

THE MONT PÈLERIN SOCIETY BALI MEETING

Greg Lindsay

A hundred years ago on May 8th, Friedrich Hayek, the noted social philosopher and economist, was born. Hayek later founded the Mont Pèlerin Society in 1947. As the name suggests, this international society of liberal scholars and activists was founded in Switzerland and its initial membership reflected a predominantly continental European and Anglo-American influence.

The need remains to continue restating the case for the principles of classical liberalism in the West—the principles of limited constitutional government and a free economy—especially in light of current fads for the ‘Third Way.’ But a window of opportunity has also opened for the dissemination of liberal ideas in the new polities of the Asia Pacific region.

The countries of the Asia Pacific region have in recent years (with some notable exceptions) emerged from either a withering of authoritarian political structures or a withering of the legitimacy of political authoritarianism. Notwithstanding the recent Asian economic crisis, this region will probably be a major economic and cultural force in the not too-distant future.

Hence the need for the Mont Pèlerin Society which, reflecting its liberal principles, is internationalist at heart, to engage in the fruitful dialogue and exchange, which liberals so prize, with the region.

Thus was born the idea for a Special Regional Meeting of the Society in Bali, Indonesia. This meeting was held from 8th-11th of July this year, with much success and to the acclaim of its participants.

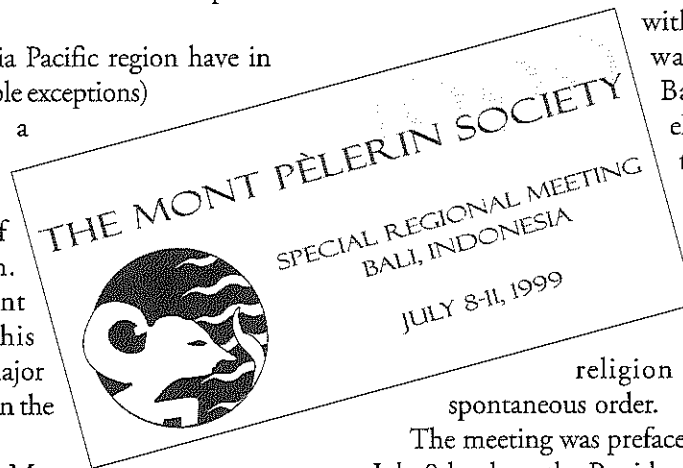
For the first time, the number of invited guests exceeded the number of Society members at this meeting. But perhaps this fact should provide the impetus for improvement rather than grounds for complacency as it

reflects the still predominantly Euro- and America-centric nature of the Society’s membership. The invited guests at this meeting were predominantly comprised of people engaged in academia and public policy in the Asia Pacific region.

The term ‘Asia-Pacific’ itself belies the enormous diversity of the cultures and peoples of this region. This was reflected in the guests themselves who came from places as diverse as Indonesia, Malaysia, Papua New Guinea, the Phillipines, Hong Kong, India and Taiwan, in addition to the Australian delegates.

The meeting was held at a resort in the midst of the Tanah Lot village, noted for its seaside Hindu temple, and the resort itself, though equipped with various modern facilities, was set out in distinctively Balinese environs. All these elements were juxtaposed as if to reflect the very intensely discussed and debated subject matter of the meetings—the coexistence and joint adaptations of tradition, modernity, commerce, and religion into a harmonious and spontaneous order.

The meeting was prefaced by a dinner on the night of July 8th where the President of the Society, Ramón Diaz from Uruguay, delivered an eloquent summation of Hayek’s goals for the Society, relating them back to this historic meeting in Bali. This was followed by two sessions on July 9th, two on the 10th, and a concluding session on the 11th. Each session consisted of lectures on specified topics,



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followed by the participants breaking up into discussion groups with the assigned speakers circulating between the groups. This set the format for some very lively and interesting discussions.

The first two sessions, on July 9th, dealt respectively with the implications of the Asian economic crisis and the legacy of Hayek's thought for modern Asia.

The speakers for the session on the Asian crisis were Jesus Estanislao from the Philippines; Helen Hughes, Senior Fellow at The Centre for Independent Studies; and Christopher Lingle, adjunct scholar at the Centre. There was broad agreement among the speakers that the economic crisis could be attributed to both the bad economic policies of some of the countries involved and moral hazards created by international organisations like the World Bank and the International Monetary Fund.

The session on the legacy of Hayek's thought for modern Asia provoked great interest among many of the participants because it was the first time they were given a fairly detailed introduction to his fundamental ideas. The lecture for this session was presented by Chandran Kukathas, from the School of Politics at the Australian Defence Force Academy, and a notable scholar of the philosophical thought of Hayek. This session highlighted the universal themes of Hayek's work, including the limitations of reason and how these were consonant with many major religions including those practiced in the Asia Pacific region.

The sessions on July 10th comprised 'The Clash of Cultures' where the speakers explored the interrelationships between some of the world's major religions and the concept of liberty; and 'The Institutional Underpinnings of Liberty' where speakers discussed the nature and importance of a competitive economic order and a political constitution.

The speakers for 'The Clash of Cultures' session were Chandran Kukathas who also spoke at the session on Hayek; noted development economist Deepak Lal who argued that Asian countries could benefit from adopting Western commercial norms and liberal economic policies without giving up what he thought were their more communitarian cultures; and Samuel Gregg, Resident Scholar at The Centre for Independent Studies, who discussed the evolution of the concept of liberty in Christian thought and the possible parallels with developments in Eastern religions like Islam.

Deepak Lal's lecture provoked some robust debate at the discussion groups, with many of the Asian delegates

voicing disagreement with his view that the values of liberal democracy were distinctively grounded in the particular religious history of the West. Samuel Gregg's lecture was very well-received because of its depth of scholarship and the insights into Christianity, Confucianism and Islam for Asian and Western delegates respectively.

The session on 'The Institutional Underpinnings of Liberty' was presented by Wolfgang Kasper, Professor of Economics at the Australian Defence Force Academy, who spoke on the need for continued development of an institutional framework for market capitalism in East Asia; and Suri Ratnapala, Associate Professor of Law at Australia's Queensland University, who presented a very closely argued paper on the concept of a political constitution, the link between constitutions and the rule of law and, in an important development of Hayekian scholarship, the case for the rule of law based on considerations of evolutionary epistemology.

The meeting concluded on the morning of July 11th, with a session devoted to the importance of civil society and a transparent policy environment. The speakers were Hadi Soesastro, Executive Director of the Centre for Strategic and International Studies in Indonesia, who discussed the contribution of a revitalised civil society to economic development; Richard Wong, from the School of Business at the University of Hong Kong who spoke on the increasing importance of corporate governance mechanisms to family-owned firms in Asian economies; and Parth Shah from the Centre for Civil Society in India, who spoke on the next challenge for liberalism—the devolution of regulatory and welfare functions to civil society.

This Special Regional Meeting was indeed special, as the President of the Mont Pèlerin Society concluded at his closing address. Through its challenging speakers and topics, the polyglot diversity of its participants, and its setting at an important moment in history when the citizens of many Asian countries were reevaluating their political institutions in light of the economic crisis, it may have sown the seeds for the rediscovery of ancient but universal traditions of good governance. These are traditions which are known by different names in the Asian region, including *Reformasi*. These are traditions which we enjoy (and sometimes take for granted) everyday, though we should do so in eternal vigilance of the ever-present trends towards its depreciation, even in the West, which the Mont Pèlerin Society was set up to resist.

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