic cloves. Conversely, one of the reasons why Chotu was considered immature, ignorant and useless was because he did not know how to cook and made no effort to learn.

The ability of a trader to cook well is not just a display of the status-linked knowledge presented, it is also the basis of a collaborative and festive social event, peppered with amicable discussion and friendly rivalry about when different ingredients should be mixed and in what quantity. Such an ability to entertain is a vital professional skill and an important part of many traders’ identity: it means that he can offer hospitality to visiting traders and officials even if the office cook is on leave or cannot cook meat in the “right” way. The Bengali office cooks were mostly considered ignorant of the right Rajasthani way of cooking meat, so senior employees and partners often cooked. In these cases, it was the best cook, and not the most senior trader, who led the group. Traders’ rankings of each others’ cooking skills seemed to be the only unequivocally accepted office hierarchy. As in wider Rajasthani society, cooking in general may be seen as a woman’s work, but cooking

meat is associated with the need to prepare food on *shikar* (hunting expeditions) and military campaigns, and therefore as sign of traditional and courageous masculinity.

Given the detailed questions they asked me about foreign cooking and their occasional requests that I cook something, it was impossible for me not to think that the preparation of food was very important part of traders' pride and self-image. From the basic tenets they gave me about how food should taste, I knew before I cooked my first meal in the office that their culinary rules were like those in the rest of Rajasthan: roasted or deep-fried fish, mutton or chicken that did not have sauce was only for accompanying drinks. Any main dish without a strong spicy taste, produced by stewing the meat with its bones in a mixture of oil, onion, garlic, and a variety of spices, would be called tasteless.

The way traders drink and eat meat together is not very different from how mixed caste groups of friends drink together in Rajasthan or other parts of India, as described by Osella and Osella in Kerala (2000: 68) or by De Neve in Tamilnadu (2005: 126-7). The consumption of alcohol and meat mark a time when people can joke more easily, but this consumption is not talked about in a mixed-caste context outside the group of friends. In addition to its association with friendship and high-status traditions, drinking and eating meat connotes affluence, urbanity, upward mobility and modernity: it requires the disposable income to organise meals in roadside restaurants away from family members. In a similar way, traders are comfortably able to develop their style around whisky and meat precisely because they have their offices far from the eyes of their village caste-mates, neighbours and family. Thus, traders' dietary style and the physical separation of these meals from family spaces reinforces the extra- or anti-institutional aspect of friendship that Eisenstadt points to as being part of friendship more generally (see above).

It is important to emphasise that traders see their drinking and eating together in the context of friendship, and reject attempts by some traders to use it as a means to gain status or establish patronage. The clearest example of this is a meal I was unable to attend. This brought together a dozen poppy husk partners and employees at the ancient temple of the Sun God now dedicated to Durga in the ruins of the citadel of Chittorgarh. They gave their offerings together and sacrificed a goat outside by ritually beheading it with a sword. Some of the goat was roasted, but the majority was prepared in the usual way stewed with spices.

Pranesh and Kamlesh had provided the goat on this occasion, and had sponsored the rituals in the way that a traditional patron might (see temple festivals discussed in Ch 3).

When I asked Ghanshyam and Vikram Singh about this ritual (*ritirivaj*), they denied that it was a ritual or ceremony to bless their commercial endeavours, and summarised it as a “*party, bas*” (a party, that’s all), the word they used for their big office meals. I tried to inquire further about what seemed to be a good example of traders gaining social status by sponsoring religious ceremonies and feasts attached to it; however, my informants repeated that it meant nothing, and changed the topic to other aspects of their business. They had no desire to acknowledge or even discuss the event as a ritual in terms of the other partners’ claims to the traditional ritual authority of a group’s patron. It might have been because they were tired of an anthropologist’s questions; but, since they were willing to talk about other matters, it is more likely that they simply rejected the possibility that the low-status Kalaals would symbolically become their patrons.

The rejection of ritual significance and patronage in this case is consistent with employees’ and investors’ treatment of office food and drink, which is luxurious by local standards, as an impersonal benefit and as part of their salary, but not as the gift of gracious patrons. This reflects employees’ more general resistance to patronage, as well as investors’ unwillingness to acknowledge any other as superior. The partners or ranking employees who try to be patrons by playing the part of hosts (pouring the whisky, serving meat, and encouraging people to eat and drink more) will run up against the fact that a host’s gift of food elevates the guest’s status by the fact of being served: I often heard the phrase “*Athithi devo bhava*” (Guests are gods), invoked by hosts in Rajasthan who wanted to emphasise the importance they place on being hospitable. A god is not diminished by the gift of the devotee, and neither is the guest even if he is only symbolically divine. The act of giving hospitality is not the act of giving patronage, and opens the host’s own status to scrutiny of the food and presentation (Parry, 1979: 100-1), and therefore to criticism and devaluation. Only by honouring his guests properly can a host establish his own status in this context, a status that paradoxically lies in mastering forms of courtesy that subordinate the host and elevate the guest.

Amongst traders, a good host gains moral standing in the eyes of his colleagues by being courteous and generous, and therefore a worthy friend. The courtesy surrounding

food is a sign of friendship amongst traders that extends beyond food to tobacco as well. It was a mark of close friendship amongst traders to regularly offer each other cigarettes or bidis at intervals throughout the day; when drinking, would always make sure that each others' glasses were full; when eating, whichever one was serving would take care to serve the other good pieces of meat.

The fact that traders chose meat and drink over other much-liked and cheaper regional 'veg' dishes suggests that are not just trying to create the common bond of eating together, but a prestigious and moral one. Although consuming alcohol and meat may violate certain points of caste morality, traders may find comfort in the divine sanction of these items' religious symbolism, in the social sanction of their association with high-status and successful castes, and in the moral sanction of their association with friendship.

Conveniently for office life, the institutionalised and sanctioned office practice of drinking and eating meat together encourages traders regularly drop their own castes' dietary and commensality restrictions. The emphasis on the values of discretion, sincerity, family-orientated ambition, generosity and courtesy may reflect different elements of widely recognised stereotypes of caste styles, for instance Rajput generosity, *bania* emphasis on the household, and Jat brashness. However traders' style of behaviour in their offices is limited to none of these, and therefore offers the possibility of an inclusive set of shared norms. Traders can recognise these norms as creating a shared moral field that favours their business objectives by limiting the potential for conflict, and that coincides with their family-focused upwardly mobile ambitions discussed in Chapter 4.

This avoidance of caste is similar to lower-status castes, whether OBC or ST, who find "the need to define jaati [publicly] as secondary for social respectability" (Säävälä, 2001: 295). Since Säävälä uses *jati* as shorthand for a ritual status hierarchy dominated by Brahmans, I interpret this claim as an argument that low status castes may look outside of caste models for their ideals of respectability, whether Sanskritizing or Rajputizing models of upward mobility. This outlook appears to be different from that of the Yadav caste, whom Michelutti describes as being proud of crudeness, criminality and violence (Michelutti, 2004b). These self-ascribed Yadav attributes are those of a caste that is newly formed with the objective of politically pursuing resources, and not formed in the image of

existing powerful castes. Traders' dietary style is not, therefore, new in its lack of imitation of a high-status caste: this is characteristic of other upwardly mobile groups in India.

5.2b Traders' mundane interactions: generosity, courtesy and authority

It is in the context of these mundane interactions that are not directly related to business that I observed tensions and conflicts. These tensions showed traders' desire to enforce the values of generosity and politeness as a vital unifying tie. Breaches of these values were treated as acceptable grounds for angrily reprimanding the offending trader, or even abandoning the premise of collective amity and declaring enmity. The outbursts that were seen as legitimately reacting against a violation of generosity and courtesy were not the exclusive prerogative of investors intent on maintaining their authority: lower ranking traders' anger at breaches of politeness was also seen as justified, even when it undermined office hierarchy.

Two arguments over stinginess show that traders not only value the norm of generosity, but also use it to bolster their authority. One day in Our Company's head office, Ghanshyam went out of his way to buy live catfish to make fish *pakore* (battered deep fried pieces), which most traders considered a great delicacy. The Bengali cook and his apprentice, who especially missed fish, grinned all day in gleeful anticipation. Ghanshyam had himself taken several hours to find large fish, enjoying the search and its satisfactory result. Like all food and drink, the fish were paid for from office funds. There was more than enough fish, and Ghanshyam had set aside a plate for the cook and the temporarily absent driver. The Sindhi office manager, however, tried to subtly argue that they should keep the fish for themselves for tomorrow, and not give any to the driver, cook or cook's apprentice. When Ghanshyam realised the Sindhi's intent, he exploded with rage, slammed his fist on the table, cursed the Sindhi violently while denouncing him as stingy and worthless, stood up, and proclaimed a desire to thrash the Sindhi severely. It was the only time I saw Ghanshyam lose his calm and it was an impressive sight. The Sindhi had the good sense to keep quiet and slink into the accounts room.

Months later, during the evening drinks after the poppy husk auction, Pranesh reacted in a similar way to the Sindhi office manager for not getting enough good whiskey. Pranesh whirled an empty bottle around his head, and with humorous mock fury that verged on the

real, pretended to kick and beat the Sindhi. He drove him out of the hotel with several soft kicks to his backside, and yells not to return without more good whiskey. In the subsequent months, both incidents were humorously retold in the Sindhi's absence as an example of how not to behave, and a warning against attempted unequal and stingy treatment of colleagues and subordinate staff.

In other cases, it was clear that investors used the standard of courtesy to maintain office discipline. In one incident, Pranesh was on the telephone dealing with a problem that involved trucking complications, and had asked the others in the office to reduce the TV's volume. They did not. With no second warning other than a volley of imprecations, Pranesh pitched a paperweight through the TV screen. Pranesh and Kamlesh did not replace the TV that they had bought, and Pranesh blamed the outcome on the Sindhi's not turning it off. Other traders appeared to agree: when the Sindhi told me the story, others looked at him dismissively and told him not to talk badly about Pranesh. Although Pranesh's behaviour was seen as an excessive assertion of authority, it was explained as characteristic of Pranesh and of Distillers' generally hot-blooded and crude behaviour in, in the same way as the Sindhi's stinginess was explained as a caste characteristic. This may have served as an explanation, but it did not diminish traders' annoyed disappointment at losing a TV. This incident is similar to Ghanshyam and Pranesh's outbursts against stinginess: all three can be seen as a calculated reassertion of authority over the Sindhi office manager, whose position gave him substantial power. Most of Our Company disliked the Sindhi and thought him stingy and "backbiting", using the English word to emphasise their judgement for my benefit. They also claimed that the Sindhi's negative attributes outweighed his operational and accounting competence, and that he was only kept on because his Jat employer, Narendra, relied on him for girls.

Another incident suggests that politeness and generosity are supported even if this means upsetting the hierarchy. The Pathan accountant at Our Company's head office had been watching the usual Bollywood music videos on a TV channel when the older Sindhi head of office appeared and peremptorily changed the channel without asking. He refused to change it back or to explain why. This had supposedly been going on for several days, and the Pathan was at the end of his patience. I arrived just as the argument reached a head: the Pathan was loudly proclaiming that it was impossible to work with such a person, a

“dictator”, “Hitler”. He had recently added the History Channel in Hindi to his usual diet of Bollywood music videos, and looked over to me to confirm the relevance of the historical comparison. Surprised, I stayed quiet – as did the four others in the office. The Pathan added that he could no longer work under these circumstances, and that it was bad business for the Sindhi to be head of the office. At this point, when the office’s business structure came under attack, others began to calm the Pathan down by quietly diverting activities in other directions or asking me about what I had been doing in a way calculated to attract the Pathan’s attention. The Sindhi did not say anything except for a few brief and quiet explanations in response to questions from other colleagues, and both left the common room for different rooms. The Sindhi and the Pathan continued to work in the same office but they were never reconciled, nor did they eat together: the Pathan continued to occasionally refer to the Sindhi as “the dictator”, “Hitler” and even as his *dushman* (enemy) when he was in earshot. Although the Pathan was more than 25 years junior to the Sindhi, not one trader had interfered with his breach of respect towards this elder and more senior trader until office collaboration seemed imperilled. Even then, traders later commented that he had been right to challenge to the Sindhi¹⁰⁸.

There were some forms of politeness in offices that revolved around deference to elders and superiors, especially not taking tobacco in front of them, but as a whole politeness and courtesy are enforced as the basis for all office interactions, not just a subordinate’s behaviour to his superior. Regardless of differences or similarity in age, traders use the respectful second person plural pronoun (*aap*) with the second person singular conjugation, which is popular Rajasthani usage. Most traders used nicknames rather than their names, but added the honorific suffix *ji* when addressing each other. There were usually a lot of colourful curses and imprecations in the poppy husk office, but they were only acceptable under certain circumstances. In one instance, the Bishnoi accountant had summoned the cook using the phrase “*Namkeen lao fatafat, chutia!*” (“Bring the snacks quickly, twat!”). He was clearly joking while simultaneously trying to reprimand what he saw as the new cook’s slowness. The cook looked cowed, confused and

¹⁰⁸ It is unfortunate that most of these examples cast the Sindhi in such a bad light – and one so close to the Sindhi stereotype of stinginess. I always found him hospitable, generous, and willing to volunteer information about the poppy husk business.

apologetic, but Vikram Singh was visibly shocked. Vikram Singh then sternly insisted that the Bishnoi formally apologise to the cook and explain why such behaviour was professionally unacceptable, and why everyone in the office should be treated respectfully and politely because they were all working together.

Vikram Singh and the Bishnoi were of equal age, and the latter represented another syndicate, with no obligation to obey Vikram Singh. At first, the Bishnoi did not take Vikram seriously. He then tried to avoid apologizing by saying that he was only joking. Vikram Singh slowed his speech, lowered his voice, and made his conjugations and syntax very formal to tell the accountant that what he had done was wrong, and there were no excuses. After a pregnant pause, the accountant apologised with all appearances of sincerity. Reinforcing the accountant's apology and changing the atmosphere with a more jovial tone of voice, Vikram Singh pointed out to the new cook that "you will never be asked to clean the toilets, you will not be hit or insulted, and you will always eat the same food as us. So, do we have *namkeen*?"

It is surprising that the Bishnoi apologised for his behaviour to a boy forty years his junior, a potentially humiliating situation and an apparent reversal of the hierarchy of office roles and of the hierarchy of age and seniority (informally established by a mixture of age, time in the business, and financial role), that influenced precedence in most other aspects of office life, including bathing and eating. It seems that the Bishnoi too saw his mistake, the importance of courtesy, and the damage that a disgruntled cook could do to the business: the rest of the evening passed pleasantly, and the Bishnoi did not seem to have been humiliated by the incident. Vikram's reaction does not necessarily advocate egalitarianism, but it does enforce the accepted norm of politeness amongst colleagues, a standard the Bishnoi would not have argued against.

When I later discussed office behaviour with Vikram Singh and Ghanshyam, I mentioned the practical value of not having disgruntled employees, but both of them ignored this pragmatic consideration and emphasised the moral value of politeness. The question remains, however, as to how traders like Vikram Singh and Ganesh are able to impose norms of behaviour that seemed at odds with the more brash and explosive style of more powerful investors like Pranesh. The first part of the explanation mirrors Chakravarti's analysis of changing control of political leadership in a northern Rajasthani

village, in which local Rajputs' control of land did not guarantee their hold on political power in the face of changing social norms of politics, changing State political rules, and the "political entrepreneurs" who were able to take advantage of these changing rules (1975: 210). It is apparent that traders like Vikram Singh were able to use accepted norms of office friendship to give them influence over other traders even without having the influence of big investors.

The second part of the explanation of traders' leadership through reliance on their norms of friendship draws on Blau's critical analysis of Weber's theory of authority (1963). Blau distinguishes between personal influence and authority. Personal influence is established by aligning another person's interests with one's own; authority, on the other hand, is established by convincing a group of people over whom one has an institutional position of power that they have shared interests, and that one is promoting these. For Blau, a leader who uses his institutional position of power to advance these group interests arouses in his beneficiaries the moral obligation to reciprocate and to advance the leader's interests. Thus, the beneficiaries come to accept their leader's orders as if they were their own.

The lynchpin of Blau's argument is the assumption that prestations lead to a moral obligation to reciprocate (1963: 312). This may be true in certain situations, but the norms that make it so are far from universal, as already discussed in Chapter 3: some prestations fall under norms that demand that there be no reciprocity, and condemn any attempt at it. It is not, therefore, the prestation itself that creates the moral obligation, but the normative or moral context in which this prestation is made. I argue that, in the case of traders, the notion of friendship as expressed verbally and as defined through traders' preference of certain values over others, provides a moral context and standard to which traders accept that they can be held precisely because it is also important in wider society, and because it is compatible with and related to other moral standards they value, such as those associated with family. In addition, the following section explores how traders' differentiation among friends reveals the extent to which traders value ambition and hard work in their friends, and the role this friendship plays in being a successful trader.

5.2c Instrumental friendship in the business, its subordination to the moral, and its role in peaceable conflict resolution

There are certainly idiosyncratic differences in traders' varying degrees of affection for one person over another, but there are also wider patterns in traders' interactions and in how they explained or justified these differences to me. Traders treat their close childhood friends differently from how they treat other traders, they talk of them as being more like themselves than traders are, and do not have business ties with them. In contrast, the values and activities that mark traders' friendships with each other and with officials are interactions that promote business aims and have an instrumental quality that is often only barely masked by their moral tenor.

There is no doubt that Ghanshyam was good friends with Vikram Singh, Rajesh and many other traders. They joked together, he sought advice from them, they from him, and their body language of sitting close to each other and leaning on each other was typical of friends in wider Indian society. However, Ghanshyam's behaviour with his childhood friends was different: they behaved more like youthful friends in India, occasionally holding hands while talking. He emphasised that these childhood friends were his "close friends" and told me what good people they were, hard workers and "self-made men" like himself. His "best friend" was a Sindhi whom he had been to school with and who had arrived in post-Partition India with "nothing but the bundle of clothes on his head". Like Ghanshyam, he grown up in a poor household, but had built on the small business that his family had started on arriving. He now owned several small factories. As already described in Chapter 4, Ghanshyam's interactions with the Sindhi was playful, conspiratorial and full of jokes. They also sought each other's advice on family matters and, even though they did not have joint business ventures, discussed opportunities and dangers while suggesting useful contacts to each other.

Ghanshyam's other close friends were similarly hard-working and entrepreneurial: one was in the marble business, a third was a grain trader, and a fourth was a Rajput landowner (c.f. Chapter 4). They often talked through ideas for possible export schemes or the idea that one of them should go into politics because that was "the most profitable business" of all. It was only with friends of these friends that Ghanshyam considered potential partners in future ventures. Like other traders, Ghanshyam was frank about

showing that he valued the practical worth of his friends' status and connections. Nevertheless, in the introductions and meetings I observed, the introduced parties did not expect or demand anything, except that the other show an interest and concern for the other's objectives and life in general, and that he allow speculation about how they might use their contacts, relatives and abilities to set up businesses.

This kind of friendly instrumentality is, however, subject to higher moral considerations, as interactions show. I had accompanied Ghanshyam on visits to half-dozen of his friends in the marble business and listened to their ambitions to expand and start exporting green marble to Persian Gulf countries, so I was surprised by Ghanshyam's unwillingness to work with an Ajmeri poppy husk trader who spoke with pride about moving up from small-time exporting of handicrafts and skilled labourers (to the Persian Gulf), into the bigger and more profitable and higher-margin business of exporting green marble to the Persian Gulf. The Ajmeri also claimed that his father had nothing, and that he himself was a "self-made man", but none of these common grounds affected him. Ghanshyam had introduced me to the middle-aged Ajmeri Muslim trader in the usual pattern, with the two referring to each other as "good friends". Surprisingly, on leaving the Ajmeri's office, Ghanshyam asked me if I had noticed how dirty the office was compared to those in Gopalpura and elsewhere. He was right. Ghanshyam concluded, "They are Mohammedans. This is how they live. They are dirty people. They do not care about things being dirty – only money".

Ghanshyam saw the physical dirtiness of the Ajmeri's office as indicative of greater moral failings and lack of principles: this Muslim, with his short and hennaed beard, Persian-Gulf accented English, and repeated emphasis on the importance of being "open minded" in business, was heavily involved in the liquor business. He had also brought his son into the liquor and poppy husk business with him¹⁰⁹. What particularly surprised me was Ghanshyam's ideological emphasis on the influence of Islam: he was good friends with a number of other Muslim traders and would never have made such accusations about

¹⁰⁹ There was an element of business rivalry, but what is important is that Ghanshyam phrased his dislike in such absolute moral terms. I met the Ajmeri during his first and last year of holding the local poppy husk contract. Ghanshyam had controlled it for the previous 6 years with several associates, and the Ajmeri had given Ghanshyam a small share of his office's interests because he needed Ghanshyam's experience to not get cheated. When the Ajmeri lost the license, we did not visit him: Ghanshyam did not remain on friendly terms with him as he did with other traders who left the business.

them. When I asked whether the Pathans and Bohras he knew were dirty, Ghanshyam quickly said that these Muslims were “another kind”. In fact, on a separate occasion, I had heard Ghanshyam describe Bohra Muslims in glowing terms, marvelling at their houses’ construction, their charitable works, and their high level of education and English. He also admired the Pathan accountant as very self-disciplined, proper and effective, and therefore of better status and exempt from his accusation of general “Mohammedan” immorality. Thus, the instrumentality of traders’ friendship was usually explicitly subordinated to apparently higher moral markers that were emphasised as the basis for friendship: the person being “well-educated”, “*minded*” (intelligently thoughtful), or a good family man. This association with a transcendent moral good lifts the interaction out of the realm of pure interestedness and commerce and places it in the moral sphere, much as the association with ascetic practices does for leaders, as discussed in Chapter 3.

Joking, familiarity and respect

Although Ghanshyam may have disapproved of Namkeen King’s antics for a variety of reasons, most traders accepted Namkeen King’s jokes because they were acceptable in that situation, because they did not make fun of anyone but himself, and because he was otherwise a hard-working businessman who was respected in his home town. A violation of traders’ norms of courteous hospitality, on the other hand, meets with more serious disapproval. Early one evening while having a drink outside an office, a number of traders began a prolonged talk about their “sex trips” to Thailand and Dubai, and as part of this asked me which Western countries had the best brothels. One Sikh in particular, a relative of Vikram Singh’s employer, was drunk and persistently asked questions about “homos” in Western countries. Vikram Singh and the others looked uncomfortable at this and tried to change the conversation, but, apart from disapproving faces, made no comments. I decided that I was allowed to interpret the Sikh’s comments as an insulting version of the usual insinuations about Western morality, and answered the Sikh in ludicrously formal Hindi that brought howls of laughter from the others: “Please stay in India: I have seen on Indian TV news that you have plenty of *hijras* [eunuchs] here”. The Sikh looked embarrassed, the others laughed and looked pleased, and the topic moved on. After the Sikh had left, Vikram Singh asked me whether I was not offended by his behaviour, and, finding that I was not, he added that the Sikh was not a good man, and

that it was “*galat*” (wrong) of him to speak that way. In some ways Vikram Singh and the others’ disapproval was a clash between his Rajasthani identity of courtesy and the more Punjabi or Jat habit of ribald banter aimed at others, unlike Namkeen King’s self-deprecating jokes.

Earlier that same day, Vikram Singh had told me that he was looking forward to my meeting his close friends who were “educated people, good people”, and we would join them in several days for a “party” at the local liquor contractor’s office. These friends turned out to be a group of several Jat and Rajput liquor contractors whom he had known since the beginning of his career, with the addition of the despondent and poetic son of an important Haryana landlord-politician. We drank good whisky and *kesar kasturi* (an alcohol strongly flavoured with saffron), ate excellent mutton, played cards for small stakes, talked about the area’s history, the customs, changes in crops and local economics, current political manoeuvres, and the different recipes and techniques for skilfully distilling liquor. Throughout, there was a lot of laughter as people theatrically recounted Rabelaisian anecdotes about local notables and made fun of each other for playing their cards badly or for talking nonsense. Vikram Singh was like many other traders in that he explicitly saw himself as different from most other traders: he prefers to stick to his “morals” (using the English word for emphasis) in choosing his friends. This does not imply adherence to any strict conventional social morality, but the distinctions that Vikram Singh made do show a clear emphasis on courtesy, generosity and ambition.

Traders’ emphasis on courtesy certainly does not preclude them joking about each other. One quiet afternoon, as Vikram Singh, Rajesh and I were sitting about in the office watching Bollywood gangster films and the National Geographic channel, Ghanshyam brought up his problems with piles, a health concern which the others apparently shared. They were all curious to hear whether *videshi* (foreign) medicine had any miracle cures, but were disappointed to find me ignorant. Fortunately, Rajesh had an Ayurvedic cure which he himself had used to great effect. It involved dissolving a medicinal mixture in one of the two foot wide metal basins that construction workers use to carry construction material. Just as Ghanshyam sent the cook off to the Ayurvedic doctor, I had to leave the office to talk with another informant. When I returned, I found Ghanshyam in the television room with the others. He was looking very sheepish sitting in a basinful of water and wearing

only his jockeys and singlet undershirt. The others had already been chuckling at the scene when I returned. The advice had been genuine, but it had ended up as a comic incident that all appreciated, including Ghanshyam.

Drinking together before dinner provided a regular and well-accepted time for joking, as the Namkeen King's antics (see above) illustrate, as did the annual festival of Holi, which many traders played together. In both Vikram Singh and Ghanshyam's houses, I was shown pictures of them gleefully playing Holi together with several other traders, including one Muslim. They were so covered in different coloured inks and powders that they were unrecognizable. While showing me these pictures, the traders talked happily of their pranks that day. The Saturnalian aspect of Holi, and the fact that public drinking alcohol and *bhang* is condoned, mean that behaviour that would normally be considered unsociable and rude is tolerated. Groups of young men run around in the streets teasing the women they find; men of older generations recount with a twinkle in their eye how much wilder Holis were in years gone by; and everyone throws coloured powder and squirts dyes at everyone else. In the tribal areas of Rajasthan, youths barricade the roads with rocks and logs and extract a small tax from officials to allow them to pass. Holi's Saturnalian side also means that some people prefer to celebrate in their own enclaves and among friends and family, rather than exposing themselves to the oil that mechanics often throw on people in the main squares and streets, the pranks of people dunk or high on *bhang*, or having to regret the aftermath of covering a grumbling employer in colours. "Playing Holi", together both strengthens existing bonds amongst traders and can emphasise divisions, just as it does in the wider population.

Namkeen King's behaviour in the poppy husk office showed that he enjoyed playing the role of the *badmash* (gangster) in that context, but many traders did not like to be associated with this epithet. Once, after I referred to Namkeen King as *badmashji* in a request to pass the salt, he jokingly deferred by indicating that Rajesh, sitting next to him, was the *pakka* (proper) badmash. Rajesh reacted with a scowl and a burst of imprecations that implied that the Jain was two-faced. The others' reaction did not encourage Namkeen King to continue his joke, so the conversation moved on. Rajesh had a nice house, sent his two daughters to the best school in the area, and resented the identification of his behaviour with the image of the *badmash*: the image was too close to the stereotype of his Distiller

caste, and Rajesh was not going to have his efforts for status or respectability denied by a whisky-drinking Jain with a penchant for prostitutes.

Traders' selection of films to watch on television, and their varying reactions to *badmash* films, reflected similar views. Lower-ranking staff like jeep drivers (who took high risks with their fast driving) preferred these films, as did the younger accountants. In contrast, older traders with children and grandchildren preferred more placid films or the Discovery Channel. Perhaps older traders' professional experiences, and their concerns for their families, had made them more certain in their dislike for violence and reminders of their early careers.

As I grew closer to traders, it sometimes seemed that traders resented my focus on poppy husk because of the implication that I gave undue importance to their work at the expense of their family lives and other businesses. Had they been merely tired of an anthropologist's questions, they would not have been so eager to switch conversation and tell me in great detail about their lives outside the poppy husk business. It seems that they wanted me to see them as they saw their closer friends: not simply as a colleague or a businessman, but as a family man of moral value and social status in spite of their own doubts about their business.

Managing business risks and conflicts: friendship and dissimulation

Traders may speak highly of sincerity, but conceal the full extent of their investments or work even from those they consider close friends as a necessary precaution to maintaining their friendships and collaboration. In addition to the fact that investors usually shift investment alliances overtly or covertly with each yearly licensing cycle, traders also hold investments that might be against their fellow investors' and friends' interests. They likewise keep an eye on their friends for signs of embezzlement. All traders are aware of this, and the discretion with which they manage these underlying tensions helps to avoid open conflict and maintains the atmosphere of amity amongst traders.

Ghanshyam, for instance, had control over a license whose main value was as a transit point that helped to mask the actual amounts of poppy husk sent from producing to the most profitable high-consumption areas. I accompanied him on several of the visits that he made to establish the small office that controlled this license, and he told me not to let anyone know about his involvement because they would "think other things about me". He

went on to describe how this interest could be interpreted as his working against Our Company's interests, and as an aggressive challenge to bigger investors. He was sufficiently concerned that he concocted a story for me to tell others that we had been doing a bit of tourism and drinking tea with people in a nearby city that I already knew.

During my research, the same Bishnoi accountant who had insulted the cook was put on leave by his employer on low pay, allegedly because he had been embezzling funds. Amidst the office staff's contradictory insinuations of crookedness and outright denials that anything had happened, it was hard to find out whether he had tried to embezzle money for himself or for his employer. The two other young accountants, one a Jat and the other a Pathan, who were the Bishnoi's close friends and shared a room with him in Our Company's head office, were adamant in their professions that he was a good and honest man. They said that the accusations were false and the result of "politics" between investors, and that the Sindhi office head (so often a scapegoat) was to blame. The knowledgeable Ghanshyam, however, believed that it was one these two friends who had quietly reported the discrepancy to one of their employers, all the while publicly denying the Bishnoi's embezzlement in order to remain friends. This situation is probably common, since traders said that it was usual practice for investors to station traders who know each other well in the same office, both to complement each other's abilities and to monitor each other.

Friendship amongst traders, whether a weak or strong affective tie, plays a similar role to kinship in business: it does not ensure loyalty or trustworthiness, nor does it prevent traders from shifting alliances to the detriment of their friends. Thus, as discussed in Chapter 1, Kamlesh betrayed not only his cousin Pranesh but also his many friends in Our Company when he apparently allied himself with Udailal, resulting in his gain and Our Company's loss of Gopalpura. Just as kinship ties do not prevent treachery and conflict in business (De Neve, 2005: 226-9, 232-4), so ties of friendship have similar failings. Nevertheless, traders' emphasis on friendship does moderate the divisive potential of shifts in business alliances by providing a moral basis on which traders can justifiably demand civility and therefore work together in their offices.

When Our Company lost Gopalpura, Ghanshyam was sure that Kamlesh had acted against Our Company (see Chapter 1), but did not express his doubts about Kamlesh

overtly. There were no reprisals against Kamlesh that I know of. In a similar way, the most severe business problem that I witnessed further emphasises traders' discretion and restraint in using their influence, but also points to the importance of their friendships with officials and politicians. Udailal Anjna had angrily claimed that the other members of the syndicate (i.e. Our Company) were neglecting his interests and had not sold enough poppy husk from his warehouses to the retail areas. To assert his position, he informed the local police of potential illegal activities, and suggested that they monitor Our Company's warehouses. This paralyzed all of Our Company's operations. The people in Our Company knew that the claim was spurious: Udailal had made it in response to his Madhya Pradesh business partners' accusations that he, Udailal, had not been ensuring the equal sales of their part of the stock and had privileged the sale of his own stock. In spite of this knowledge, Our Company did not denounce Udailal to the partners that he was defrauding, nor did they do anything else to make him lose face. Instead, Our Company mobilized its connections with police and excise officials to have Udailal's warehouses and offices put under surveillance. Thus, poppy husk supply lines from the major producing districts of Rajasthan were paralyzed, and all Our Company had to do was wait for the retail licensees to put enough pressure on Udailal Anjna to resolve the situation and allow shipments to resume.

Although Our Company had good connections with the local MP and MLA, both from the BJP party that governed Rajasthan, they did not have strong connections with Congress Party, which had recently won the central government. Udailal, on the other hand, had strong Congress Party connections that did not give him Our Company's level of influence over state police and excise officers. Our Company chose not to overwhelm Udailal with a show of greater political influence, but tried to resolve the situation with as little possible escalation. The fact that Vikram Singh and other senior traders from Our Company had excellent personal connections with police officers helped prevent any accidents due to overzealous new investigators not understanding the poppy husk game. The whole standoff lasted a little more than a week and was peacefully resolved. One lasting result, which took its fullest form after the auctions later that year, was that Kamlesh began to talk about Udailal as his arch-rival and bitter enemy.

A similar standoff occurred when a retailer in Bikaner informed the police that a truck from one of Our Company's partners was passing through on its way to Hanumangarh district without proper papers. The driver only had a photocopy of the permit, which was legally inadequate. He was detained and the truck impounded while his boss came up to Bikaner to face charges of trafficking poppy husk. While the driver was in jail, the employing trader paid compensation for his lost trucking hours directly to his family. The two competing traders reached a compromise that made the Bikaner partner feel less excluded from profitable deals, and the case was postponed for lack of evidence. When I consulted some of the lawyers involved, they assured me that the case would be dismissed on some procedural grounds after a decent interval. Events proved them right.

Traders' emphasis on friendship and its qualities in their professional interactions may provide an important ideological justification for the peaceful and discreet resolution of business disputes, but traders understandably do not treat each other as dependable independently of institutional constraints: traders' very instrumental friendships with officials provide the practical means by which traders achieve the peaceful resolution of conflict. Law enforcement officers, whether excise or police, know how traders use them as a tool to peaceably settle disputes. These officials use this role to generate illicit income for themselves, their real talent being the power to report or render incriminating evidence useless. For a trader, using police or excise officers as proxies against a rival trader exposes the rival to the financial penalty of officials' demands for bribes until a compromise has been reached. In addition to penalizing a rival, this method avoids the costs and risks of having to recruit, arm and maintain a private protection force in the way that liquor and heroin traffickers do. This said, it is true that in northern Rajasthan, poppy husk offices hired armed guards and some traders had revolvers or village-made pistols to protect themselves against what they said was a much higher frequency in those areas of armed robberies. They contrasted this with other parts of Rajasthan inhabited by "peaceful people", where there was no need for firearms. In most cases, however, and even when traders carried sums as large as Rs. 500,000¹¹⁰ for illegal cash transfers between offices,

¹¹⁰ This would be enough for an ordinary Rajasthani to set himself up as a modest landlord-rentier with enough revenues to provide for his family.

traders were not armed. Most importantly, firearms and armed guards were used as a deterrent against external threats, but never for settling poppy husk business disputes.

The norms of friendship may encourage the business to remain peaceful, but it would be wrong to assume that these norms have such effects on their own. Heroin traffickers in Malwa also talk about friendship amongst traffickers, but realize that it is the different structural conditions of their business, including institutional structures of responsibility for risks and of legal relationships with officials, that establish whether there is a surge or drop in violence. Thus, when heroin prices rose, one young Brahman heroin trafficker I knew told me that he had just gotten out of the business and moved into wholesaling and retailing soft drinks because, with such high prices, the incentives of suppliers to cheat was far too high. Moreover, the police had taken to extracting their dues and information about who was dealing by breaking suspects' limbs with iron bars. They did this not for legal enforcement purposes but to extract their own rents.

Under such circumstances, the trafficker continued, "*koi vishwas nahin hai*" (there is no loyalty/trust). He therefore left the business since this *vishwas* was what he claimed to depend on to organize his high-risk illegal business in better times. De Neve makes a similar observation that the emphasis on trust in weaving and dyeing factories is reserved for skilled workers with difficult and crucial jobs, who are specifically chosen because they are not kin and therefore easier to manage. These skilled workers' absence or negligence would be detrimental to production and cause severe financial losses (De Neve, 2005: 225, 234). In analysing this situation, De Neve points out that factory owners' actions actually showed a reliance on those with whom they had strong mutual ties of dependence (2005: 238), namely a kind of collateral. Gambetta's data on the Sicilian mafia (perhaps unwittingly against his ideas on trust – see p.27) also show that the loyalty demanded by the code of *omertà* does not exist in practice (1993: 39, 121-3). Thus, talking about trust does not establish its presence or guarantee loyalty: expressing trust can be merely a tactical attempt to instil moral obligation in people on whom one crucially depends, and over whom one has few or no other institutional means of ensuring their compliance, or ones that are so extreme that they eliminate any further collaboration.

This more contextual understanding of the use of trust and its instrumental aspects presents clear advantages over the more popular views that appear in Harriss's review of

literature on trust and application of this analysis to Indian businesses. Harriss rejects Gambetta's and Fukuyama's "essentialist view of culture" and their claims of "analysis of trust in terms of the moral dispositions of a community" (2003: 769), but then makes an implicit structural-functionalist argument based on culturally un-situated categories of trust: "selective trust has to be relied upon when institutions are weak". Despite acknowledging the tactical use of trust to hide power structures (2003: 768), Harriss does not explain different Indian businessmen's uses or rejections of explanations of trust in terms of locally rooted mores. This undermines Harriss's conclusion that the lack of a particular kind of trust plays a clear causal role in inhibiting Indian industrial and commercial development. In short, Harriss unwittingly shows that this kind of explanatory use of trust, and the ideologically determinist explanation it uses, does not account for specific and local cultural factors. Given this understanding of the use of trust, the following analysis of traders' friendship with officials should not be confused with an idealised relationship of trust, even though trader's friendships with officials illustrate great collaboration and are vital to traders' ordinary business transactions and dispute resolution.

Friendship and traders' influence with officials

In the same way that traders' emphasis on specific values of friendship provides a morally legitimate template for regulating their interactions with each other, so this kind of friendship also provides a moral basis for their interactions with the most helpful officials on whom traders rely. Two trader-employees, both accountants, had especially strong friendships with officials. The disliked Sindhi office manager of Our Company's main office, for instance, appeared to be much closer to one Excise Inspector (EI) than his fellow-traders. The EI, as he was referred to, was posted in a district that was at least four hours away by train. This district has only a secondary importance as a transit route for Our Company. In spite of the distance and the lack of business, the official occasionally came to visit Our Company's main office for two or three days at a time, sharing a few meals and drinks with his friend and other traders, catching up on each others' lives, and seeing a few nearby sights. The two friends were either constantly laughing about something or discussing some very serious issue, and it appeared that they highly valued each other's friendship. The Sindhi looked quite pleased whenever he discovered his friend was about to visit, and the EI, speaking in limited English to emphasise his sincerity, declared that I was

a friend of his very close friend and therefore entitled to “every help I can give you”. He repeatedly urged me to visit so that he could show me all about the corruption and the poppy husk trade.

In another case, a mid-level poppy husk employee, Jaisingh, a Bishnoi, introduced a high-caste vegetarian excise inspector to me, saying, “he is my very good friend. He is also the EI”, stressing the words “very” and “EI”. The two had collaborated before in another district, and they were apparently glad not just to be able to work together again, but to be able to renew their friendship. Jaisingh regularly invited the inspector to the office for lunches and dinners with the other poppy husk office staff. The inspector sometimes brought his wife and children along to the office for lunch, but not when he came to drink in the evening. The EI reciprocated by inviting Jaisingh and Vikram Singh to his home, where his wife prepared and brought out food. Occasionally, when there was no office work, the EI and a few traders piled into the EI’s official jeep to tour around the countryside. I joined them in one of these jaunts to temples, ruins, and other sights, and it was clear that the easy joking and storytelling among them was characteristic of a friendly relationship rather than the deferential and formal attitude that people usually adopt with officials they depend on. At one point in the jeep, Jaisingh turned to me and said half jokingly that if I met any girls in the area, I should ask the inspector for the use of his car and it would be arranged. The EI, in the same tone, urged me to make the best of my opportunities. In a more formal professional friendship, such talk would have been considered an insulting breach of decorum and respect.

What surprised me was not just how Jaisingh disposed of his EI friend’s government vehicle, but how he also openly discussed Our Company’s operational details, problems and staffing shifts with the EI, details that others had told me in the strictest confidence¹¹¹. The EI, on his side, showed great consideration towards Jaisingh: when I had to get to the nearest train station that was a half-hour’s drive away, Jaisingh insisted that the inspector and his driver would take us all there, which they did in spite of having had a very long day in remote areas.

¹¹¹ Having useful official contacts did not automatically establish seniority amongst employees in an office: investors assigned Vikram Singh to manage the Jaisingh because they thought Vikram Singh to be more reliable and generally better at dealing with crises, higher-ranking officials, truck drivers, and the poppy husk agents.

While the relationship between the EI and Jaisingh or Vikram Singh was one of equals, the clerks at the EI's office treated Jaisingh with the politeness and deference due a valued patron and stood up when Jaisingh entered the room. Jaisingh played the role of an affable if earthy patron: he was jovially familiar, cursing them in a friendly way for their laziness and corruptness, slapping them on their backs and laughing loudly. When I teased Jaisingh that he had servants at the Excise office, he answered with a laugh "Of course they are: we pay them!"; but when I asked how much he paid the inspector, he said only "He is my dear friend (*mera pyar dost*)". Jaisingh, other traders said, had been posted to that office precisely because of his established friendship with the inspector.

Traders laugh about how the frequency, timing and convenience of the legally mandated checks on their account books and cash depends on their relationship with the excise and police. It is not just the investors that benefit from these ties: employees also profit from their friendships with officials. On several occasions, Jaisingh made vague allusions to his friendship being profitable, but avoided describing how he and other trader-employees receive kickbacks on the bribes that they give officials who are their friends. This relationship requires a close and mutually dependent relationship of complicity, and an understanding of shared mutual interests. Such jovial friendships are usually between traders and mid-ranking officers like police Circle Inspectors or Excise Inspectors, with whom they drink, eat, socialise and exchange bribes and assistance. The relationship between traders and high-ranking officials is more formal. Traders are respectful, humble and praising in their speech and gestures towards District Excise Officers. District Excise Officers return the traders' humble respectfulness with the distracted or somnolent attitude that officials often show their supplicants. Traders do not deal directly with these higher-ranking officials: the exchange of bribes for assistance happens with friendly officials whose close ties to traders comfort them into believing that the traders will not do anything to put them at risk by bringing public attention to their business.

Chapter Five Conclusion

There are different styles of friendship amongst traders, but they share an emphasis on discretion, sincerity, hard work, family values, courtesy and generosity. This kind of friendship is an instrumental part of shaping the social interactions and business transactions fundamental to traders' successful conduct of their business. I do not claim

that friendship is absolutely necessary to success in the poppy husk trade; nevertheless, it provides its adherents with clear advantages. First, it downplays caste and religious difference and limits conflict by imposing appearance of friendly collaboration or, at worst, the non-violent (even if bitter) resolution of quarrels. Second, it provides a moral framework for alliances that can be altered or broken without damaging the more moral ties of kin or fictive kin. Third, this kind of friendship provides a moral context that reassures officials and encourages them to collaborate with traders outside the law. The conflicts about behaviour and their resolution show how proponents of this amicable style enforce it by establishing (if it is not already understood) that this style is both correct by social standards and beneficial for business and their wider ambitions for upward mobility.

In selecting examples of traders' interactions to clearly illustrate their friendships and values, I might have sacrificed some subtlety, and focusing on friendship might seem to over-represent its role. All traders may not see friendship as being so important, and for many it is certainly an instrumental formality as well as a moral ideal. In spite of these caveats, the norms of friendship seem to provide a convincing overall model for traders' general style of interactions. As Ferguson has convincingly argued, different personal and group styles, incorporate actions, clothing and eating. These styles draw on local and ostensibly foreign symbols to express a person's choice of position within socio-moral logics of exchange, accumulation and redistribution – especially in terms of their obligations to their relatives. As Ferguson's data shows, these styles do indicate people's class identity in the broader Weberian sense of their aspirations, frustrations and view of their opportunities (Ferguson, 1999: 82-122).

The importance of friendship in traders' organization is also evident in other ambitious, socially mobile entrepreneurial groups, especially those whose work is seen as suspect or condemnable by wider society or more powerful groups within it. Silver's analysis of the emergence of a particular ideal of friendship in 18th century Britain stresses its role in providing the members of the emerging commercial society with a moral order for their social lives by separating instrumental from non-instrumental interactions, separating friendship from ideas of brotherhood and other exclusivistic relations like clan membership, and thereby diminishing the potential for violent social conflict (1990: 1484-91). Carrier goes further in suggesting that this ideology of friendship gave this emerging

group justification in cutting off socially undesirable ties and attempting to form “new friends among polite society” (Carrier, 1999: 34). Blok goes further, seeing the Sicilian mafia as constituted in part by interlocking networks of friendships, and as providing the main possibility of social mobility for Sicilians willing to use violence (1969). Likewise, Kaplan and Dubro identify membership in the *yakuza* as providing the best opportunities for marginal members of Japanese society, whether from broken homes or from gangs of outcaste school dropouts (1986: 144).

Studies of high-risk extra-legal businesses have focused on organized crime institutions such as the Sicilian mafia and the Japanese *yakuza*, and have emphasized the role of fictive and fictive kinship ties, but these organizations are very hierarchical and membership is permanent. Traders, on the other hand, work in a business whose legal institutions militate against hierarchy, and they see their involvement as temporary and as subordinate to their family loyalties. This contrast shows that moral ties, whether those of kinship or friendship, do not explain collaboration if taken out of their institutional context, whether these institutions are legal structures, business structures, or social institutions of moral ties. Bloch’s moral scale based on the absolute morality of tolerance for long-term imbalance in reciprocity, with which kinship ties are generally associated (Bloch, 1973), explains why the supposedly most absolutely moral relationship of close kinship will be rejected as inappropriate, and another relationship with less tolerance for an imbalance in exchange (friendship) can be preferred as the most adapted to moral objectives¹¹².

This description of traders and their friendship shows that authority and organization in high-risk business can be explained by understanding “legitimizing value systems” and their context within the “structural conditions in which [the authority] originates” (Blau, 1963: 314). Neither the values nor the structural conditions determine the outcome, but the values do provide the basis for implicitly understood legitimacy, and the structural conditions provide identifiable incentives and constraints for different kinds of behaviour. Thus, some kinds of behaviour are more likely to meet with success, and to be found in successful traders. Traders may talk about friendship in an instrumental way, or

¹¹² Contrary to De Neve’s claim, Bloch does not argue that “kinship entails by definition a morality that turns kin into reliable and trustworthy co-operators” (De Neve, 2005: 206). This misinterpretation seems to stem from a confusion of Bloch’s analysis of moral terms, and his analysis of their tactical use.

not even think about it because they assume it to be the natural and proper way of doing things. In this way, the use of the equivalent for “friendship” may be based on local or idiosyncratic moral preferences for imposing a moral content on an interaction without having to talk about it explicitly, thereby imposing this content in a way that hides ties of dependency and power. This mirrors De Neve’s observation that emic explanations of kinship-based organization can tactically mask other more robust bases for cooperation, such as an employer’s dependence on a skilled employee (De Neve, 2005: 238). In the same way as De Neve has understood interactions between employers and employees in the context of the political mores of benevolent patronage expressed in temple festivals, I have understood traders’ friendships and leadership using Rajasthani ideals of self-abnegating, generous leaders who use violence only for morally sanctioned purposes. This perspective helps to explain traders’ interactions, choices and mitigation of risks in terms of what they understand to be justifiable and proper within the range of choices made available in the context of legal and business constraints. This explanation of the role of friendship in traders’ collaboration completes my analysis of the poppy husk trading community’s distinctive characteristics and its place within wider Rajasthani and Indian society.

Thesis Conclusion

In providing this first description of the work and lives of poppy husk traders in Rajasthan, this thesis has focused on explaining three aspects of their lives. The first is how traders collaborate in a high risk business that is simultaneously legal, extra-legal, and illegal. The second is the place of their poppy husk business in terms of their family lives, friendships, other income-generating activities and typical opportunities, their aspirations, and their children's occupations. The third is the place of traders in wider Rajasthani and Indian society in terms of the ways the public see them, their relationships to and views of the State. By following these simple points, I have shown that poppy husk traders, a business community that is widely considered exotic, dangerous, and difficult to know (Chapter 2), have work and lives that can be readily understood and even identified as ordinary, upwardly-mobile middle class Indians (Chapter 4). They are distinguished within this group by the specific nature of the legal and social risks they take in becoming part of the poppy husk business (Chapter 1 and 2), by the range of occupations open to them and the increased range open to their children (Chapter 4), and by traders' emphasis on a specific kind of friendship in the organization of their business (Chapter 5). This identification of traders presents, in an interconnected way, a contribution to analyses of cooperation in high-risk businesses, corruption, social mobility in India, and perceptions of the State.

This research on poppy husk traders contributes to analyses of cooperation in high risk businesses by adding to a growing body of historical and ethnographic literature that has moved away from the traditional focus on Indian caste-based businesses, and focuses instead on communities of entrepreneurs whose participants do not share kinship, ethnic or religious identity. This study, like other studies cited in Chapter 5, explains the creation of shared collaborative norms or mores in a high-risk environment instead of merely presuming their existence. To explain the existence of shared norms, I have drawn on works that emphasize the explanatory value of the relationship between different kinds of moral ties (kinship, fictive kinship, friendship), within their relationship to institutional contexts. An analysis of the different kinds of kinship ties in business and labour certainly remains important (De Neve, 2005: 14; Parry, 1999: x), but demands a conception of

kinship as part of a larger field of interrelated moral ideologies that include the broad categories of fictive kinship and friendship, as Bloch and Peletz have notably advocated (Bloch, 1973; Peletz, 1995).

Traders' peaceful approach to dispute resolution, and their close and amicable collaboration with officials, can be explained by accounting for both the incentives and constraints of the institutional narcotics regulatory structures, as well as traders' mores. From a structural perspective, the legal basis of their business encourages traders not to draw attention to the illegal side and provides them with a legitimate basis for interaction with officials. On the other hand, traders' interactions with their colleagues, officials, their families and friends outside the poppy husk business show what norms traders emphasise and enforce, whether explicitly or tacitly. These norms emphasise generous and courteous friendship where devotion to family is valued, reinforced in the exercise of authority in traders' offices, and supported by wider Rajasthani understanding of legitimate power. The association of these values of friendship with popular local ideals of authority provide a plausible explanation for how traders identify opportunities, manage risks, resolve conflicts peacefully, avoid violence, and justify all this. Traders' views of their families and their emphasis on a specific kind of generous and courteous friendship amongst colleagues is not sufficient for their success and may not be necessary, but it does provide its proponents with an implicit moral appearance and a consequent advantage in this regard over those who do not adopt these mores. Traders' success can, in their own eyes as well, be measured by their rise through social and economic levels as they diversify into less risky and more legal enterprises, and as they educate their children.

Looking at specific practical constraints, incentives and moral ties provides a more robust and empirical alternative to currently popular analyses of collaboration that assume trust and kinship to be necessary for collaboration. In the Introduction, I have taken two major exponents of this kind of analysis and pointed out three critical weaknesses (c.f. pp. 27-28). The first is the mistaken assumption that ideals determine behaviour. The second is that these explanations do not distinguish between the conflictive as well as collaborative aspects of kinship ties. The third weakness is that these explanations do not identify how collaborative behaviour in a given group is specific to that group and linked to its broader social context, meaning that the explanation could be true of any other group. Such

explanations contribute little more than common aphorisms such as “blood is thicker than water”.

This thesis’s second contribution is new data for a wider comparative scope of Indian labour and socio-economic mobility, of business and markets, and of the relationship between caste and class. In the context of the historical and current opiate industry, the lives of poppy husk traders shows that extra-legal, high-risk enterprise plays a prominent role in socio-economic mobility and associated political developments, including popular complaints of increased corruption and violence. Poppy husk traders, like traffickers in historical and contemporary India, enter and remain in their business as part of their attempts to reduce the economic vulnerability of their situation by engaging in risky business, and have strong incentives to leave this risky business when there are opportunities for legal enterprises.

As discussed in Chapter 3, traders’ perception of their business’s risks and opportunities can be explained in terms of their qualifications and ambitions, their understanding of State regulations and their flexibility, and their shared common Rajasthani views about what the State should be and its perceived corruptly conspiratorial shortcomings. Traders’ own limited qualifications restrict their opportunities for lucrative employment: like other high-risk entrepreneurs operating across the borders of legality, traders take high risks in order to achieve ambitions that would ordinarily be beyond their qualifications, their skills, or their “station” in society. Traders justify the social, moral and economic risks their business entails, in part by seeing the business as their best means to avoid a feared slide into financial vulnerability, and the best means to ensure their children’s less risky (and hopefully more lucrative) livelihoods in the professional Indian classes. Traders’ choices of work, and the strong role of State in creating the poppy husk regulatory structure as well as new opportunities for trader’s children in a less regulated market, emphasize the powerful effect of State policies in socio-economic mobility, social stratification and class formation – even for people whose work is often illegal.

Traders’ upward mobility and their typical diversification between different “formal” and “informal” sectors corrects assertions that “labour is remarkably immobile between sectors of the informal economy, and even more so between the informal and formal sectors”, or that mobility lies only “within particular sectors of the informal

economy” (De Neve, 2005: 17). Perhaps these claims may be accurate for manual labour, but they are not for white-collar labour such as traders: they easily and typically move between sectors from the poppy husk business to the transportation, construction and construction materials processing, agriculture, and real estate sectors, all of which are a varying mix of “formal” and “informal”. Their high expenditure on their children’s educations could be seen as another form of diversification, by proxy of their children, into a realm of professional employment to which they themselves cannot aspire.

Labour mobility between sectors might have been more evident had there been more data on partially illegal businesses, a gap which shows the interest of moving ethnographic studies of Indian markets more in the direction of studying brokerage activities, especially those that operate outside of or in violation of State regulation. A growing body of ethnographic research has focused on the work and ideologies of white-collar labour, especially traders on exchange floors and in the information economy (Hertz, 1998; Ho, 2005; Kessler, 2007; Miyazaki, 2007; 2006; 2000; 2003; Zaloom, 2003; 2006; 2004). This body of research looks more at shared business activities rather than a more traditional focus on caste or religious groups as the primary basis of their subject group’s identity, as in Ellis (1991), Jones (1991), Laidlaw (1995), Pache-Huber (2002) and Rudner (1994). More recent research in India, such as Bear (2007), Fuller and Narasimhan (2008), Upadhyaya (2006) and Donner (2005) has focused on participation in private-sector business, especially the well-paid, high-caste, highly educated members of the information technology sector. This study of poppy husk traders helps to fill a gap in the above research on extra-legal or illegal white-collar workers who are well-paid, from a variety of middle and low-caste backgrounds, literate and numerate, and lacking in sufficiently high educational qualifications to be able to compete in higher-status segments of the Indian job market.

Third and lastly, this thesis strengthens analyses of State and corruption by examining the practice and impact of corruption in the context of popular Rajasthani perceptions and political ideals. As Shore and Haller have argued, corruption is not a definite category of transactions, such as those violating “public interest”; nor is it particular to over-regulated states or to the process of liberalization (2005: 4-5, 9). In this light, an explanation of administrative practices, regulatory changes and labour dynamics

(including white-collar labour) should explain local popular perceptions of corruption as well as local assertions about the criminalization of politics. To meet this requirement, I have, in Chapter 3, identified local political ideals that can plausibly account for implicit beliefs of what constitutes legitimate authority and government, and what constitutes a breach of this. These accusations of corruption do not exclude a Western or Weberian view of bureaucracy and corruption, but suggest that it is more profitable to think of “corruption” as a condemnatory opinion that is part of how people compete politically for resources and justify attacks on others’ rights to access resources – and especially the efforts of upwardly mobile groups to obtain resources.

In describing the triangular relationship between traders, the State, and society, this research responds to a more general need for a greater incorporation of “the interaction between state and society in studies of work” (De Neve, 2005: 16). Clearly, it is not just the agricultural and industrial labouring poor that are forced to “go out hunting and gathering a wage” for any chance of upward mobility, as De Neve would have it (De Neve, 2005: 29[Breman, 1996:225]). It is also true for the large numbers of Indians who, like many younger poppy husk traders, only have undistinguished degrees that do not allow them to enter prestigious high-paying jobs. The efforts of these upwardly mobile groups who exploit extra-legal or illegal opportunities are met with suspicion and accusations of corruption of the existing social and political order. Upwardly mobile groups return the favour by accusing different established and powerful groups and people of using their power corruptly. Understanding the relationship between traders, their business, accusations of corruption and violence, struggles for upward mobility, and State market regulation provides an understanding of the narcotics industry in India as being like other industries, and certainly not an example of free market dynamics and deregulation, as some mistakenly believe (see p. 57). For the traders I met, it is precisely the new jobs and business opportunities created by the State’s market deregulation that allowed many investors to move more of their capital out of poppy husk.

To explain how traders collaborate and manage the risks associated with their ambitions, I have examined the institutional and practical constraints and incentives of their business, Rajasthanis’ views of traders and of what constitutes corruption, traders’ family lives, and the friendships between traders. In these descriptions, I established what

distinguishes their explanations and practices from those of other entrepreneurs in India and elsewhere, and what plausibly establishes traders' views and practices as being specific (but not necessarily exclusive) to their Rajasthani and Indian society. When I began this research, many told me that the subject was too risky or carefully hidden to be feasible. Some even told me that such research was ethically questionable. I have shown that the data is readily available, that people working in or with such high-risk businesses of questionable legality are very helpful, and that it is possible to do this research with full knowledge and consent of informants. The data itself can be interpreted in straightforward ways by drawing on thematically related scholarship, and contributes to understanding broader issues of social mobility, government and corruption. I hope that this will encourage further research on communities of extra-legal businessmen who deal with high levels of risk, whether in liquor, narcotics, counterfeit pharmaceuticals, or high-value and low-bulk commodities.

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