

Hope despite Hostility

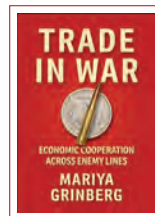
Elizabeth Van Heuvelen

IN TRADE IN WAR, Mariya Grinberg probes a fundamental question: Why do warring countries trade with each other? Grinberg, a political science professor at the Massachusetts Institute of Technology, posits both economic and security imperatives. In short, countries allow as much wartime trade as makes military sense and prohibit as much militarily dangerous trade as is economically viable. A series of case studies follow—spanning the Crimean War, both world wars, and the post-Cold War era—during which wartime trade “should have been least likely.”

It may seem evident that warring countries can maintain some kind of commercial relationship, but Grinberg reminds us that this was not always true. A striking section of the book examines the introduction of “neutral rights” during the Crimean War, which caused a fundamental shift in thinking about trade during war: Nuanced trade policy can replace the extreme practice of severing all trade.

Trade during wartime was once considered a nonstarter because it was seen as contributing to military capability. Grinberg explains that after the onset of the Crimean War, and by complete happenstance, a large amount of produce already paid for by France got stuck in Russian ports because of late-melting ice in the Baltic Sea. These circumstances opened the way for France to persuade Britain and Russia to allow the shipment through despite the ongoing war. This led to a declaration on the rights of neutrals and eventual adoption of the Declaration of Paris, which codified such practices through subsequent conflicts, allowing trade to continue and, more important, shifting perceptions of the acceptability of trade during conflict.

Building on this historical foundation of neutral rights, Grinberg demonstrates how states developed more sophisticated frameworks for wartime trade decisions. She emphasizes the importance of the “conversion time” of trade products into military capability and the revenue generated by these trades. This helps determine wartime commercial decisions by weighing immediate military benefits against long-term economic costs. The case study of World War I



TRADE IN WAR:
Economic
Cooperation
across Enemy
Lines

Mariya Grinberg
Cornell University
Press

Ithaca, NY,
2025, 259 pp., \$48

“Trade during wartime was once considered a nonstarter because it was seen as contributing to military capability.”

shows how Britain and Germany frequently adjusted their commercial policies as the war progressed and their expectations about the conflict’s duration and stakes changed. Britain’s initial lax policy, based on the anticipation of a short war, tightened as the war dragged on. Germany, in contrast, went on to make more dire predictions about the stakes of the war and implemented an even more prohibitive policy, but ultimately allowed for more trade once it became clear the conflict would be protracted.

The book ends with a look at more modern conflicts and whether states resolve the trade-off between economic and security imperatives in the same way without the pressures of war. Strategic calculations are complicated in today’s global economy, she argues, particularly given global value chains and economic interdependence of major trading partners. Yet, according to Grinberg’s understanding of wartime trade, this also suggests that decoupling in these circumstances is highly unlikely even amid heightened tension. This should come as no surprise given a key through line of the book: Economic cooperation can thrive even in the most hostile times. **F&D**

ELIZABETH VAN HEUVELEN is a senior economist in the IMF’s Strategy, Policy, and Review Department.