
“It is almost as if there were a conspiracy not to register or document the fact that we are, and always have been, an honour-hungry species” (p. 1). A conspiracy that can be explained by the repugnance of modernity for the intrusive social pressures of traditional societies, but that in fact – Brennan and Pettit claim – limits economists’ understanding of human behavior and leads them to neglect a full set of strategies for promoting the common good. Their book is an attempt at breaking this conspiracy.

The authors capitalise on previous work they conducted on this theme – both separately and together – over many years. But the book is in no way a collection of already published articles. Its structure is carefully designed for presenting the reader the notion and the potential of an “economy in esteem”, parallel to the conventional “economy in property”. The introduction brings attention to the third disciplining mechanism society can employ, beside the invisible hand of the market and the iron hand of administration and law, for rendering individual behavior compatible with the common good: the “intangible hand” of esteem and disesteem. The first chapter, pleasingly philosophical in flavour, investigates the concept and meaning of esteem, a peculiar good that, unlike for instance a medical therapy, is not “action-dependent”, but “attitude-dependent”. Then three chapters come that detail the three elements of the analogy on which the notion of an economy of esteem stands: the demand for esteem (i.e., the willingness to undertake costly actions in order to achieve it); its supply (not the willingness to trade something explicitly, but rather to pay attention, or give testimony, or else transfer part of one’s own esteem through association); and “a system of competition” connecting them. The analogy is in no way simplistic. The reader is carefully alerted that too overt manifestations of demand for esteem are doomed instead to earn disesteem, an instance of “failure of intentional
action''. In this regard, recourse to indirect actions, such as promoting the image of a group whose reputation are shares, or avoiding contemptible behaviors (a less visible deed), are safer strategies. Similarly, the possibility of exchanges of esteem is contemplated, but typically in a virtual form: A may stop to publicly manifest her esteem for B if the latter does not reciprocate, and vice versa.

Instead, the authors choose to abstract from the interpenetration of “the economy of esteem” with “the material economy and the regime of power” and to present “the economy of esteem as if it were a relatively autonomous, independent system of competition” (p. 67). They finely observe that the operation of this third “economy” is often elusive: not only are actors reluctant to admit the presence of the desire for esteem in their decisions, but excessive transparency of motivations ends up damaging the functioning of the whole mechanism. This suggests to me that, were it not a couple of centuries too late, the attribute of “invisible” should rather be awarded the “hand” of esteem, as for the Smithian “hand” invisibility of its logic does not seem to be a condition for effectiveness. This is not to deny that something “intangible” is involved in the operation of Brennan and Pettit’s “hand”, but this is first and foremost the good (or bad) it apportions.

Next comes Part 2, where the interplay of individual actions is carefully analysed under various assumptions, and with recourse to conventional economists’ tools (curves, equations, equilibrium analysis). The actions considered include first of all “performance”, an expression that may as well refer to a musician’s play, or to a surgeon’s treatment, or else to an athlete’s accomplishment. The simple model they present initially posits that the esteem earned by an individual is a function of the difference between her performance and an exogenously given standard that is used by observers for comparison. By adding a negatively-sloped individual demand curve for esteem and a positively-sloped marginal cost of performance curve, one can easily derive an individual’s optimum performance as a function of the standard. But if we assume – as the authors do in an extension of the basic model – that the standard is defined as average executors’ performance, then the optimum performance of each depends on the performance of others. Given a few simplifying assumptions the Nash equilibrium of this game is unique. According to intuition, in the same way as competition for prestige among households leads to excess consumption of “positional goods” (Frank, 1985), the equilibrium of the esteem game has players trapped in a standard-raising prisoner dilemma. However, one must strongly resist the temptation to conclude that the search for esteem