

up for this deficit of real engagement with catchy chapter headings, 'Cave, Tree, Fountain', 'Pen-knives and snuff-boxes', 'Infidel with a bag wig' or 'Baboons in the orchard'. I'm not sure it had to be this way.

The key to writing about Smith well, I think, is to remember that he kept his genius for his work—not his life. Here he is in *The Theory of Moral Sentiments* expounding the closest of all human bonds:

What are the pangs of a mother, when she hears the moanings of her infant that during the agony of disease cannot express what it feels? In her idea of what it suffers, she joins, to its real helplessness, her own consciousness of that helplessness, and her own terrors for the unknown consequences of its disorder; and out of all these, forms, for her own sorrow, the most complete image of misery and distress. The infant, however, feels only the uneasiness of the present instant, which can never be great. With regard to the future, it is perfectly secure, and in its thoughtlessness and want of foresight, possesses an antidote against fear and anxiety, the great tormentors of the human breast, from which reason and philosophy will, in vain, attempt to defend it, when it grows up to a man.

So much for *homo economicus*. Smith's life and his love are here, I think, and, thus transmuted, they speak to us directly. For some of us it gets that hair standing up on the back of our necks.

Reviewed by Nicholas Gruen

Vital Signs, Vibrant Society: Securing Australia's Economic and Social Wellbeing

by Craig Emerson

UNSW Press, Sydney, 2006

256pp \$29.95

ISBN 0868408832

A quick scan of Craig Emerson's biography on his parliamentary website (or his more straightforward Wikipedia entry) reveals a tantalising background. This ambitious Representative of a booming South East Queensland seat gained a PhD in economics from ANU and advised on the subject within the Hawke government as well as at the United Nations. Emerson has also been the Director-General of the Queensland Department of Environment and Heritage. His book, therefore, promises to be the perfect mix for a thoughtful analysis of the challenges, as well as the opportunities, facing Australia this century. Economic growth, check! Environmental sustainability, check! Add to that the fact that Emerson is an ALP MP and the third pillar—social justice—is checked.

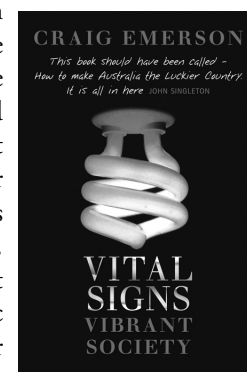
To fans of the genre, *Vital Signs, Vibrant Society* appears as the natural successor to the excellent *Imagining Australia* by Andrew Leigh and fellow Australian Harvard alumni. Here are similarly bold ideas, espoused by an author sufficiently versed in parliamentary realities to offer a feasible manifesto. So, what is the basic premise of this self-styled 'plan for Australia'?

In a move that must have pleased the publisher's marketers, the scope is conveniently encapsulated in an executive summary-style, easy to remember roll call of the main ideas. The five I's, which form the backbone of the plan for the country's sustainable and equitable prosperity are: intellect, ideas, initiative, infrastructure and

immigrants. It is immediately clear that Emerson sees the best way forward as one that rests heavily on an exultation of tertiary education and tertiary industries, supported by governments disposed to fiscal nation-building, with a dose of 'populate or perish' narrative thrown into the mix.

The chapters that follow provide an almost Keatingesque list of suggestions and calls to action, albeit largely limited, or closely linked, to the economic dimension. Like Keating the Treasurer, without the social ideas of Keating the Prime Minister deemed controversial for Australia of both 1996 and 2006, Emerson provides a mostly appealing, if not always convincing, call for a redoubling of reformist efforts. *Vital Signs, Vibrant Society* also paints John Howard as a weak economic reformer in areas from productivity improvements and tax policies to innovation incentives and free trade.

Many academic economists may agree that the material prosperity coinciding with the Howard decade is more a consequence of the Hawke/Keating period and a by-product of the global economic times suiting him, rather than Howard's initiatives to reform the economy in line with shifts in global capitalism. However, Emerson is not entirely in line with the academic left. While singing the praises of the nation's universities and lambasting the apparent hollowing out of the sector on this government's watch, *Vital Signs, Vibrant Society* does not see Australia's economic future as exclusively, or even mainly, based on the mental efforts of urban creative class cosmocrats. Rather, there is a vital role in Emerson's vibrant Australia for thriving, ecologically-sustainable primary industry exporters and a robust, competitive manufacturing sector, a prospect sure to please the unionists.



A significant portion of *Vital Signs, Vibrant Society* is devoted to the traditional causes of the Left, namely health and aged care, and education and training. Interestingly, the author does not dwell on the perceived failures of current government policies in those areas but, consistent with the overall positive and optimistic tone of the book, focuses on ideas to make the systems better, more financially sustainable and fairer. The theme is 'beyond public and private', an example being the propagation of a two-tier aged care sector, where the rich would be able to buy effectively superior conditions.

Perhaps a more contentious suggestion is the creation of Australian student equity instruments. Unlike debt financing of tertiary education under HECS, equity financing would 'fund a student's university fees and living expenses in return for an agreed share of income earned over a specified period following graduation'. With the tone being reminiscent of Tony Blair's choice revolution, school vouchers would not be out place in this narrative. However, Emerson's enthusiasm for innovative education-financing options appears inconsistent with the ALP policy of abolishing full-fee paying places for Australian undergraduate university students. Nostalgia for the monogamous relationship between the tertiary education sector and the state remains strong. Furthermore, the thought of universities becoming more directly dependent on big business and effectively accountable to the latter's shareholders via 'equity-financed' students must surely verge on sacrilege for Labor's hard-left supporters in academia. Could anyone honestly believe that any government, let alone a Labor one, would let Macquarie Bank near the sandstone?

While it is difficult to disagree with many of Emerson's ideas, some of the underlying assumptions can be troubling. Suggesting that 'has never been truer than it is today' that children are our future is cringe-worthy. Similarly, frequent references

to 'the Asian century' are even more presumptuous than the alternative 'Pacific century', which at least allows for the geopolitically plausible continuation of US hegemony in the region.

Perhaps the greatest weakness of *Vital Signs, Vibrant Society* is its relatively narrow scope. Even though the title and the first paragraph mention society, general prosperity and community wellbeing, the focus is firmly on economics. Yet economic growth occurs in a wider context and is often facilitated—or constrained—by factors that are not self-evidently relevant. While Emerson seems to be channelling Richard Florida by way of the five I's, all five roughly correspond to talent, only the first of the American academic's three T's required for sustainable socio-economic development and prosperity.

Regarding the other two—technology and tolerance—it is perhaps understandable why Emerson largely steers clear. The notions of a partly-privatised, overregulated incumbent telecommunication ex-monopoly and a state that aggressively maintains a discriminatory status quo with regards to same-sex relationships are inconsistent with the vision of Australia as a global trailblazer. This is especially so compared to countries such as Canada, the UK and even New Zealand. It also brings into doubt the country's ability and willingness to achieve Emerson's aim of successfully 'encouraging as many of our professional and creative people as possible to return to our shores'. In the mind of a City wunderkind considering applying her intellect in Martin Place, the proximity to beaches may not be enough to offset the non-existence of a

true broadband internet connection and the enduring political relevance of outmoded social prejudices. Yet, a thorough discussion of such topics is constrained by both party policy and a perception that Australia is not yet ready for a re-emergence of the supposedly radical social polemic of Keating the PM.

The reader is left with the unsatisfying feeling that Emerson brainstorms a bank of ideas that could be drawn upon over a number of election cycles, yet becomes too limited by his own pragmatism to tell the nation all that it needs to hear.

Reviewed by Mal Bozic

After the Neocons: Where the Right Went Wrong

by Francis Fukuyama

Profile Books, London, 2006

192pp \$35

ISBN 1861979223

Francis Fukuyama's *After the Neocons* (published in the US as *America at the Crossroads: Democracy, Power, and the Neoconservative Legacy*) is a short book, and a readable one too. It is convenient to start, as *After the Neocons* does, at Fukuyama's disagreement with his erstwhile admirer Charles Krauthammer.

Krauthammer gave the 2004 Irving Kristol address at the American Enterprise Institute. Taking as his theme 'an American foreign policy for a unipolar world', Krauthammer defended Bush the Younger's policies of unilateralism and pre-emption as 'democratic realism': '[w]e will support democracy everywhere, but we will commit blood and treasure only in ... places central to the larger war against the existential enemy'. By 'existential

