

## FOCUS

## Freedom's Prophet

by Edwin J. Feulner Jr.

"Today one hears a rising chorus of doubt about the promise of liberty, particularly in Europe and the former Soviet Union. The doubters would do well to spend a long weekend with Hayek's writing. There they would learn that when a society establishes its basic organizing principles, it must choose between freedom and coercion. There is no viable 'third way.'

IT'S hard to imagine now, but at one time even so ardent an anti-communist as Whittaker Chambers believed the West was on the losing side of history. If we didn't succumb to communism, certainly we would be consumed by a home-grown form of socialism. The Great Depression and two world wars had left few willing to refute the idea that big government was needed to order human society.

Friedrich A. Hayek — born 100 years ago tomorrow — was willing to question the prevailing wisdom. His seminal work, "The Road to Serfdom," published in 1944, challenged the economic and political theories of his day by asserting that central planning and individual freedom could not coexist. For penning such heterodox notions as "a policy of freedom for the individual is the only truly progressive policy," Hayek earned a prophet's reward: First he was scorned, then ignored.

Fortunately, Hayek lived to see his reputation restored, first in 1974 when he was awarded the Nobel Memorial Prize in Economic Sciences, and later when George Bush awarded him the Presidential Medal of Freedom. And although his books remain conspicuously absent from the required-reading lists of most universities, this courtly Austrian-born British citizen remains one of our century's most influential thinkers.

Hayek was intrigued by man, markets and their effect on society. He earned three doctorates in law, economics and the social sciences and ranged fearlessly over many fields, publishing groundbreaking work not only in economics but also in political theory, legal philosophy, psychology and the history of ideas. The father of ideas that years later would inspire Ronald Reagan and Margaret Thatcher, he began sounding the alarm that the foes of freedom were on the march long

before even George Orwell did so.

In a rebuke to modern sensibilities, Hayek repudiated the tendency of individuals and societies to blame others for their problems and declared the concept of lib and responsibility "inseparable." In his 1960 book, "The Constitution of Liberty," he explored this theme at length: "Liberty not only means that the individual has both the opportunity and the burden of choice; it also means that he must bear the consequences of his actions and will receive praise or blame for them." Taking charge of one's life is an "unceasing task," Hayek wrote, which explains why "many people are afraid of liberty."

Despite derision from his fellow economists, Hayek's influence extended well beyond the halls of academia, especially in the U.S., where his ideas found a more receptive audience. Reader's Digest published an abridged version of "The Road to Serfdom," and a paperback version became a bestseller. When Hayek toured the U.S. soon after its publication, he was surprised to find himself speaking to overflow crowds, even in university lecture halls.

Although Hayek did brilliant research on money, credit, capital, interest and monetary cycles (his 1931 book, "Prices and Production," was cited by the Nobel Prize committee), perhaps his greatest contribution lies in a simple insight: Man does not and cannot know everything, and when he acts as if he did, he invites trouble. "It may indeed prove to be far the most difficult and not the least important task for human reason rationally to comprehend its own limitations," he wrote.

Hayek recognized that socialism, the collectivist state and planned economies represent the ultimate form of hubris, for the planners attempt — with insufficient

knowledge — to redesign the nature of man. He considered such presumption "The Fatal Conceit" — the title of his final book, published in 1988.

Hayek's non-conformist observations courted academic ostracism from those who had committed their lives to socialism. Yet together with a small and initially obscure band of associates known as the Mont Pelerin Society (which has included Ludwig von Mises, Milton Friedman, George Stigler, James Buchanan, Ronald Coase and Gary Becker), he converted millions to his view of freedom. As David Horowitz writes in "The Politics of Bad Faith": "Von Mises and Hayek, and the other prophets of capitalist economy, are now revered throughout the [former] Soviet bloc, even as the names of Marx, Lenin and Trotsky are despised." For his part, Mr. Friedman considers Hayek's contributions to economic theory and political philosophy "secondary to [his] influence in strengthening the moral and intellectual support for a free market."

Today one hears a rising chorus of doubt about the promise of liberty, particularly in Europe and the former Soviet Union. The doubters would do well to spend a long weekend with Hayek's writing. There they would learn that when a society establishes its basic organizing principles, it must choose between freedom and coercion. There is no viable "third way."

As one of Hayek's admirers, former Czech Prime Minister Vaclav Klaus, likes to say, "the 'third way' is the fastest route to the third world." Hayek's great gift to the world was to illuminate the real choices confronting mankind and to point the way — the only way — to freedom.

The author is president of the Heritage Foundation. This piece appeared in The Wall Street Journal on May 7, 1999.

## Ombudsman — Demand of the Day

by ASM Islam

The establishment of the Institution of the Ombudsman in Bangladesh has been a growing demand since long. The public at large are being deprived of their privileges because of their ignorance and lack of assertive attitude; rather, with the exception of a few, they are being harassed, ill-treated and forced to resort to bribery to get their work done.

work and activities. The office of Ombudsman in Denmark created in the mid-fifties of the current century has been given the authority to deal with both military & civil administration.

This institution nowadays, is the outcome of search for a machinery to guard the citizens and work as watch-dog on behalf of the public against abuse and misuse of power, abuse of official position, arrest, detention, wrongful confinement, bureaucratic maladministration, corruption, inactions, intentional delays in carrying out lawful order/instructions, harassment, despotic attitude towards public, violation of human rights, attaching priority on the matters relating to personal/group interest in exchange for illegal gratification and gift, over collective and national interests, misappropriation in commercial transactions, arrogance and misuse of power by law enforcing agencies, intentional delay and harassment by service oriented departments and organisations etc.

The intention of establishing the office of Ombudsman in Sweden in 1809 was to safeguard the rights of citizens against administrative excesses and subsequently after a lapse of one century the office of the military Ombudsman was also established to perform similar functions with regard to defence and military administration.

The Ombudsman in Sweden is elected for a period of 4 years by an electoral college comprising chosen members from both the houses of the parliament. There is a provision of a Deputy Ombudsman who is also elected in the same process. There is no bar to re-election but dismissal by the parliament before the expiry of the term may be possible on valid grounds.

The jurisdiction, power, method of work and functions of the office is well-defined. The ombudsman has the authority to look into the matters of misuse and abuse of powers, misuse of official position, willful negligence in carrying out orders/instructions, arrest and detention of persons curtailing the fundamental rights and liberty of the citizens by the public servant with the limitations to interfere with the judges of the Supreme Court and Minister. If any matter arises involving them, then it is referred to the court of impeachment. He submits an annual report to the parliament on his

New Zealand in 1962, United Kingdom and Canada in 1967, Tanzania in 1968, Israel in 1971, France in 1973, Portugal in 1975, Australia in 1977, and in the Netherlands in 1981. In our neighbouring Countries like India and Sri Lanka, they have given Ombudsman an institutional shape not only at national level but at sub-national levels too. In the present day world, the office of Ombudsman has been established in over seventy-five countries at national, sub-national, regional levels and even at municipal levels in Australia and in Argentina. The Constitution of the People's Republic of Bangladesh which was effective from the 16th of December 1972, provides for the creation of the office of Ombudsman as per Article 77 of the Constitution which states:

1. Parliament may, by law, provide for the establishment of the office of Ombudsman;

2. The Ombudsman shall exercise such powers and perform such functions as parliament may, by law, determine, including the power to investigate any action taken by a Ministry, a public office or a public statutory authority;

3. The Ombudsman shall prepare an annual report concerning the discharge of his functions, and such report shall be laid before parliament.

The establishment of the institution of the Ombudsman in Bangladesh has been a growing demand since long. The public at large are being deprived of their privileges because of their ignorance and lack of assertive attitude; rather, with the exception of a few, they are being harassed, ill-treated and forced to resort to bribery to get their work done.

In view of the above and since the matter is under active consideration of the Government it is recommended that:-

1. The person to be appointed as Ombudsman must be a person with scrupulous honesty, ability, efficiency, transparency, sense of responsibility with the highest order, profound knowledge of the laws and rules of the country with non-partisan outlook. We should remember that the institution of Ombudsman of Denmark succeeded mainly due to the personal abilities which reminds us that the man behind the machine is more important.

2. The Ombudsman will submit a quarterly report on his steps and actions with recommendations to the Head of the Government, Head of the State and Parliament.

ii. The office of Ombudsman in both form and function must be independent of the bureaucratic intricacies, unwarranted interference from interested groups and political figures and other quarters.

iii. A free press and an enlightened democratic society is essential for proper functioning of the office of Ombudsman.

iv. The role of public servants and public figures at various levels should be well defined for the purpose of transparency and smooth functioning of the office of Ombudsman.

v. It may be a wise step to place the Bureau of Anti-corruption under the Ombudsman Institution at national and divisional levels and for that purpose the office of Ombudsman may be initially extended upto divisional levels and gradually upto municipal levels.

vi. The Ombudsman, i.e. the person leading the Institution must have free access to information, general accessibility, openness and transparency of the highest level.

vii. The Ombudsman will operate as an agent of the people and guard civil rights against bureaucratic injustices and abuse of power and must work as a guardian to ensure rule of law also adversely affected the well meaning and enterprising citizens. Disgusted by this lack of governance there is a growing demand for establishment of civil society and good governance by ushering in transparency, accountability and compassion in public business.

viii. The Ombudsman should have the power to ask produce any documents, call any body/official and seek any information relating to any complaints but not relating to national security.

ix. The Ombudsman should undertake extensive tours and inspections with a view to acquaint himself with matters relating to his official functions and make the public aware of the existence of such an office.

x. The establishment of a separate office of Ombudsman to guard against military abuse of power, irregularities and corruptions may also be kept in the minds of the policy makers or the same office of Ombudsman may be empowered to deal with such matters as it exists in Sweden and Denmark, exclusively over military strategy and national security.

xi. The Ombudsman will submit a quarterly report on his steps and actions with recommendations to the Head of the Government, Head of the State and Parliament.

## Site Selection for the Proposed Biotechnology Institute

by Prof A. S. Islam

Proximity of a number of research institutes and universities including the private ones will increase the centre's usefulness to many more scientists if it's located in and around Dhaka. . . For exchange of ideas, it will be much easier for overseas scientists with limited time at their disposal to visit the institute in Dhaka than at Rajshahi or elsewhere.

Site Selection for the Proposed Biotechnology Institute

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National Botanical Research Institute (NBRI) and The Central Institute of Medicinal and Aromatic Plants (CIMAP) both located at Lucknow, India.

In 1995, BAPTC approached FAO for funds for creation of such an institute; and the local office of FAO recommended the case strongly to its headquarters, Rome. If S&T supports the idea spelled out above, it may be able to procure funds for a Commercial Tissue Culture Centre at Rajshahi. In that case we will have two institutes, one at Dhaka for molecular biology aspect of biotechnology and the other at Rajshahi for commercial plant tissue culture.

The Botany Department of Rajshahi University has a good tissue culture laboratory and a number of devoted staff members working in the commercial aspect of this discipline. The services of the latter may be loaned to build up that centre with the concerned staff members of BCSIR, Rajshahi.

I have always advocated that considering the importance of biotechnology, there should be more than one centre in Bangladesh in spite of the huge cost to set up such facilities. Furthermore, I have pleaded that active molecular biology groups, regardless of their affiliation and location, should be supported with both capital expenditure and liberal running cost. From that point of view both at Rajshahi and Chittagong, facilities for biomolecular research must be created but not at the cost of abandoning the idea of establishing the main institute in and around Dhaka.

GOB proposed the name of Dr Azad as a contestant for a seat in CSA and now that he has been elected thereto, we should give utmost importance to his advice and consult him on every important policy matter relating to the development of Biotechnology in the country.

I hope the authorities concerned will kindly give a serious thought to Dr Azad's suggestion on the choice of site selection for the proposed Biotechnology Institute; and without being prejudicial for the sake of decentralisation, take the appropriate decision to speed up the establishment of the Biotechnology Institute ready to serve the country with its state-of-the-art research facilities equipped with ace scientists.

The writer is former President of BAPTC (Bangladesh Association for Plant Tissue Culture)

## World Bank-Habitat 'Cities Alliance' Improving Living Conditions in Slums

by Nemat Shafik

The Cities Alliance, co-sponsored by the World Bank and UNCHS, will allocate grants to help coalitions of civic leaders, private sector and community representatives formulate strategies for their cities' development ... It will also work to improve the living conditions of the urban poor, by helping local and national governments make effort to upgrade slums.

A modern "tale of two cities" is unfolding around the world. On peripheries of urban centres, millions live in slum and squatter settlements, ignored by city authorities. They have no legal title to their makeshift homes, as their entire communities are technically "illegal". Usually, these "informal" cities have no services such as water, sewerage, electricity and garbage removal. The "formal" city, meanwhile, enjoys the advantages of urban life, often at the expense of the informal one. Even as one city is alienated from and marginalized by the other, they remain mutually dependent.

But in many of these slum settlements, small revolutions are under way. Community councils and other groups have organized themselves and obtained support from outside to improve living conditions. They have built water and drainage systems, or upgraded their homes. In Jakarta, for example, the Indonesian government — working with the World Bank — upgraded slums and improved the living conditions of 15 million people over a 25-year period, at a modest cost of \$20 to \$120 per person. The program has been extended to other Indonesian cities, and has encouraged private household investment in shelter. The challenge is to make these successes

developing-country cities are poor. In 30 years, that number will nearly double, with almost all the urban growth occurring in poor countries. By 2030, about 80 per cent of the world's city-dwellers will be in the developing world.

The challenge facing mayors is to make their cities work, not just the megacities whose names are household words, but also hundreds of smaller centres, each with more than half-a-million residents again, with roughly a third of them poor. How do we steer their development away from scenarios of squalor, and nurture the innovation, industry and commercial exchange that attracted people to them in the first place?

The philosopher of urbanization, Jane Jacobs, observed that healthy cities unleash "five great forces of growth," namely enlarged markets, new and diversified jobs, spin-off growth in the periphery as older enterprises once located downtown are pushed to the suburbs as new ones jockey for space in the center, new uses of technology, and increased capital. Our challenge is to establish conditions to set these forces to work.

Many success stories demonstrate that community-based efforts, aided by support from national governments and global agencies, can dramatically improve living conditions in even the worst slums.

For example, Surat, India, grabbed headlines in 1994 with an outbreak of plague spread by rats in its dirty, congested slums. An overhaul of the city's administration was launched, with residents participating directly in planning.

Two years later, a study found that Surat was India's second-cleanest city. Last year, the city was hit by floods, but efficient cleanup systems had life back to normal in a week. And in Dakar, Senegal, where shantytown dwellers once faced a long, tiring and time-consuming daily walk to and from jobs downtown, a petit train bleu utilizing old rail cars purchased from France now transports 22,000 commuters a day. This saves the slum-dwellers several hours a day in travel time, increasing their quality of life and productivity.

The writer is the World Bank's Vice-President for Private Sector Development and Infrastructure.

These innovations and others are inspiring. They prove

that local city leaders can dramatically improve their communities with assistance from outside. A new Cities Alliance, to be launched May 19 at a meeting in Washington of over 50 mayors and other urban decision-makers, will seek ways to build on these initiatives, so that they multiply in cities around the world.

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