Chinese emigration into New South Wales when the liberals and radicals opposed it for self-interested reasons.

Hirst focuses on ambiguities in liberal policies. Politically, liberals aligned themselves with the radicals to achieve power. But socially they aspired to the status and position occupied by the gentry. In a new society, most people want to get on and find it easy to do so. Hirst has a chapter on 'Marks of Distinction': becoming a JP or a magistrate, attending at Government House, being addressed as 'esquire', receiving imperial honours, becoming a member of parliament: these were all readily available ways of marking out one's social ascent. Members of all three groups adroitly manoeuvred to establish their social superiority. But the radicals, and to some extent the liberals, could not admit this. All groups aped British respectability. This cuts across the old stereotype of the anti-British indigenous Australian working class.

Similarly, all groups were keen to establish British models of representative government in New South Wales. The British system had three elements: Kings, Lords and Commons. These elements were sorting out their relations with one another in the period between the great Reform Bills of 1832 and 1867. This was the very period when self-government was emerging in New South Wales. Though the franchise was widening in Britain, it was much wider in New South Wales, amounting almost to universal manhood suffrage. The Crown and the ordinary people existed in Australia; the real problem was how to replicate the Lords. Was it to be an appointed or an elected house? Hirst provides a brilliantly clear account of the manoeuvrings around this question, and includes accounts of comparable developments in New Zealand, South Africa, Canada and the United States. All groups in Australia tried to get with the strength by claiming that their ideas were more like the British system than their opponents'. All were 'desperately loyal'. Hirst shows how it was at the time, and does not retrospectively impose an anti-British ideology on the actors, as some historians have done.

Hirst's new perspective causes him to reinterpret thoroughly a famous episode in Australian history and folklore. In 1861, after Cowper won an election on a platform of free selection before survey, John Robertson introduced his Act unlocking the land for ordinary people to set up small self-sufficient farms. In Australian mythology this has been almost universally seen as a great egalitarian move against the greedy squatters. Hirst will have none of this: 'The introduction of democracy in New South Wales was followed by the most vicious attack on private enterprise in our history. Under the liberal Land Law of 1861, any person at any time could enter a squatter's leasehold and mark out the boundary of a farm . . . Without any warning, with no notification of any sort, land on which the squatter had held a five-year lease and on which he had paid rent in advance passed from his control' (p.135). The *Sydney Morning Herald* believed the vulgar envy of wealth was being excited to redistribute property. Hirst describes the Act as 'not so much a policy as a licence to pillage'(p.141). This is as radical a reinterpretation of Australian history as the H. R. Nicholls Society's assault on Higgins's Harvester judgment, which led to the basic wage and the arbitration system.

Using cases like this, Hirst concludes that vulgar, pseudo-democratic demogoguery has had a baleful influence on public life in Australia, and that levelling slogans have too easily triumphant. The real principles of political philosophy and the personal qualities needed to run public life have not been internalised: 'The democrats of the 1850s wanted able and virtuous men to rule but drawn from all the people and governing in the interests of all. In the event democracy proved the enemy of that ideal, but the ideal has been a long time dying. The Bulletin reaffirmed it after parliaments elected by manhood suffrage had outraged it for 30 years; after a further 100 years, with no sign of change, some of us hold it still' (p.193).

To substantiate his case that something went wrong in the early days of self-government in Australia, Hirst introduces an original argument. In the early days authority had been local and personal, exercised through police, magistrates and JPs whom the whole community knew. But under self-government, it became remote, formalised and centralised. This led to the paradox that we observe today: that while we are anti-political in attitude, we are over-governed in fact: 'Australians gained their sense of freedom by making authority anonymous' (p.265).

Anyone interested in public life in Australia should read Hirst's book. It not only gives a clear account of the formation of self-government in Australia but it explains how we got to the position we are in today.

Rationality and Commitment

***David Gauthier**, Professor of Philosophy at the University of Pittsburgh, reviews **Passions within Reason: The Strategic Role of the Emotions** by Robert H. Frank (New York, W. W. Norton, 1988).*

Robert Frank, professor of economics at Cornell University, refuses to be shackled by the orthodoxies of his dismal science. The economic household, relentlessly maximising its commodity bundle given its budgetary constraint, is banished from his sprightly pages, which instead are inhabited by passionate men and women. In an earlier book *Choosing the Right Pond* (reviewed in the Summer 1989 issue of *Policy*), Frank rejected the dogmatic dismissal of status-seeking in the standard model of economic behaviour, examining the characteristics and consequences of the pursuit of

positional goods. In *Passions within Reason* he continues his assault on dogma, this time bringing the self-interest model of the behavioural sciences under his iconoclastic scrutiny. Advocates of that model assume that 'a rational action is one that promotes the actor's interests' (p.2), and look for explanations of the most seemingly altruistic, self-sacrificing, disinterested actions, that reveal their secret, rational, self-interested character.

Frank begs to disagree. As he sees it, the problem is not with the account of rationality, but rather with the assumption that rational behaviour, the direct pursuit of self-interested ends, always best enables us to attain those ends. Frank insists that 'we face important problems that simply cannot be solved by rational action. The common feature of these problems is that to solve them we must commit ourselves to behave in ways that may later prove contrary to our interests' (p.4). How do we commit ourselves? 'Much of the time, the practical means . . . will be emotions that have observable symptoms' (p.11). These emotions motivate us to act, not in straightforwardly self-interested ways, but seemingly irrationally; the observable symptoms enable others to anticipate this emotional behaviour. And the overall result is advantageous. This is the core idea of the commitment model, which Frank proposes as an alternative to the self-interest model.

Frank illustrates the workings of his model with numerous examples. A 'rational' bargainer will accept a deal that unfairly gives others the lion's share, as long as it is in his narrow self-interest to do so. Someone whose distaste for unfair bargains motivates her to reject such a deal, and whose distaste is evident to others, will be a more effective bargainer because of her emotional 'irrationality'. Again, a narrowly self-interested person will cheat whenever she believes she can get away with it. But someone who feels badly about cheating, and whose feelings are evident to his fellows, will benefit by being sought out 'as a partner in ventures that require trust' (p.5). These examples suggest that much of morality involves resistance to self-interested rationality, and so Frank argues that 'the commitment model suggests that the moving force behind moral behavior lies not in rational analysis but in the emotions' (pp.11-12).

Frank offers an explanation for the evolutionary emergence of moral sentiments. Indeed he offers two complementary explanations, one of which turns on the role of the sentiments in establishing behavioural dispositions and signalling their presence to others, the other on their role in controlling the agent's own immediate impulses and so enabling her to gain a reputation for non-opportunistic behaviour. 'A person's reputation is meaningful on the assumption that, given impulse-control problems, people with genuine moral sentiments are better able than others to act in their own interests . . . Genuine altruism can emerge . . . merely on the basis of having established a reputation for behaving in a prudent way' (p.91). Frank treats this second explanation as more basic, since in evolutionary development traits that serve as signalling devices normally originate in some other role.

Frank claims that both explanations of the emergence of moral sentiments leave room for opportunistic behaviour, in that they indicate 'an equilibrium in which those who have them [the sentiments] coexist with those who do not' (p.94). The argument in the signalling case is straightforward, resting on the costs of scrutiny. In the reputation case, Frank argues similarly that 'In any population that consisted almost entirely of cooperators, it would not pay to gather information about people's reputations, and defectors would thus fare better than cooperators' (p.92). But if moral sentiments serve the agent's long-term interests by enabling her to control her impulses, as this explanation requires, why should beings lacking such sentiments not fail the evolutionary test? If sufficient evolutionary advantage is conferred by the impulse-controlling effects of moral sentiments, it would exceed the gain that an agent lacking such sentiments could expect as a successful defector. Insofar as the benefits of moral sentiments are derived from signalling and reputation effects, Frank's claim that a population should contain a stable equilibrium between moral and opportunistic agents seems correct, but insofar as the benefits depend on impulse-control, it seems to me that the claim fails.

With the main elements of his commitment model in place, Frank proceeds to examine the ways in which we detect the signals sent by others' dispositions, the moral development of children, and the evidence for concern with fairness. In an intriguing chapter, he examines the defects of the account of intimate personal relationships offered by the self-interest model, and shows how love makes possible the commitment that these relationships require. 'If your wife married you merely because you offered the most favorable exchange possibilities [the explanation offered by the self-interest model], she would quickly leave you if Tom Selleck bought the house next door and announced his availability. . . But if she married you because she loved you, there would be at least a reasonable chance she would remain. This assurance frees people to undertake the joint investments that make up such an important part of successful marriage relationships' (p.196).

This illustration might lead us to reflect on the way in which internal commitment devices, such as emotions, interplay with external devices, such as legal obstacles in the way of divorce. On the self-interest model rational persons should find such obstacles unwelcome, since they distort the market in relationships, making certain exchanges artificially costly. But on the commitment model such obstacles may instead be interpreted in the way in which Frank interprets love, as contributing to the stability

that facilitates mutually desirable joint investments.

Here, however, I am extrapolating from Frank's argument. Let me return to mention one of his most important insights: that 'our beliefs about human nature help shape human nature itself' (p.*xi*). To some extent, we are what we think we are, and we certainly expect others to be what we think they are. If we accept the self-interest model, then we shall expect the worst both of ourselves and of others. We shall think ourselves doubly foolish to behave morally: foolish not to take opportunistic advantage of others, and foolish to act in a way that enables them to take advantage of us, as we believe they will do. 'The commitment model may not tell us to expect the best in others', since as Frank insists it does not exclude opportunistic behaviour, 'but it does encourage a markedly more optimistic view' (p.259).

My major quarrel with Frank's illuminating study turns on a matter that he considers merely semantic (see his note on p.243). Accepting the view that rational action is self-interested, he therefore supposes that the moral sentiments that it is rational for us to acquire lead us to act irrationally. I hold instead that the moral 'sentiments' enable us to recognise reasons for acting that, although not directly interested, are nevertheless among those considerations relevant to an agent concerned with the maximal realisation of his overall objectives, and who faces — as we all do — commitment problems. To call his moral behaviour 'irrational' is to suppose that there is a genuine conflict between being rational and being committed; Frank's own argument should help us to see that this conflict is merely apparent. Frank rejects a self-interested model of behaviour in favour of a commitment model while retaining a self-interested conception of rationality; I think this reveals an incoherence in his account that should be removed by incorporating commitment into our understanding of rationality.

But I cannot pursue this issue here, and in any case I do not want to end my remarks on a negative note. Frank develops an important thesis in an exceptionally clear way, using an extensive repertory of illuminating examples and illustrations, and writing in a lively and witty manner that captures and sustains the reader's interest. Everyone interested in understanding the behaviour of those peculiar animals, human beings, will find this book worth careful perusal.

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