

# MUSLIM BUSINESSMEN AND THE PARTITION OF BENGAL: A POLITICS OF AGREEMENT?

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There is a general assumption that most of the high profile businessmen of colonial India either came from the Hindus or from the Parsis leaving their Muslim counterparts far behind. It is not that the presence of the Muslim businessmen was not recorded, not that they remained absent from the mainstream political changes, still in several occasions they tend to look obscurant. The emergence of a self supporting economic enterprise in post-1947 Pakistan makes it sure that in colonial India, the Hindus or the Parsis did not have a domination over the economic affairs rather the Muslims in a sizable number occupied an important place.

In India the Muslim backwardness and the so-called propositions of a Hindu domination over Muslims took a special meaning only at a time of political disturbances or communal outburst. The data received from the 1921 census brought some interesting facts. A considerable section of the Muslims stayed in the important urban pockets and contributed sufficiently to the economic life. In two Muslim majority districts like Bengal and Punjab, the Muslims basically remained rural and agriculturalist, while in the provinces where Muslims were a minority, the existence of an urbanized commercial cum business class was visible. In Bengal, the percentage of urbanized Muslim population was low than Punjab where a large Muslim middle class existed. In Bengal, most of the urban Muslims were engaged in trading activities, in Punjab the number of trading Muslims were small. However, in Bombay, urbanized Muslims were mostly engaged in business and commerce.<sup>1</sup> In 1915, a government report from Bengal recorded the occupations of the Hindus and Muslims in the following manner.<sup>2</sup>

Table 1 shows that Hindus were predominant in industry and commerce while the Muslims outnumbered the Hindus in the agricultural sector. In Bengal, the trade and industries were mostly controlled by the Europeans and a small group of non-Bengali

Table 1

<i>Occupations</i>	<i>Hindus</i>	<i>Muslims</i>
Agriculture	13,557,038	20,856,662
Industry	2371,008	1040685
Trade and Transport	2337983	867352
Public Administration and others	912549	231312

Indians. The Marwaris controlled most of the trading networks apart from a small number of Bengali Hindus and Bengali speaking Muslims. They were the migrant communities who had their own trading organizations and social networks in Bengal, especially in Calcutta. Muslims specialized in the trade in leather and skin, oil products, luxury articles and in textile. They remained more or less weak in all other branches of commerce, even in banking and finance. The period between 1920-1940 witnessed increase in Indian participation in industries, however, the Hindus and the Muslims used different set of institutions to inspire involvement in the same industries.

Looking at the composition of the Muslim big business in regional terms, one may see how north and north western Indian Muslims (converts and non converts both) dominated the scenario whereas Bengal, one of the Muslim majority provinces in the then India, took a back seat. Interestingly, in Bengal, the Bengali speaking Muslims did never become an important entrepreneurial and mercantile class; it was the non-Bengali migrant Muslims like the Hindu Marwaris, who successfully mobilized the business opportunities (the Muslims of Calcutta numbered app. 205,000 out of a population of nearly 90,000 in 1918<sup>3</sup>). The Kutch Memons (migrated from Kathiawar) took their position in hide and indigo trade, the Pathan merchants were seen into the leather industry, the Parsi and Iranais were in general export import trades of the coastal region. The Dawoodi Bhoras, Khojas and the Ismailis were also settled in Calcutta as big business groups<sup>4</sup> including a community of Arabs and a considerable number of Moghals. The Muslim merchants of Calcutta specially the Bohras, Memons and Rankis more or less monopolized the hide and skin trade. They also made their mark in gums, spices, indigo, tobacco and rice trade, however, one third of the city's Muslim population were in the industrial sector, one sixth in transport, one seventh in trade, one eleventh in domestic service and one in twenty in the public services.<sup>5</sup>

D.H. Ahmed, being a regular columnist of different magazines

and the first Muslim graduate of the Calcutta University served as the Inspector General of Registration under the Government of Bengal and unlike the other Muslim writers wrote in a rational modernist way to describe the condition of the Muslims in Bengal. Searching for the reasons behind Muslim underdevelopment in late nineteenth century, he expressed, "... if we compare classes governed by particular customs with classes forming the general body of Muhammadans, we find that Memons and Khojas, for instance are advancing in wealth and position while the general community is declining...It is clear therefore that the Arab or Muhammadan law of succession is unfavorable to the accumulation of capital and the preservation of property."<sup>6</sup> In comparing the Bengali Hindu's position in trading and business with their upcountry brothers, the writer mentioned, "Both Bengali Hindus and Bengali Muslims (the bulk of who follow the Hanafi law of inheritance of the Sunni sect) have therefore been remarkably lacking in the accumulation of capital. Moreover among the Bengali Hindus, we find, various castes, who had taken to traditional trades, professions and crafts. This is why we find among them a 'savior group' and a moneylender class. Similar situation did not prevail among the Muslims... no important sub-caste arose among them who might have separated themselves from the 'general Muslims' like the Memons and the Khojas and thus have given lead in trades and professions... The Bengali Muslim upper class remained essentially unprogressive."<sup>7</sup> As far as the Muslim commercial community is concerned, it seems that they did not have any signification control over the political life of Bengal or Calcutta. The Muslim commercial men hailing basically from non-Bengali background did not enjoy a hold over the bulk of the Muslim population in Bengal and none of them get an entry into the provincial legislature.

The politics of twentieth century Bengal would never be a complete one unless talking about its businessmen, particularly of the shadowy relationship between the non-Bengali Muslim business class and the mainstream Muslim politics. It is shadowy in the sense that there was no Tata, Purushottomdas or Birla in Muslim politics in Bengal but the politics itself was grounded on such a base where a single escape from reality could have been precarious for the future. The factor which helped the non-Muslim business ventures most was the rise of economic nationalism from early twentieth century. It became one of the most important features of the Muslim businessmen that they did not face all such problems like the Congress did, not the Muslim League had any separate agenda for the businessmen and the

working class in early years. In early 1930s, M.A. Jinnah was on the way of becoming the one and only representative of Indian Muslims and was trying to come in terms with the Congress at the all India level. He was to get support in favour of his plans for the Muslim minorities in Punjab and Bengal and to hold his position as the sole voice of Muslim minority interests. In the decade of 1920s, the basic problem of Muslim politics was confusion and fragmentation. H.S. Suhrawardy, Sir Abdur Rahim, A.K. Gaznavi, Akram Khan, Fazlul Huq and others were divided among themselves. However, after 1929 the rise of Nikhil Banga Praja Samity the whole situation in Bengal Muslim politics took a major turn.

The formation of the Nikhil Banga Praja Samity marked a new era of organized politics when the Bengali Muslim leaders for the first time came under a non-communal economic banner. The leaders now took the issues of the province more seriously regardless of the attitude of the all India leadership or the BPML, which continued its existence as a separated body and mostly alienated from mainstream Muslim politics in Bengal. For the Nikhil Banga Praja Samity, it was not possible at that moment to materials unity among different shades of opinions. If a section of the Muslims failed to realize the actual necessity of a non-communal organization of the Muslims, the others did not welcome a non communal peasant oriented party whole heartedly. Such a party exposed the question of enmity or difference within the community that the interests of zaminders were different from the peasants. Very naturally the merchants and the businessmen did not have an involbment with this new politics even though a number of BPML leaders had their own business interests. Founded in 1936, the United Muslim Party (UMP) for the first time came as an amalgamation of three interests—landed, commercial and legal. While H.S Suhrawardy became its Secretary, Nawab Khwaja Habibullah became its president. Other office-bearers included nawab Musharraf Hossain, M.A H Ispahani, and Khwaja Nooruddin.<sup>8</sup> Thriugh M.A H Ispahani, one of the leading merchants in Calcutta, the new United Muslim Party built up connections with big Muslim merchants of Calcutta. This new alliance emerged as a challenge to the Krisak Praja Party in Bengal because the Praja Party was established to focus on Bengali interests and it was an organization of the Bengali Muslim leaders on non communal lines representing both east and western part of Bengal. While the Krisak Praja Party condemned the United Muslim Party as a 'Minterial Party' for the purpose of capturing votes, Sir Nazimmuddin, one of the leading members of the United Muslim Party described that the

Praja Party was not 'a purely Muslim organization'. The division of the Muslim political world was clearly visible not in terms of politics only, but socio cultural divisions also demarcated the line of actions between these two blocks of Muslim interests. The establishment of the Muslim Chamber of Commerce in 1932 might have been seen as the first example of the ventures taken by the Muslim merchants and businessmen in Calcutta. However, in June 1932, the government showed its positive intentions for separate representation of Muslim commercial interest in future legislative assembly body and in August 1932, the Muslim Chamber of Commerce was established in Calcutta.<sup>9</sup> The Muslim Chamber of Commerce was basically financed by the rich Cutch Memon Adamjee family and the decedents of the Ispahani family. Several Muslim legislative council members from mufussil Ashraf families and some prominent politicians from Fazlul Haq's group joined in first committee of the chamber. The establishment of the Muslim Chamber of Commerce made one thing clear. Now onwards the wealthy and influential Muslim mercantile community openly came out for political causes. Boosted with a spirit of confidence and endeavour the rich Muslim merchants and industrial families now realized the truth that if middle and professional classes could ask for political advantages, the mercantile classes should logically take up the communal cause for long standing advantages. However, most of the leading members of the chamber were non Bengali Muslims, came in search of fortune in Calcutta at certain times. Young Bengali Muslims had a kind of bitterness for the Muslim Chamber of Commerce since it was a 'non-Bengali concern'. Their main objection was that the Bengali Muslims had nothing to do this organization because "a Bengali Muslim had to deal with spot cash in doing business with them, books were kept in different upper Indian languages and the factories owned by the chamber were staffed by non Bengali Muslims".<sup>10</sup>

This Bengali-non-Bengali issue had certain significance for the Muslim political equilibrium in Bengal. Just after the election of 1937, the non three non Bengali leaders emerged as the main lieutenants of Jinnah in Bengal. The KPP and the Bengal Provincial Muslim League did not have a lukewarm attitude for the central League and Jinnah used a few non Bengali leaders as his trust worthy spokesmen who could nullify the inhibition and misconceptions about Jinnah and his objectives in Bengal. Abdur Rahman Siddiqi, Hasan Ispahani and Khwaja Nooruddin took the responsibility of establishing the new Muslim League party in Bengal. The Bengali-non-Bengali divide became too much evident in Muslim politics after

the election of 1937 when Fazlul Huq, leader of the KPP formed the ill-fated coalition ministry with the Muslim League. There were clear indications on which course Bengal politics would proceed in near future because the entry of All India Muslim League in Bengal not only put the Bengal League into oblivion but the committee appointed by Jinnah to set up a bowlful League organization in Bengal provided non-Bengali Muslim leaders the much awaited opportunity. This committee was formed with twenty members, including six members from the non-Bengali business community of Calcutta and four to the Dhaka Nawab family.<sup>11</sup>

The Muslim Chamber of Commerce in the 1930s didn't raise real hope among the Muslim businessmen and its activities remained obscure. But M.A. Jinnah attracted a few men of wealth and business. They were financial strength of the League and on Quid-i-Azam's request they initiated numbers of activities for the advancement of the Muslims as a 'nation' separate from the Hindus. Yusuf Haroon, one of the young lieutenants of Jinnah, described the relation between Adamjee and Jinnah as of mutual respect and friendship. Sir Adamjee was appointed as Jinnah's personal nominee in the League's Parliamentary Board of 1936 along with Mirza Ahmed Ispahani, Faizullah Ganji and Abdul Aziz Ansari. Why men like Adamjee came closer to the League? Was there any communal sentiment working behind these relationships? Definitely communal feelings were present but it was not the sole cause. The Muslim businessmen, especially Adamjee, found the election manifesto of the League's Parliamentary Board in Bengal more appealing than the KPP's socialist stance. The KPP was opposed to any shift aimed at expropriation of private property, while the League's manifesto was business friendly. It proposed an increase in the prices of jute, solution of unemployment, financial assistance for development of industries, adoption of a well defined labor policy including payment of fair wages, provision for insurance, better housing and other facilities. Infact League's manifesto seemed to be more progressive in terms of winning over all sections of the society.

The line of Muslim political solidarity did not follow similar course of action all over India and it was a high task before Jinnah to assimilate the Muslim business world into the line of Islamic brotherhood. In those areas where Muslim businessmen were very much active, the issues of communal politics were not rampant to the business world. In the province like Bengal where Muslim businessmen had never got a strong foothold, the politics of communalism had brought several implications to the business world. The Muslim businessmen didn't

have a decisive role in Bengal politics also. Therefore, it would not be a mistake to point out that Jinnah contrived to produce some of his best diplomacies here for the success of the Pakistan proposal. One such step was to create a support base which would be acquiescent to the will of Jinnah in all respect. Just like western India Jinnah searched for a kind of support base among the wealthy Muslims mostly from the commercial and business background in Bengal. But the question was whether this section of the Muslim commercial men were convinced of the proposal of a divided India instead of a strong centre specially when the proposed Pakistan zones were the most industrially backward areas and were lagging behind the other provinces. Prof Ayesha Jalal believed threat the Pakistan demand was nothing but a 'bargaining counter' to achieve concessions from the British and the Congress but the Pakistan proposal itself was a package of hopes and aspirations put up for sale at the cost of individual free will of the Muslims. Muslims irrespective of their internal class divisions and socio economic positions were asked to support the cause of Pakistan. Separation of the Muslim majority areas could have been the solution to various political and economic problems but its results were not the same for all. What was true for the Punjabi businessmen, it was not same for the Bengalis. Division of Bengal would be as fatal as the separation of Bengal. Greater portion of Hindu capital was invested in Bengal and the separation of Muslim majority areas meant to be a loss for the Hindu big business. Their main anxiety was on Calcutta. If Bengal needs to get separated from India, Calcutta must remain with India or with the Hindu majority areas of Bengal in case Bengal gets divided. But what about the Muslim businessmen? Neither the Congress nor the Muslim League was really worried for the Muslim businessmen of Bengal. If they stay in Hindustan, it would be great difficulty for them to sustain business positively with the Hindus and if they take the decision of going into Pakistan or the Muslim majority areas, their business would suffer a lot. In both of the cases the Muslim businessmen were left with the same fate while it meant to be a lot for them whether Calcutta would go to Pakistan or not.

However, in Bengal the situation was different. There was no such big Muslim firm in the proposed area of East Pakistan. Big business houses from western India had their substantial units in East Pakistan but the epicentre of business was in Calcutta. Not all the big Muslim capitalists were the supporters of the Pakistan movement or the Muslim League and up-to the last moment they left their options open. It was only after the Lahore Resolution

started getting momentum Jinnah mobilized a few Muslim businessmen in support of Pakistan but in case of Bengal confusions and hesitations continued to grow faster. The leading Muslim Leaders from Bengal had viewed the Pakistan scheme in terms of two independent sovereign states in two Muslim majority areas of India while Jinnah envisaged Lahore Resolution (1940) in terms of one Pakistan state. Abul Mansur Ahmed, a leading member of the East Pakistan Renaissance society declared, "Religion and culture are not the same thing. Religion transgresses the geographical boundary but *tamaddum* (meaning culture) cannot go beyond the geographical boundary. . . . Here only lies the difference between *Purba* (Eastern) Pakistan and Pakistan. For this reason the people of *Purba* Pakistan are a different nation from the people of the other provinces of India and from the 'religious brothers' of India."<sup>12</sup> No doubt a section of the Bengal Muslim League leaders were thinking in terms of their separate Bengali and Muslim identity and it was H.S Suhrawardy, the then Premier of Bengal who clamoured for 'an independent, undivided and sovereign Bengal in a divided India as a separate dominion',<sup>13</sup> for the purpose of 'economic integrity, mutual reliance and the necessity of creating a strong workable state'. He believed, ". . .if Bengal is to be great, it can only be so if it stands on its own legs and all combine to make it great. It must be master of its own resources and riches and its own destiny. It must ceased to be exploited by others and shall not continue to suffer any longer for the benefit of the rest of India. So in the end the tassels will rage round Calcutta and its environments, built up largely by the resources of foreigners, inhabited largely by the people from other provinces who have no roots in the soil and who have come here to earn their livelihood, designated in another context as exploitation. Alas. If this is the main objective, as my figures would demonstrate, then no claim for the partition of Bengal can remain static, and a cause for enmity and future stiff would have been brought into being of which we can see no end."<sup>14</sup>

Suhwardy's arguments were supported by a group of Muslim league leaders, including the Secretary of the Bengal League, Abul Hashim. He believed that cent per cent alien capital, both Indian and Anglo American exploiting Bengal, is invested in Bengal and the proposed scheme of a free and united Bengal might have been a cause of fear for them.<sup>15</sup> Both Suhrawardy and Abul Hashim were critical of the non-Bengali exploitation of resources in Bengal but the question was whether this non-Bengali capital was meant for both the Hindus and the Muslims? But the crux of the situation existed in the moves taken



by the Muslim Chamber of Commerce in support of Suhrawardy united Bengal plan. It was Ispahani who first took the initiative of motivating Jinnah in favour of this united independent Bengal plan and provided financial support for the plan. It was a calculated on his part because it gave him an opportunity to liquidate the anti non-Bengali feeling among the followers of united Bengal plan. Ispahani was quick enough to realise the outcomes if Calcutta would go with India. From this city he started his business and it was the heart of all great business endeavours. Therefore, when did he find the united Bengal plan as the most suitable option to the partition of Bengal plan, he readily extended his support to Suhrawardy-Hashim's group. Perhaps he had an intention to control the jute industry in west Bengal, mostly owned by the Indian Chamber of commerce or the British business houses. But an in-depth study on Ispahani's political endeavours would show how this man fluctuated from his positions on the issues related to the fate of Bengal. Even though in the draft copy of the Lahore Resolution (1940) the words, 'sovereign independent *states*' (italics mine) was mentioned, Jinnah in May 1947 commented, "in no case should it (Calcutta city) be allowed to go with the western Bengal, otherwise it will follow as a corollary that Western Bengal would go into Hindustan and His Majesty's Government will be making the present of one great port to Hindustan, in any event,...Calcutta should be made a free port".<sup>16</sup>

In the last phase of the Pakistan movement, the role played by the Muslim businessmen in Bengal was obscure. In most of the occasions Ispahani and Awaji took side of the anti Suhrawardy faction in the Muslim politics of Bengal and Ispahani didn't support Suhrawardy's involvement with Bengal Congress leader Sarat Chandra during the united Bengal movement. Apart from Ispahani, other businessmen were not known faces in the political front. It was also true in case of the all India Muslim League also. Perhaps Jinnah wanted to make it clear that the future Pakistan state would not be state of the capitalists and the ideal of Pakistan should be Islamic not capitalist. Whatever the reality was, it was true that Jinnah did have many Muslim industrialists and businessmen within his hold. The enterprises that later came forward in the economic development of Pakistan were consisted of a few big business houses only.

However, the only alternative to Partition, that is a federal state with a weak centre and powerful provinces did not receive support from the non-Muslim big businesses because they had already envisioned one united India with a strong central authority with restricted amount of power to provinces. Partition emerged as the

best solution to all these problems on the condition that non-Muslim areas of Punjab and Bengal would be within the Indian union. Such a solution was equally acceptable to both the non-Muslim and Muslim business interests, socially the Muslim businessmen from Sind and Punjab found it as a means of liberation from the hold of non-Muslim businesses in Bombay. As noted earlier, such an arrangement was not made in keeping the Muslim businessmen in mind at all. Since most of the Muslim businessmen from Bengal were of non-Bengali in origin, it was taken to be obvious that they would migrate to Pakistan in near future. Definitely they did the same but it was really a point to be noted that the Muslim big businesses in Bengal at least in 1940s completely overlooked the common Bengali sentiment growing among a section the Muslim leaders in Bengal.

No doubt most of the Muslim businessmen took partition as an agreement of mutual consensus, for the rest it was a challenge itself. The big businesses houses were benefitted from the pro business environment in both the wings of the new Pakistan state and they filled in the vacuum left by the non-Muslim businessmen who fled Pakistan. But for the small business holders it was not an easy task. They did not have that sort of assets or property in India like the big business houses, necessary for a good survival in a new country. They need to start afresh like that of the non-Muslim businessmen who fled Pakistan. They faced stiff competition from their established fellow businessmen in India while the Muslim businessmen who stayed in India lacked their organization and voice in absence of their lively colleagues who had already migrated to Pakistan. The entire episode indicates how the Memon businessmen were mobilized and how the notion of a 'home' has been codified by other criterions. Both east and west wings of Pakistan had their own structural problems in the way of economic development but it was Calcutta which suffered the most. Not only it lost its pre-eminence as the major commercial and manufacturing centre in the eastern part of India, it went into decline rapidly. Neither Calcutta nor Dhaka could ever become a commercially promising city thereafter and history witnessed the death of what once had been a magnificent economy.

### Notes

1. Report of the Committee to consider questions connected with Muhammadan education, Calcutta, 1915, pp. 1-2, Appendix on p. 1, Bengal General Proceedings, January-December 1913, General Department, Miscellaneous, Calcutta 4<sup>th</sup> July, 1913, Resolution No 3435.
2. See *Investors India Year Book*, Calcutta, Siddons and Gough, Issue 1920

3. Census, Vol. VI, Part I, 1921, pp. 4-34
4. Four Muslim castes were governed by Hindu inheritance laws. The Khojas, Bhoras, Memons and Girasias. While there are literatures on the material and social condition of the Khojas and the Bohras, there is not much history of the Memon caste. Out of the families for which data is available, Currimbhoy, Habib, Lallji, Tyabji, Valika, Ispahani and Shustari were Shias. The Tyabkis, Valikas were Ismaili Bhoras, the Khojas figured prominently with the Currimbhoys, Habibs and the Lalljis. The Memons were Sunnis, of which the Adam, Adamji, Arag, Dada and Haroons were from Kutch and Kathiawar region while the Ispahani had Iranian origin. See, Sergey Levin, "The Upper Bourgeoisie From the Muslim Commercial Community of Memons of Pakistan 1947-1971" in *Asian Survey*, 14(3), 1974, pp. 231-43; Ashgar Ali Engineer, *The Bohras*, New Delhi, 1980; H. Papanek *op.cit.*; Carissa Hickling, *Disinheriting Daughters: Applying Hindu Laws of Inheritance to the Khoja Muslim Community in Western India 1847-1937*, Masters's Thesis, University of Manitoba, 1998 ; S.T. Lokhandwalla, "Islamic Law and Ismaili Communities ( Khojas and Bohras)", in *Indian Economic and Social History Review*, 4(2), 1967, pp. 155-176.
5. Census, Vol. V, Part I, 1921, pp. 107, 414, 213, Vol. VI, Part I, pp. 36, 104-107.
6. *The Moslem Chronicle*, April 18, 1896, p. 176.
7. *Ibid.*
8. See *Star of India*, 15 July, 25 May, 1935, p. 5. Among the sixteen founder members, more than eight were from landed interests. M.A H Ispahani, and Abdur Rahman Siddiqui belonged to the non-Bengali Muslim community of Calcutta. For details see, *Star of India*, 25 May 1936, pp. 1-5.
9. Government of India, Reforms Department, 221-32-R of 1932: Bengal Government, Appointments Department, May 1934, File No IR-38, Progs 31-50.
10. *Star of India*, 24 February 1933, p.10, see the letter form S Babur Ali.
11. From the non-Bengali business community, Hasan Ispahani, Abdur Rahman Siddiqui, Abdul Aziz Ansari, Mohsin Khan and Molla Jan Mohammad were included. From Dhaka Nawab family, Nawab K. Habibullah, Sir Nazimuddin, Khwaja Shahabuddin and Khawa Nooruddin were appointed.
12. Quoted in Shila Sen, *Muslim Politics in Bengal, 1937-1947*, New Delhi, 1976, p. 179.
13. *The Statesman*, Calcutta, 28 April, 1947, p. 2.
14. Statement by Suhrawardy, in *The Statesman*, Monday, 28 April 1947, p. 1.
15. *The Star of India*, 30 April 1947.
16. *Note form Jinnah*, 17 May, 1947, L/P&J/10/79, *IOLR*, pp. 167-70.