authors rehearse the usual lines about Howard being myopic and lacking empathy with people of other races and backgrounds (they profess to being 'downright embarrassed' by his nationalism); but it is all highly incongruous with their narrative, which tells us that Howard's two closest university friends were a Hungarian immigrant and a Jew; that he idolises Nelson Mandela; has shown genuine empathy and grief on occasions like Port Arthur; and was present for the birth of all three of his children.

Aside from that a number of the book's initial contentions get abandoned outright or are woefully underdeveloped. There is an intriguing suggestion that Howard is Australia's 'first professional politician'—about which we never hear another word. Page 390 states that 'if we judge Howard by his own standards as a reformer, there isn't a great deal to show for his lengthy period in office'. This breath-takingly curt summation is not backed up by evidence, historical comparisons or discussion, even though—one ventures to suggest—probably even the most virulent Howard critic would take issue with it.

The book is a reasonably balanced one, but where the substantive disjunctions between evidence and conclusion *do* occur, they generally seem to favour a clichéd leftist view of Howard. The leftist interpretation is as valid as any other, I suppose, although three years' work might have produced something a bit more original. The seeming lack of affection for John Howard is also, in and of itself, a bit of a surprise. Dispassionate readers would be surprised to find that one of the authors is a former Liberal Party member and political staffer.

Above all else I think an important avenue of inquiry has been missed. Many different John Howards come up for discussion in this book: the shrewd politician; the ideologue; the family man; the nationalist. But at least one is missing. John Howard is worshipped by large sections of his party, and even at his lowest points has had supporters who were prepared to defer to and obey him. As far back as 1994, Tony Abbott—a man who can have few equals for egotism and self-absorption—said that Howard is not only his hero, he also occupies a plinth to which Abbott can only aspire. This is no small thing, and demands further analysis. The Prime Minister may or may not possess qualities of personal greatness, he may or may not be a major figure of Australian political history, but a large number of people are convinced of both, and no commentator has tried to explain why. Important ground needs to be covered; but it must wait for another day.

None of this should obscure the book's underlying value or that it stands out like a gemstone in the steaming pile of ordure that is Australian political biography. There's even a cute gesture on the dust-jacket, which I assume is the publisher's hint at its own private views of the Prime Minister and his party. The dust-jacket invites readers to gain 'an insightful understanding of the John Howard who lies …'.

Reviewed by
John Hyde Page
John Hyde Page's *The Education of a Young Liberal* was published by Melbourne University Press in 2006.

The Commercial Society: Foundations and Challenges in a Global Age
by Samuel Gregg
Lexington Books
New York, 2007
$44.95, 190pp
ISBN 9780739119945

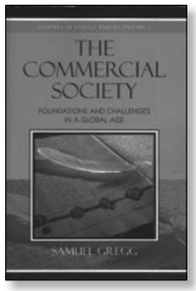
This is a rich and concentrated book. So much that is important about the nature, history and conditions of a commercial society is dealt with here in economical and comprehensive fashion. Samuel Gregg, in the space of only 162 pages of text, ranges across most of the issues in politics, political economy, morals and culture that are currently occupying us. His impressive scholarship and illuminating commentary in skilfully develop his central theme of the foundational character of commercial society in promoting what is distinctive about Western civilisation and its liberties.

The commercial society is partly defined in this book by what it is not. It is not a purely agricultural society, for example, or a feudal society, or a mercantilist society, although a recognisable commercial society may have significant mercantilist elements. Australia does, and so does America. Nevertheless, a predominantly commercial society, Gregg argues, is certainly capitalist and marked by a high degree of free exchange of goods and services, both internally and externally sourced.

But behind the fever of commercial activity and production, and supporting them, is a fabric of interdependent and mutually interactive moral, economic, legal, political and mediating institutions, which are

in turn invigorated and sustained by the successes of commerce. It is necessary, the book argues, to inquire into the health or otherwise of this complex to understand how we have come to live the way we do now.

The dominance of commercial society in the modern world cannot be explained or understood in purely economic terms, or simply by 'the market' and its mechanisms. To explain human conduct within a commercial society we must look not only to the operations of a free market but also to the wider society, its customs, its institutions, the hidden subtleties of cultural habits and how they arose, and how they exert their influence. In these respects, the book is impressively historical in its treatment.



This formidable brief is successfully undertaken. In the first chapter, 'Toward Commercial Order', Gregg traces the history of the emergence of a commercial order in medieval Europe. He quotes Antony Black demonstrating that as early as the thirteenth century a 'complex of ideas' was defending freedom from arbitrary rule and personal violence, and demanding secure property rights and legal equality upheld by due process of law—all conditions necessary for the birth of commercial society. Such ideas, in turn, owed much to 'Christianity's distinctive stress upon freedom'.

It was inevitable that the medieval emphasis upon private property should lead to the conclusion that such property might be freely and justly exchanged; and from that to the accumulation of capital. Accordingly, it is no surprise that thirteenth century England, in the words of Alan MacFarlane quoted by Gregg, had become 'an open, mobile, market-orientated nation'. By the eighteenth century, in Scotland and England, the character of commercial society, its strengths and weaknesses, and its essential linkages with other institutions and customs, were under intense examination, especially by such giants as Adam Smith, David Hume and Adam Ferguson.

As Gregg shows, from this developed a much more comprehensive understanding of the nature of a maturing commercial society, and Adam Smith's 'system of natural liberty' which it depended upon and which it helped defend. There was also an emerging awareness of the threats to such a system from mercantilism and tariffs, attacks upon inequality, and claims for redistribution of wealth.

Parts 1 and 2, comprising the main part of the book, have three chapters each. Part 1 develops a systematic analysis of the moral foundations of commercial society. Part 2 surveys the challenges, predominantly political, that presently confront commercial society. In these chapters the book makes a unique, well-argued, well-rounded and penetrating contribution to a subject more commonly approached from a predominantly economic perspective.

Part 1 'Foundations' explores, in some detail, a variety of topics. For example, 'Self-interest Rightly Understood' defends a fundamental principle of human action from those who would traduce it as no more than a veil for 'greed' and 'selfishness'; 'The Liberty of Commerce' shows how the linkages between political liberties and the rule of law cooperate to advance trade and commerce generally; 'The Creative Imperative' examines the role and conditions of entrepreneurship; 'Trust' is deconstructed to lay bare the key role it plays in commerce, along with 'Civility and Restraint'; and, finally, 'Peace and Tolerance' recounts the beneficent outcomes of an order that promotes exchanges of mutual benefit between individuals and nations.

These subjects are followed by a chapter headed 'The System of Natural Liberty', which is essentially about the economic fundamentals of free commerce: 'The Economic Dilemma'; 'Entrpreneurship'; 'Subjective Value, Exchange Value, and the Division of Labor'; 'Money Credit and Banking'; 'Free Trade, Market Competition, and Prices'; and 'An Interdependent Society'. For the non-specialist, these are excellent summaries and illuminating commentaries—even for the more knowledgeable—on topics that must be grasped in order to understand the workings of a free economy.

Part 2 is headed 'Challenges'. The first chapter deals with threats to the persistence and success of commercial society within democracies and other political systems arising from demands for 'equality' in opportunity and outcome, from calls for more and more redistribution to deal with inequalities and hardship, and from some of the consequences of redistribution. It moves on to 'Corporatist Fallacies', such as collective bargaining 'and *a priori* commitments to full employment and equal pay for equal work' that

undercut market competition, profitability and the rule of law.

In the next chapter, 'The Dilemma of Democracy', the focus falls upon the electoral politics of democracy, the tyranny of the majority, and onto public choice and interest group politics which move inexorably to undercutting the rule of law and towards an ever-expanding welfare state.

In his concluding chapter, Gregg reflects upon the often unnoticed but crucial role of cultural *moeurs* in helping the emergence of a commercial society, and sustaining it when established. Here again Gregg's sensitivity to the moral dimensions of civil society and its freedoms adds depth to the analysis.

Gregg's analysis reinforces the point that commercial societies cannot be established by mere fiat or forms of law that are simply documents that remain uninscribed in the hearts and minds of its citizens. It takes a long time, and a certain sort of history, to establish unconscious habits and unexamined customs of liberty, free exchange, law-abidingness, restraint and civility that are the essential strengths behind the formal institutions of commercial society.

Even if a commercial society is hit by disaster and demolished by war or political upheaval, the cultural memory of what is required, if the people survive, may nourish its re-appearance. Gregg refers to the example of Estonia where an earlier tradition of commercial activity was successfully revived after liberation from the Russian communists, while in Russia itself the attempt to do so continues to struggle and falter.

All of this, he concludes, 'suggests that we can speak of a commercial school, a tradition of thought accurately labelled commercial humanism. Highly sceptical of the men of system, those of the commercial school regard commercial order as integral to any society that aspires to the title of civilised.'

This is a fine study, replete with facts and arguments relating to its subject matter that are not commonly to hand in a relatively short book. It is lucid and easy to read, and rewarding for both the non-specialist reader as well as those familiar with topics often not dealt with as competently and revealingly as they are here.

Reviewed by Barry Maley

Scorcher: The dirty politics of climate change
by Clive Hamilton
Black Inc Agenda
Melbourne, 2007
$29.95, 266pp
ISBN 9780977594900

The central theme of *Scorcher* is the impact that a special interest group consisting of carbon intensive industries has had on Australia's climate change policies. Dr Hamilton believes that a group of people known as the greenhouse mafia have successfully convinced the Australian Government not to take serious action to combat global warming. As such, *Scorcher* could be viewed as an attempt to provide a case study of private interest theories of regulation. If convincing, such a case study would be a very valuable addition to both the public policy and popular economics literature. Furthermore, it would have reinforced the very powerful message about the need to reduce greenhouse gas emissions conveyed in Al Gore's documentary and Professor Nicholas Stern's report.

I am broadly sympathetic to the idea that Australia should take sensible steps to reduce its greenhouse gas emissions. Indeed, I used to work for the Australian Greenhouse Office (AGO). During that time, I was involved in the production of some of the discussion papers on emissions trading that the AGO released in 1999. However, despite my sympathy for taking action to reduce greenhouse gas emissions, I found many of the arguments presented in *Scorcher* to be unconvincing. Indeed, in some parts, it reads likes a conspiracy theory.