

# Ha-Joon Chang: If Thatch was a tragedy, Liz Truss was a joke

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The Guardian, October 31, 2022

Ha-Joon Chang has written a book linking his two lifelong passions: economics and food. The day we meet for lunch is about midway between the [mini-budget](#) and [exit Truss](#). What, I wonder, would be the takeaway equivalent of the tax-cuts-for-the-rich ideas of her doomed government?

“I’ve been thinking about this,” he says with a smile. “I’ve come to the conclusion that [Kwasi Kwarteng’s and Liz Truss’s] economic plans were like an effort to bring back one of those terrible Tex-Mex restaurants that were briefly popular here in the 1990s, before you could get proper Mexican food.”

A badly executed revival of a failed idea?

“Thatcherism was heavily based on Reaganomics, on the idea that if you give the rich more money, they would reinvest it. In reality, in almost all cases, after they cut taxes for the rich and made them much wealthier, investment actually fell. I’m reminded of that famous quote from Karl Marx about history first as tragedy then farce. If [Margaret Thatcher](#) was a tragedy, imposing this untested theory on a nation, then this time it was a really bad joke.”

So: reheated Tex-Mex.

Chang, 59, who grew up in South Korea, taught economics at Cambridge for more than 30 years before taking up a professorship at Soas University of London this summer. He came to global prominence after the [financial crash of 2007-8](#) with two bestselling books that picked over the bones of the carnage wrought by the banks: *Bad Samaritans: The Myth of Free Trade and the Secret History of Capitalism* and the shorter, wittier, brilliantly persuasive *23 Things They Don’t Tell You About Capitalism*. (Here’s a couple of those things: “The best way to boost the economy is to redistribute wealth downward, as poorer people tend to spend a higher proportion of their income.” And: “Economics, as it has been practised for the last 30 years has been harmful for most people.”) The philosopher and author John Gray – another master of the telling aphorism – [writing in this paper](#), suggested that Chang was not only the most trenchant critic of disastrous neoliberal orthodoxies, but also that his book was required reading for any political party serious about finding solutions.

Nearly 15 years on from the crisis, Chang is witness to a world that not only did not learn any of those lessons, but which seems determined to repeat the failed ideology to economic and environmental destruction. His new book, *Edible Economics: A Hungry Economist Explains the World*, uses brief meditations on the history of trade or flavour of different foodstuffs to illustrate economic truths. If there is a single message in the book, it is that you should run a mile from any politician preaching a single narrow economic faith. Chang looks at economic theory as a buffet rather than a set menu; and believes fusion always creates better flavour than monoculture.

We are having lunch at the King's Cross branch of the Indian chain Dishoom. Nearly everything we order has a brisk chapter devoted to it in Chang's book. Okra, for example, helps him to tell the story of the slave trade – and to deconstruct the persistent imperial myth, peddled by Tories, that free trade was ever synonymous with freedom. We also share a plate of prawns, consideration of which in the book leads him into a brief essay on the way in which most cultures will eat crustaceans but not bugs, and then to the economic theory to be learned from the farming of silkworms for the Chinese silk trade. The (delicious) chicken biriyani, meanwhile, brings to mind another little fable, demonstrating how Soviet communism was always fundamentally at odds with human nature. “On an Aeroflot flight in the 1970s, my friend overheard a fellow Indian passenger ask a stewardess whether he could have something other than chicken – because he was vegetarian. In response, the stewardess said: ‘No, you cannot. Everybody's equal on Aeroflot. It's a socialist airline. There's no special treatment.’”

The Seoul of Chang's childhood was a curious mix of life lessons. Born in 1963, after the profound deprivations of the civil war, he was a first-hand witness to one of the great economic miracles of the 20th century. But politically [South Korea](#) was also repressive and insular; travel abroad was heavily restricted. When Chang came to the UK to study in 1982, it was the first time he had been out of the country. He had chosen to come to Cambridge rather than to study in the US because he wanted to be in a place that, in its universities at least, challenged a market-based political philosophy. The culture shock did not lie in academia, however, but in the kitchen.

“The big trauma was the food,” he writes in the introduction to his book. “Back in Korea, I had been warned (by books, that is – few Koreans had actually been there) that British food was not the best. But I hadn't realised how bad it actually was. Vegetables were boiled long beyond the point of death to become textureless, and there was only salt around to make them edible.”

Used to Korean spice, he mainlined mustard. He trawled supermarkets mostly in vain in search of fresh garlic (one of the more extraordinary statistics his book unearths is the fact that Koreans consume 7.5kg (16.5lbs) of garlic each year per person – a lot of it in kimchi; the French, by comparison, eat 200g). But in Britain in 1982 he discovered, “the Korean essence of life was an affront to civility, perhaps even a threat to civilisation itself”. There were other scarcities. An American friend who was an exchange student had discovered the only place he could obtain olive oil in Oxford was from a chemist (where it was sold for softening ear wax).

Over the years since, Chang has been thrilled to witness the extraordinary revolution in British food culture, the ways in which his adoptive country has embraced all the world's great cuisines; multiculturalism in action. “It is amazing that now you can get almost anything here,” he says. “Yesterday, I was walking by the food court in Covent Garden and they were serving Uzbek dumplings. I didn't try them. But you know, why not?”

Conversely, he suggests, at the same time that Britain has become so cosmopolitan in its diet, it has appeared ever-more reluctant to taste or experiment with different political or economic flavours. The limited market-driven, regulation-slashing recipes of Milton Friedman and Friedrich Hayek, [beloved by Thatcher](#), persist. “While my food universe was expanding at lightning speed,” Chang writes, “the other universe of mine – economics – was, sadly, being sucked into a black hole. Up to the 1970s, economics was populated by a diverse range of ‘schools’ containing different visions and research methodologies – classical, Marxist, neoclassical, Keynesian, developmentalist, Austrian, Schumpeterian, institutionalist and behaviouralist, to name only the most significant. Since the 1980s, economics has become the British food scene before the 1990s. One tradition – neoclassical economics – has become the only item on the menu. Like all other schools, it has its strengths; it also has serious limitations.”

Chang’s critique of that tradition involves a mix of historical and geographical perspectives. His approach is informed by the powerful belief that successful economies are based on the endeavour of collectives of different types and sizes nurtured by nuanced political intervention rather than any small-state free-for-all. “We cannot prosper on our own,” he says. “The individualist message is not only factually wrong but damaging because it makes us even less able to cooperate with one another. Related to that is the fact that you have to move with time. You have to recognise how your society is changing, how what worked in the past may not be appropriate now. Industrialisation, for example, creates growth but leads to a disintegration of the traditional family. At which point the nation has to act more as your family.”

Some of his scepticism about economists promising certainties – and then failing, for example, to predict the economic crash – came from his father, who worked in the Korean civil service, in the inland revenue, for all his career. “My dad later did a part-time PhD in economics,” he says, “but he mainly was a practitioner. When I told him I had decided to study economics, he said: ‘Well, don’t ever believe economists’ predictions.’ He had commissioned so many studies from economics professors, to estimate tax revenue. They had, almost without exception, performed worse than a semi-educated bureaucrat with 27 years’ experience, making an educated guess.”

Societies disregard deep institutional knowhow at their peril, he argues. He and his Korean wife marvelled at the strength of British institutions when they first lived here. The independent civil service, the NHS. One by one, he has watched them undermined by a pernicious faith in the market. “My wife used to joke that taxi drivers in this country were so knowledgeable because they listened to the BBC all day. I still believe you could probably get a PhD in any subject if you just have Radio 4 on in the background. And there were other things, too. We couldn’t believe that delivery of all letters was guaranteed in one day by the Royal Mail, for example.”

The left, in his view, has to do far more to defend that fabric. After his books came out, Chang was briefly an influential voice for the Labour parties of Ed Miliband and Jeremy Corbyn – “At least invited to speak in seminars and so on,” he says. His message was that the party should push further with radical intervention in the economy, including renationalisation of utilities. “People think Corbyn was a flaming radical,” he says. “But I mean, if you threw him in the Labour party in the 1960s and 1970s, he would be a run-of-the-mill, centre-left guy.”

Chang has not been invited to offer any advice to Keir Starmer's party and despairs at its caution. "The trouble is in this country, you have these invisible political linkages that will always put the Labour party at a disadvantage: the media, the electoral system. Historically, the only way it can win is to wait for the Tories to implode or offer a fresh platform that can redraw the political map. Maybe Starmer's waiting game will work. But despite the current mess, I'm still not convinced that the Tories can't regroup before the next election and win again. The debate on the left is locked up in this mental cage [from the Thatcherite 1980s]."

The complexity of the times requires imaginative solutions, not variations on a theme that has failed the mass of people, he suggests. "We need a more nuanced approach," he says. "We need to even understand the economy not purely from an economic point of view, but also from a political, social, psychological point of view."

The book he returns to most often is not an economic text at all, but Gabriel García Márquez's *One Hundred Years of Solitude*, the defining modern novel of the way in which the macroeconomics of the west affects the communities in developing nations.

Given his global perspective on economic theory, I wonder which country's model he most admires? He smiles. "All countries disappoint me in one way or another," he says. "Take Korea. There are things to admire. The country started out as very poor. When I was born in 1963, the economy was less than half that of Ghana. Life expectancy was something like 53. I should be dead by that statistic. In the beginning, you had to make a living in whatever way you could just to feed your family, but from the late 70s, people got out of abject poverty and began to demand greater political freedom. The country has always had this tradition of dissent. The problem there is that we don't do things by halves. We now have this incredible growth story, but the [lowest fertility rate in the world](#) because basically we have failed to provide a welfare state that will enable women to have children and have a career."

What about Britain – he must have spent the last six years mostly with his head in his hands? "I'm still not a British citizen, so I feel I can look at it as an outsider. I think, perhaps in 1973, there might have been a bit of a case for not joining the Common Market and pursuing different kinds of international economic arrangements. But you had been in it for 45 years! Who could possibly think that unravelling that was going to be a good idea?"



Ha-Joon Chang in Borough Market, London. Photograph: Antonio Olmos/The Observer

The insanity, he recalls, came in conversations he had not only with people on the right, but also plenty on the left. “There were so many really strange notions, you know,” he says. “I met people who said things such as: ‘We have to leave the [European Union](#) so that we can have the kind of industrial policy that Germany has.’ What do you say to that?”

His diagnosis of this self-sabotage is rooted in the obvious cause: that abiding delusion of British exceptionalism; the nation’s collective unwillingness to countenance the fact that its economic successes of past centuries were based not only on innovation and buccaneering trade but on brutal exploitation and colonialism. “The sad thing,” he says, “is that – as we are seeing – the reckoning is going to largely arrive in the form of falling living standards for ordinary people. But, having said that, you know, we have also seen in the last week how economic extremism can be stopped. In the end, democracy works.”

Does he ever despair watching the current crisis unfold – the kitchen nightmare of our politics? “Oh no,” he says. “I’m an optimist. Two-hundred years ago, it was totally OK to buy and sell people. A hundred years ago, they put women in prison for asking for the vote. So in the long run, I remain optimistic. But you cannot just sit and say: ‘Societies evolve in the right direction.’ You have to fight for them, too.”