W. Walker Hanlon, *The Laissez-Faire Experiment. Why Britain Embraced and then Abandoned Small Government 1800-1914*, Princeton University Press, Princeton NJ, 2024

Walker Hanlon's book primarily aims to debunk a historical myth: the British state adhered to free trade until at least the eve of the First World War. In fact, from the second half of the 19th century onwards, England (along with Wales) moved towards a gradual abandonment of free trade policies in favour of state-led regulation and intervention. Hanlon convincingly demonstrates that the progressive end of free trade was not due to ideological reasons (although this is not entirely excluded), but to the realization that the expansion of the unregulated market was unsustainable for the proper functioning of the market itself. Market failures express the market's inability to meet all the complex society's needs, expectations, and issues. Examples of this include pollution, asymmetric information between buyers and sellers, Issues in education, and the construction of railways and telegraphs.
Not everything could be left to the unregulated free market. Especially with the Industrial Revolution, various inefficiencies in growth emerged, forcing British policymakers to recognize that it was no longer possible to avoid intervention.

"These increasingly severe market failures created a demand for government intervention." Furthermore: "These forces – which simultaneously increased the severity of market failures and provided new tools for addressing them – eventually induced British policymakers to begin to intervene in the economy in a variety of ways, despite their belief in laissez-faire as the best default policy choice. These actions, taken in a piecemeal and pragmatic fashion, eventually undermined the laissez-faire economy to the point where, by the first decade of the twentieth century, it had been effectively abandoned." In fact, the author emphasizes once more how "Britain's progressive abandonment of laissez-faire during the nineteenth century was driven by a pragmatic and piecemeal effort to improve outcomes in areas where private markets were failing to achieve efficient results."

Various factors determined the emergence of free trade in England, but the ideological framework under which it prospered, at least in its early stages, was closely tied to the country's industrial growth. One of the first actions toward adopting this policy of openness was certainly the liberalization of the labour market. The abolition of the Poor Law in 1834 marked the culmination of a process that functionally made labour forces dependent on capital holders. The author recalls, among other things, the repeal of the Spitalfields Act of 1824 and, in some respects, the Reform Act of 1832, which effectively brought small urban and rural landowners into the political arena. The political axis shifted increasingly toward the bourgeois classes (broadly defined, and in this case including merchants, entrepreneurs, professionals, etc.) and property owners, who were the first to benefit from the liberalization of labour forces.

Another key moment for the establishment of free trade was the repeal of the Corn Laws in 1846. This was made possible by new fiscal resources following the reintroduction of the income tax in 1842. The British state's new fiscal policy aimed to redistribute the tax burden more equitably. An example of this is the budget passed by Gladstone in 1853. This policy highlights the British government's desire to not excessively burden the working masses, particularly in worsening the living conditions of the working class. This can certainly be seen as one of the reasons (along with Britain's ability to use its hegemonic international position to offload costs onto the empire's periphery) why the working masses never seriously revolted against the established order. In fact, industrialization and its social consequences had worsened the living conditions of the most vulnerable segments of society, particularly the new working class. The author reminds us how life expectancy in England and Wales increased during the 18th century and into the early 19th century. But between 1820 and 1870, there was no improvement. This data is striking, especially considering the period's technological, commercial, financial, and industrial development. It highlighted the need for government intervention to address these market distortions.

The author does not fail to point out that the failures of the unregulated market forced the government to intervene to save the market from its own contradictions. Left to their own devices, private actors could no longer generate efficient results for themselves (except for an increasingly polarized elite) or for the whole society. Government interventions were gradually undermining free trade in favour of greater and more progressive government intervention. This is the case, as the author analyses in detail, of the regulation of labour in factories, mines, public health, gas supplies, pollution, vaccination, consumer protection, trade, the regulation of railways, telegraphs, education, unemployment, and welfare.

The book clearly illustrates how actions in these sectors, for different reasons, put an end de facto to the laissez-faire policies in England. It should be added, however, that the crisis of 1873 gradually paved the way to more protectionist and state-intervention policies in many continental European countries (France, Germany, and Italy), paving the way for imperialist competition. In fact, the new global geopolitical order and the rise of the United States exerted external pressure on maintaining a tout court free trade policy.

However, the author identifies specific social reforms as central to the end of laissez-faire in the years leading up to the First World War (the culmination of which was reached with Lloyd George's People's Budget of 1909-10). An example of this is the introduction of old-age pension reform and its financing through a significant increase in direct taxes on the country's wealthier classes. In fact, "since the middle of the nineteenth century, the British government had been organized around the concept of laissez-faire, modified in specific instances where policymakers believed that markets were failing and government intervention could improve efficiency." With the emergence of social reforms, stimulated among other things by the growing political power of the working class inside and outside Parliament, Britain's "era of laissez-faire government" came to an end. In fact, from 1913-14 onwards, tax pressure began to fall on the highest income groups in an attempt to redistribute the accumulated wealth. The social question became central to the legitimacy of the state. It became clear that an unregulated market led to dangerous social collisions for both the state and for the proper functioning of the market, such as the tendency toward monopolies and the concentration of wealth at the top. In fact, the self-regulating market progressively undermined the extra-economic social values that capitalism needed to function optimally (such as trust, honesty, respect, peace, social harmony, etc.).

Walker Hanlon's book remains an excellent and well-documented study that highlights how the market, left to itself, is incapable of ensuring long-term social welfare and is harmful to future economic growth and prosperity.

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