



Department of  
**Economic History**

## Alumni Newsletter

### Lent Term 2022-23

#### Welcome, from Head of Department, Professor Patrick Wallis



A very happy new year to you all from us here at Houghton Street. I hope you had a lovely break and were able to take some quality time to recharge your batteries. We are now at the start of Lent Term and, with exams out of the way, we can concentrate fully on the term ahead.

There has been news: as you may have heard, Minouche Shafiq is going to be ending her time as Director of LSE this summer to move to Columbia University. She has been an exemplary leader of the School during some very difficult times, and we will be sorry to see her leave us. I know that some of you will have been at a graduation led by her, and will be aware of how much LSE means to her personally.

Also, since our last contact, several PhDs have been awarded – our congratulations go to Drs Felix Schaff, Julian Jaramillo, Safya Morshed, and Nora Qiu. And our student competitions were as popular ever, with a very high standard of entry for both the Photography and Investment Competitions – you can find out more and meet the winners [here](#).

Towards the end of last year, we sent out a request for help mentoring our current MSc students. The response was amazing, and we really appreciate the generous offers of time and expertise. If you missed the email and would like to get involved, details are repeated elsewhere in this newsletter. We are really pleased that so many of you are willing to help our current students as they think about how to enter the job market.

Please keep 30<sup>th</sup> March free in your diary, as we are delighted to announce that Mara Pasquamaria Squicciarini will deliver our annual Epstein Lecture. Working at the intersection of religion and science, she asks whether the relationship between the two can be a positive one. You can find out more, including how to book, [here](#).

Our profile in this edition looks at the impact of Jane Humphries' 2010 book *Childhood and Child Labour in the British Industrial Revolution* and how

the stories of the children who worked in mills inspired the work of Japanese artist, Sawako Utsumi.

As always, please do stay in touch – we'd love to hear from you!

Best wishes,

Patrick

## **Student Competitions**

### **The Photo Competition**

During Welcome Week, when students are taking part in various activities, they are further tasked to submit a photo on a theme chosen by a member of faculty.



This year's theme was Craft Guilds, and the winner was Noah Sutter (1<sup>st</sup> year MPhil/PhD), for his picture of Charles III, when he was Prince of Wales, wearing a modern interpretation of a coronet (pictured above). The actual coronet, gifted to Queen Elizabeth II by the Worshipful Company of Goldsmiths, was needed because Edward VIII had taken the Coronet of George, Prince of Wales, with him when he left the UK.

You can view the winning image, learn more about the competition, and see the work of previous winner's [here](#)

### **The Investment Competition**

Following on from last year's successful change of format, this year six teams battled it out over a weekend to build an investment plan using their economic history skills combined with their economic and financial abilities to persuade a panel of hardened city professionals to part with their money.



***Group Four left to right: Yinxue Chen (MSc Financial History), Dan Schlager (MSc Financial History), and Xinyu Shi (BSc Economic History) with Chair of Jury, Joachim Liese.***

The winner was Group Four with their portfolio approach. In second place was Group Five with their suggestion of a 3-4 year investment in Exxon Mobil at a specific price and, in third place, was Group Six with their proposal to invest in uranium mining.

As always, we were grateful to have alumni acting as judges for the competition and helping participants understand how to engage with people working in finance. This year's judges were Joachim Liese, an independent advisor on Strategy and Corporate Finance with a major focus on Financial Services. Greg Salter, a current MPhil/PhD student whose

career in consultancy saw him working with a range of clients in the financial, energy and commodity sectors. And Simon MacAdam, the senior global economist at Capital Economics, one of the leading independent macroeconomic research companies in the world.

You can find out more about the Investment Competition, and meet the winning teams, [here](#)

### Epstein Lecture 2023

We are delighted to announce that Dr Mara Pasquamaria Squicciarini will deliver our annual Epstein Lecture on Thursday 30<sup>th</sup> March at 6.30pm.



Mara is an Associate Professor in the Department of Economics at Bocconi University, and currently holds a visiting position at Harvard. Mara's research interests focus on the role of religion, culture and human capital for industrialisation and economic progress, and her talk *A Complex Relationship: religiosity and science in a historical perspective* asks whether the relationship between religion and science can co-evolve.

This hybrid event is free and open to all, however in-person attendance is

on a first-come, first-served basis. Online registration will open on Tuesday 9<sup>th</sup> March.

For full information see the [Epstein Lecture Event Page](#).

### Economic History Book Club

We are excited to announce that Sydnie Reynolds, graduate of the MSc Political Economy of Late Development (2020-21), and EHAB member is in the process of setting up an Alumni Book Club.

She will be starting with a chapter from Leigh Gardner's recent book *Sovereignty without Power: Liberia in the age of empires, 1822-1980* on 9<sup>th</sup> February at 6pm (GMT), later in the term, will cover Tirthankar Roy's *Monsoon Economies*.

Where possible, we hope to be able to supply discount vouchers to make the purchase more affordable but, if not, we will pdf and circulate a chapter of the relevant book in advance.

If you would be interested in joining, please [complete this form](#) to be added to our mailing list.

### Mentoring students

At the end of last year, we put out a call to alumni to see if anyone would be willing to give up some of their time to offer career advice and mentoring for current students. We were hoping for a range of different types of industry and roles from both recent graduates, and those with more experience.

The plan was for each alumnus to offer up to four 30-minute sessions, at a time of their convenience, to talk about their experience of making the

transition from studying economic history to having a career outside of academia. The response so far has been amazing, with more than 100 responses from people across the world, and we will arrange the first of these sessions for February. If you missed the email and would like to get involved, contact our Student Engagement Coordinator, Oli Harrison ([o.harrison1@lse.ac.uk](mailto:o.harrison1@lse.ac.uk)) for more information.

We will likely then roll out the scheme to include Undergraduates. Many thanks to everyone who has been in touch, we really do appreciate it!

### **In case you missed it**

While it is always great to meet old friends at our events, and hybrid organisation makes it much easier for people not in the UK to attend, timings may mean it's possible to miss the live lecture. So, in case you missed one (or more!) or would simply like to re-watch, details of videos and podcasts can be found here:

[Nick Crafts, \*Play it Again Clem?\*  
\*Lessons from the 1940s for Post-Covid Britain\*](#)



After World War 2, Britain faced issues which are familiar today: strengthening the welfare state, dealing with an inflated public debt, improving productivity performance, underpinning support for the market economy, and credibly promising a better future. The Attlee government has been widely praised for its handling of this difficult situation and it is often said that we should remember the lessons of the 1940s. But what are the lessons we should learn, how successful were the policies of the time, and should we really try to go back to the future?

**Podcast is available [here](#).  
Video is available [here](#).**

[Natacha Postel-Vinay and Geoff Tily \*Can't Pay, Won't Pay! A popular history of Taxes\*](#)



Without taxation there is no government. Taxation is essential, but who is to pay, and for what? For centuries people have fought over these questions, and these fights have been at the heart of the development and crises of democracy, from Magna Carta through the French Revolution to the Global Financial Crisis and the pandemic. Bringing together internationally renowned academic experts and policy makers, this documentary retraces this fascinating history across France, Britain and

Germany from the Middle Ages to the present day.

Podcast is available [here](#).

Leigh Gardner *Sovereignty without Power: Liberia in the age of empires, 1822-1980*



This inaugural lecture is timed to tie-in with the publication of Leigh Gardner's new book. Her work focuses on the economic and financial history of Africa during the 19<sup>th</sup> and 20<sup>th</sup> centuries, with an emphasis on Africa's connections to the global economy.

Podcast is available [here](#).

Video is available [here](#).

### Student Research

Why sanctions fell short of their objectives in the First Gulf War

Our latest blog post features the work of John (LJ) Andrews who was a research intern in Middle East Studies for the American Enterprise Institute, where his research was mainly focused on identifying and outlining Saddam Hussein's atrocities.

*With the Megarian Decree of 432 BC, imperial Athens embargoed Megara's trade lest it accept the Athenian empire's demands. In doing, the*

*Athenians provide us with the first recorded example of economic sanctions as a measure of war. Since the humanitarian catastrophes of the wars of the twentieth century, economic sanctions have become an increasingly popular policy alternative to military interventions. Here, John Andrews investigates the sanctions placed on Saddam Hussein by the West in the First Gulf War (1990-1991) to better understand when sanctions do and do not achieve their goals.*



Oil wells in flame outside of Kuwait City following Operation Desert Storm

How well, and under which conditions, do sanctions work? Analyses of sanctions too often take for granted that the political economy of the sanctioned state will eventually delegitimize and bring down the sanctioned government. How the receiving leadership's psyche and their definition of rationality, in conjunction with the political economy over which they rule, can render sanctions ineffective.

My work investigates why economic sanctions failed to coerce Saddam Hussein to withdraw from Kuwait in 1990. The failure to predict that sanctions would not compel Hussein to withdraw can be attributed to what I term 'wrongful mirror-imaging'. The West and UN Security Council designed the policy in terms of their own rationality – specific to their own

political economies – rather than taking the perspective of the sanctioned dictator. Now, as the West continues to impose sanctions on Putin’s Russia, lessons from the West’s attempts to sanction Hussein may remain relevant today.

Economic sanctions are **primarily employed** to hinder access to international trade. When international trade suffers, so does the economy. Financial disruptions and widespread hardship amongst the population then follow. Implementing sanctions, in theory, will impose challenges disastrous enough for the sanctioned to comply with the sanctioners’ demands.

The West attempted such a strategy against Saddam Hussein in the First Gulf War. On 2 August 1990 Iraq invaded Kuwait. In response the United Nations Security Council (UNSC) passed **Resolution 660**, condemning the invasion and demanding Iraq withdraw from Kuwait.

Hussein did not withdraw. In response, on 6 August 1990 the UNSC passed **Resolution 661**, which imposed comprehensive sanctions on Iraq. Resolution 661 **sequestered** Iraq from the global economy. International trade and financial transactions with Iraq were banned, oil and arms embargoes were imposed, Iraqi government financial assets abroad were frozen, and international flights were suspended. Naval and air **blockades** from UNSC member states ensued, introduced formally by UNSC **Resolution 670** in September 1990.

Yet by the end of November 1990, despite comprehensive sanctions and economic disruptions, Hussein’s army remained in Kuwait, prompting the

UNSC to pass **Resolution 678**, reaffirming Resolutions 660 and 661 and authorizing member states ‘to use all necessary means...to restore international peace and security in the area’ if Iraq did not withdraw by 15 January 1991. Iraq remained in Kuwait, and, acting with UNSC approval, the United States and allies launched a **military campaign** on 16 January, 1991 to remove Hussein’s army.

The effects the sanctions had were detrimental to Iraq by virtually all measures of public welfare. A brief review of them gives lie to the idea that sanctions necessarily are a more humane alternative for ‘politics, by other means’.

Data from the World Bank show Iraq’s GDP annual growth plummeted from 57.8% in 1990 to -64% in 1991. Per data from the International Monetary Fund (IMF), Iraqi imports and exports dropped dramatically from 1990 to 1991. Iraqi oil output dropped below 14% of the 3.3 million barrels per day it had recorded in July 1990, causing an estimated **\$8.5 billion revenue loss** alone to Baghdad in 1990.

Iraqi living standards deteriorated. Between August 1990 and the summer of 1992 price levels soared as wages stagnated; real wages fell off a cliff.

The consequences were severe. Roughly 70-80% of **caloric intake** in Iraq came from food imports. Food calorie availability per capita per day **dropped from under 3,500 in 1990 to under 2,500** by 1991’s end. The food price index **rose by 1,500-2,000%** from August 1990 to August 1991, contributing to malnourishment and **real earnings crashes**, and spurring an outbreak of **profiteering and black marketing**. An

estimated **120,000 Iraqi children were facing malnourishment** by September 1991. Although compounded by the Gulf War and domestic inefficiencies, sanctions partially led to a nationwide shortage of agricultural supplies, which catalyzed a **70-75% drop in agricultural output**, compounding food supply and price issues.

Partially from sanctions and partially from the war, water purification/distribution challenges and **shortages** in medicines and medical supplies contributed to increasing **mortality rates**. **Gastroenteritis** became widespread while a **typhoid fever epidemic** emerged across cities. **Fuel shortages** inhibited garbage collection, fostering the spread of diseases. Compared to the summer of 1990, **child mortality increased by 300 to 400%** between January and August of 1991.

And yet, Hussein remained in Kuwait.

Why did these sanctions fail?

What I term 'wrongful mirror-imaging' led the West to assume these sanctions-induced crises would force Hussein to withdraw from Kuwait given their immense economic and humanitarian costs. The mirror-imaging problem stems from the word 'rational'. Uses of the word within the complex domain of international affairs illustrate the mirror-imaging problem. What is rational to a democratic government may be irrational to an authoritarian government, and vice versa. In my opinion, that is precisely what we saw in Hussein's case.

For Hussein remaining in Kuwait was a more rational decision than withdrawing. Similar to common perceptions as to why Putin invaded

Ukraine, Saddam saw Kuwait as a valuable, and perhaps vital territory for Iraq's growth and/or survival, both geographically and economically. Had Iraq been successful, its border on the Persian Gulf would have grown tremendously, providing a significant upgrade in trade and military capabilities. Kuwait itself was wealthy; data from the Organization of the Petroleum Exporting Countries (OPEC) shows that, had Hussein successfully taken over Kuwait, Iraq's proven oil reserves would have doubled, oil production would have risen almost 50%, and Iraq would have controlled roughly 20% of world oil reserves.

Economics aside, Hussein also saw the invasion, in the words of historian F. Gregory Gause, as a chance to 'break up what he saw as...[an] international effort to weaken and destabilize him.' This is eerily similar to Russia's attempts to destabilize the North Atlantic Treaty Organization. Both Hussein's and Putin's unwavering resistance to Western pressure suggests that a keystone of their foreign policy is 'standing up to the West,' rendering any behaviour which ran counter to this objective as irrational.

Furthermore, **Hussein genuinely believed he could win the War**, or at least fend off the West until his enemies fragmented. Given that there was softening sentiment towards Iraq from the Soviet Union and France coupled with Arab states increasingly disfavoring UNSC members meddling in their affairs, Hussein's defeat was, although likely, not necessarily inevitable. Additionally, Hussein firmly believed that the American public would sour on the War once the American military began taking casualties, which, coupled with

softening sentiment from other UNSC members and Arab states, gave him hope.

Adding to Hussein's rationale was support from non-Western and non-Western-aligned actors. Safar Al-Hawali famously stated that the Gulf War was '...not the world against Iraq' but '...the West against Islam.' Hussein had external support from those who resented the West for its long held military presence and dominance in the Middle East, which may have influenced his decision, inflated his ego, and molded his psyche. Islamic fundamentalist movements and select elites and government officials in the region **revered Hussein** for standing up to the West, especially since Kuwait was widely perceived as a Western "backed" nation.

But we might say Hussein was not entirely rational. He overestimated his military and underestimated his flagrant violation of western principles. Hussein's regime had an extensive human rights abuse and military aggression record, indicating that diplomacy, international cooperation, and human rights concerns were not pertinent to him. As put by **Adeed Dawisha**, his regime enforced an 'institution of a reign of terror that would hold an entire population hostage to the will and whim of the president', to the extent that kidnapping, imprisonment, and torture were three possible punishments for anti-Hussein rhetoric.

Instead of succumbing to sanctions, **Hussein weaponized them** in primarily two ways. First, he fed and supplied his allies well, and deliberately neglected the opposition Shi'a population, to reduce their numbers through starvation. Second,

he used the humanitarian crises as opportunities to manipulate food and supply distribution to increase international support to lift the sanctions by enhancing suffering. This weaponization case alone speaks volumes to how the West fell into the mirror-image trap and miscalculated Hussein's psyche. Power in Iraq's political economy was concentrated such that widespread suffering did not threaten the legitimacy of the regime.

My study suggests how analyses of the mirror-imaging trap and the receiver's psyche can explain why economic sanctions have failed as a coercive tactic in the past, despite their immense costs. More research needs to be conducted on how certain factors have influenced the effectiveness of economic sanctions in the past and how sanctions shaped historical growth, especially given sanctions' rise as a commonly used modern method of warfare. Doing so would help provide a window into policymakers' best potential course of action, and hopefully minimize the inevitable economic and humanitarian costs that sanctions induce.

***If you would like to receive alerts of new blogs posts, you can subscribe [here](#).***

## Profile



*For those of us in academia, the term 'Impact' can be a strange word implying that our research needs to have an immediate response from the wider public and, preferably, feed into Government policy. For many historians, though, Impact is more of a 'slow burn' as work is picked up and disseminated through a variety of sources. Here, [Jane Humphries](#), Centennial Professor in the Department, talks about the translation of her 2010 book 'Childhood and Child Labour in the British Industrial Revolution' into Japanese, and the effect it had on Japanese artist, Sawako Utsumi.*

“When my friend and fellow economic historian Nobuko Hara, Professor emeritus at Hosei University, Tokyo, proposed translating my 2010 book *Childhood and Child Labour in the British Industrial Revolution* into Japanese I had reservations. Japanese economic historians are very interested in the social as well as the economic aspects of industrialization and look to the British experience as a classic case study. Indeed, they have, through their own research, contributed extensively to the historiography of the British

industrial revolution. But I was not convinced that this attention would sustain readership of such a specialized book let alone that a translation could reach a broader Japanese audience. Moreover, the monograph is based on contemporary life accounts by working people. These are often vivid and engaging, but sometimes innocent of grammar and involve local dialects, regional vocabulary, and anachronistic speech, none of which would have figured in an English language course! Translation would prove challenging. Nobuko had no such qualms. She secured a publishing contract from her University Press and recruited several other distinguished Japanese economic historians to help with the translation, including Dr. Chiaki Yamamoto (Osaka University, Osaka), Dr. Takeshi Nagashima (Senshu University, Tokyo), Dr. Makoto Akagi (Matsuyama University, Ehime) and Kentaro Saito (Osaka University of Economics, Osaka).

Translation did throw up a few problems. In one instance, when working on a section about Lucy Luck who grew up in an early New Poor Law workhouse, both Nobuko and Professor Saito were baffled by the appearance of a character who Lucy called 'Black Garner'. They wanted to know who this could be. All was cleared up when I explained that it was the nickname of the relieving officer who in Lucy's case was particularly uncaring and hard, a man who lived up (down?) to his sobriquet. Nobuko and her helpers triumphed over many problems of this kind and my book appeared in Japanese last year.

The translation is not only, personally, gratifying. It also gives Japanese historians access to the treasure-trove of British working-class

autobiographies which provide a distinctive lens on the British experience of industrialization and shows how such sources can support an analytical narrative of life in these turbulent times. But what of my concern about interest in and readership of a text focussed entirely on Britain? Here my experience is heart-warming and should encourage other economic historians contemplating translations.

The Japanese edition has sold well and already garnered reviews, which reach out beyond economic history. One review appeared in the *Toshoshinbun* (in English, *Book Review Journal*), a well-known general review in Japan, and was written by Professor Nonomura Toshiko who is a historian of child rearing and education at Kyushu university. The review, titled "The child labour study in British Industrial Revolution linked to child labour problem in modern world", sought parallels between the past and the present and canvassed readers concerned with modern child exploitation. Other reviews will appear in *the Journal of Ohara Institute for Social Research* (forthcoming, next March) and in *History and Political Economy*, which is the journal of the Political Economy and Economic History Society, (forthcoming). Nobuko is confident that reviews will also appear in titles covering the study of child poverty and gender history. She sees interest within and beyond economic history as grounded in the similarities and differences of the treatment of children during industrialization in Britain and Japan, as well as in the persistence of links between family structures and the deprivation of children. Child labour was utilised sparingly during Japanese industrialization compared with Britain, which given the labour intensity of the

Japanese experience seems strange. Some authors have suggested that children in Japan were withheld from early work because they were more treasured and protected than in many parts of Europe, a difference, which if true is intriguing. However, some of the relationships uncovered in *Childhood*, for example, the deprivation of children growing up in households headed by women, persist in to this day in Western Europe and modern Japan. Hopefully the appearance of the translation will inspire researchers to investigate these and other issues in the future.



However, perhaps the most interesting feedback, has been a response in a completely different medium from academic scholarship. In an article in the *Modern Tokyo Times* in early December, journalist Lee Jay Walker reported on the artistic interpretation of *Childhood and Child Labour* by

Japanese artist Sawako Utsumi. In her latest art installation, Utsumi sought to engage with the issue of child poverty and its treatment through depictions of the materiality of deprivation. These include paintings of stark and brutal-looking workhouses and factories confronting diminutive figures who cower in the foregrounds. Most movingly, the exhibition includes a creative rendition of an early photograph (above) of two children wrapped in rough blankets and looking out with sad eyes from a small window in a monotonous brick wall.

Reimagined by Utsumi (below), the children acquire an ethereal quality. Swathed in softer material that anticipates the shrouds for which so many workhouse children were destined, they appear as the sacrificial lambs of industrialization. In the accompanying article in the *Modern Tokyo Times*, Lee Jay Walker uses the personal experiences of British working-class children in the industrial revolution to reflect more generally on the deprivation of children in the past and in the present, a deprivation that she/he suggests often encompasses groups considered privileged and always remains hidden in plain sight. This imaginative response, the product of a serendipitous collaboration in which I was a 'sleeping partner', presents economic history with fresh energy to a new audience, something which we should all celebrate."



Jane Humphries' book is available to buy on Amazon: [Childhood and Child Labour](#), and was the subject of a BBC4 documentary, which is available on [You Tube](#). Or you can view clips of the stunning animations on the [BBC website](#).

A blog detailing Sawako Utsumi's project can be read [here](#), and her personal website, showing other artwork, is [here](#).

#### Keep in Touch

Our LinkedIn Group

(<https://www.linkedin.com/groups/12551482/>) now has nearly 300 members and is intended to help alumni and current students stay in touch. We regularly publish Departmental news, and we'd love to hear your suggestions about what else to include.

We also have a Facebook page: <https://www.facebook.com/LSEEconomicHistoryDepartment> where, as well as similar postings to our LinkedIn page, you can find videos of events you may have missed. You can also Tweet us at: @LSEEcHist

***If you would like to receive copies of our newsletter direct to your inbox, just sign-up to the Alumni Network [here](#).***