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NOTES ON WEEKEND IX, WITH
K. POLANYI, APRIL 6, 1957

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"THE GREAT TRANSFORMATION AND AMERICA"

P. has written to Bledsoe that we might have much more of an outlook book than originally planned. It would raise the problem of freedom in a technological society. We might have to read up Fromm's two latest books.

We might have a shorter book. We might include the Rousseau material. P. has discussed with Halasz the question of these ideas turning on maturity. P. would also like to use the idea on the reform of consciousness which he wrote 30 years ago.

The reality of society is the content of the reform of consciousness and turns on the maturity achieved through resignation and acceptance of the reality of society. Halasz thinks this needs to be written today.

It turns on the problem of freedom and the way we formulate it. There is the death of individual freedom and rebirth on new levels. (On the whole the balance is very positive).

Some of the ideas of Fromm are a good starting point for the reform of consciousness. But Fromm is said to have introduced matters having a utopian smack.

Our questions are of the highest order, and these questions are put to everybody (e.g., ^{as} the New Testament was put to everybody).

The problem is not the scope but the diversity of aspects and of material that would have to be touched upon and this is frightening. It would not mean that the material would not be simple. But full

development is not possible, that would need volumes.

P. thinks we have two important things to say:

- 1) The economic fallacy
- 2) The illusion about society.

The economic position is nearer to the understanding of man today. What we have to do is to transcend the economic position and we are being told this from all sides. But this is a mixed criticism of human existence involving materialism and the alienation of man.

But the third position is a breakthrough to a different problem - the technological civilization which is independent of socialism. It is not only a question of materialist socialism or idealistic socialism, but if socialism is absolutistic (100% idealism and totalitarianism) it is the death of freedom.

But now we relate the first and third position, namely the economic fallacy and the technological civilization. We go one step further. Marx didn't see that it's a complex society we are faced with, whether capitalist or socialist. We are faced with the reality which is the end of freedom in the old sense.

P. is for a book with a simple structure but which goes on to a subject matter which is the proof of its relevance - to relate the world as it happens to our thoughts.

Where does the reality of society begin and where does freedom begin. At the end of the book it turns out that we don't know. The

Complex
society

first chapter hinges on the idea that a metaphysical problem is seen and an answer is promised. We mention and promise the metaphysics but we threaten no solution at all.

The second chapter might be on the economistic fallacy and borrowing from "the livelihood of man" we might say that this is an economistic world and therefore we can't deal with the economy (i.e., relativize it).

The economistic fallacy is a metaphysical problem and we distinguish it from a perspectival problem which is historical. It is not that we get confused by the din but we don't know who we are.

P. feels that we should create a position that the whole world can share. The title might be "Ultimate Freedom". The word "ultimate" means something pretty far back and something we don't just now have.

The metaphysical and philosophical discontent is at the center of the question. The economistic fallacy idea is that we are changing from here because the deeper cause of all our troubles is becoming apparent and that is the technological civilization - so the question of man's existence is up, inner and outer existence.

The acceptance of the reality of society occurs in a cynical and deadly way. There is a danger to freedom where conformism and totalitarianism are equated.

The common roots are the technological civilization and frustration and alienation are catalyzed by the loss of freedom. We can argue that technology has both advantages and disadvantages. There is not only

alienation and frustration but also the opposite - that we are impatient and violent.

Fromm says that there is conformity that creates repression eliminating all that is evil and all that is good. (The subconscious contains all that is good too.)

Arendt gives the psychological-physiological criticism of a technological civilization. We are for a technological civilization and we are for freedom in spite of it.

We get the great change from the shift in the economic axis to the moral axis. People think that by the moral axis we mean the ethical and that we insist on ideals. To say the moral and political axis doesn't mean trivial conventions but something different.

The way to write is not to use the popular phrasings but to write in a matter-of-fact tone. Some things in my writing that are powerful are metaphors and they do exactly what is needed. I should avoid bringing in words with many associations.

P. feels that we should create a position the whole world can share.

FREEDOM AND TECHNOLOGY

Everything leads back to the shape of inner life. This is axiomatic and is really linked to the question of what is inner life in the complex society.

What is the complex society? It is technology and that is where the idea of progress comes from. Also science comes from there. Science is an extension of this and the mind penetrates the physical environment.

If we assume that technology is crucial and that inner life is the decisive factor we have to understand the position of an inner life in a technologically complex society. Our conviction is that inner life is essential and there is also our adherence to science.

Whitehead talked about the irrationality of facts. The strength of the epistemological position is examining these.

The idea of progress is that of accretional knowledge and looking to the future (the Jewish-Christian position). Salvation and security lie in the future. P. thinks that eternity is the characteristic of compelling truth and wouldn't become more or less true in time.

The complex society is not only complex because of the many firms in the telephone book (this is Arensberg's thought). What makes it so complex is the enormous degree of interdependence we have produced and the irrevocability of our attachedness; we can't contract out and have where to go, and we remain dependant on these people for the next day.

When we try to transform society we discover the limits of this transformation. The transformation of society is based on the discontents which everybody formulates in the same way: injustice, alienation, and the frustrations of inner life - the characteristics of human community which are expressed to this call to love. Our call to improve on this society, to make it more just, human and free has not ceased. Behind this is the insistence on inner life itself. That is not threatened immediately but ultimately.

A complex society is exteriorized. We are not in the position of being a free and independent agent. We can imagine that we are and pretend to be and so we become nobodies - imagined creatures and we are things that we cannot be. All we can do is change society in the right direction and resign ourselves to the unchangeable. That something outside of us is unchangeable is the terrible knowledge we all possess.

Thus we overcompensate in idealism and demand what we lost in reality.

Power and compulsion are necessary for the survival of a complex society and have taken away from us the guardianship of our soul. We are not in a position to take care of salvation in the inner life. (Jesus negated his mother and family in the name of his mission).

The basic thought is the way out: that is maturity which would lead to a permissible acceptance of the reality of society. It is a clear proposition and would rid us of the terror of suicide through abstractions. Through the reform of our consciousness we can regain the reality of inner life which was endangered.

We don't know if the forms of life will not collapse. We can't know the outcome because if we knew we probably wouldn't exist at all. Nothing else should come in.

With the economistic fallacy there is a clear, strong and powerful problem. We must drop the 19th century position. We are faced with clear problems - alienation and frustration.

If the book starts with the economistic fallacy we then go on briefly to say that in the world in which peace and freedom will be problems, the present life conditions centered on frustration and alienation reveal their deeper content as a loss of freedom. We can have a brief philosophical introduction and then come back in a positive way answering the problem.

Whether society is totalitarian or conformist makes no difference. It is not true that it is governmental power. That covers up the unity of opinion behind it.

What about exteriorizing? Ultimately the technologically complex society becomes humanly complex. You can't contract out and whatever you decide you are affecting it.

On a psychological level, alienation and frustration creates the societal situation where freedom has gone. This frustration etc. P. calls forms of life. We don't for one moment ignore these. But we might, up to a point, adjust to this. What we cannot do is do away with the complexity of society which is given by technology and gives an infinitely refined and complex skeleton to human organization. We should insist and detail the externalization and give many examples.

We can use technology to solve the problems that technology raises.

But we don't resign ourselves and rebel in an empty direction. It is a compensation for the freedom we know we haven't got. Nothing is more depressing than the perfectionist terms in which ever more criminal mankind argues about its affairs. The more imperfect the action the more perfectionist the pretenses.

The 18th century said we are rotters going after our own interest but the other man is even worse e.g., the dynastic wars of the 17th and 18th century, such as the Spanish War of Succession etc.

Freedom, in the most important sense of the word as the guardian of our soul is not a nice position to be in.

It is not the paradoxes of technology but of the complex society. The production and consumption of TV affects freedom. We don't influence directly the way it is produced. The way it's produced and consumed affects freedom. The Roman empire and the Roman church were also very complex but that complexity did not attack our individual freedom. It's the hydro that enforces compliance. If it stops you can't heat.

Society didn't start to be complex yesterday. But the complexity of such things as producing TV works in a definite way and affects freedom.

It is the concrete analysis of the phenomenon we are after. We have to avoid the common widespread concepts of why technology endangers inner life. We want to make the point of freedom in the

sense in which we speak of freedom e.g., that we can contract out and not take a part. If we give that up we give up Christian freedom.

The Anglican church etc. will say that this is nonsense and has nothing to do with the question.

Our society is in some ways less complex than e.g., primitive money. Arensberg says that a measure of the complexity may be the number of professions which for example he might count. Other things have disappeared: kinship, position, guild system etc.

There is a meaning of freedom which is forgotten and which you get only if you link Christianity with freedom. This is the revelation that man may lose his salvation and eternal life i.e., the meaningfulness of his life.

My question: What is complex about a complex society?

I must be startlingly radical in this regard. We don't know when and how this change occurred but it should be dated when the machine first made its appearance. When socialism first appeared it came in the wake of the machine and Owen saw the problem at a glance.

We don't know what makes a complex society, whether it is the machines for daily necessities, or the centralization of utilities for all the requirements of daily life, or communications media, or the atom bomb danger.

Historically, a hundred and fifty years is a moment and the industrialization of the planet was not completed in this time. This is all the answer there is. There was no socialism in the middle ages.

In America if you are for socialism you are for pick-pockets. Socialism in Asia and Africa brings industrialism and in America and Europe it stops it. It is the motive of the community. The purposefulness of life brings this about. The essential thing about socialism is the meaningful directing of the community's existence (this would cover Fascism too). That is where the reality of society links all modern consciousness.

Owen said that as long as Christianity prevails nothing can be done.

P.'s point is that something happens at the same time as machine production develops. Token currencies make their appearance, social legislation appears in this period and the concern about traditional religion weakens in the mass of the people. The concern about the condition of the people becomes general in advanced countries and is expressed in widely-spread passionately-held social philosophies. In the English parliament this is called the "condition of the people". On the continent, in France and Germany it is called the social question.

Where the machine is mentioned science must be mentioned as well. If you date the machine from 1740 or '50, science dates from 1850, about a hundred years later.

Frustrations and alienation in a technological civilization and adjustment of life it requires may eventually lead to a recognition of a dwindling or loss of inner freedom which transcends the institutional sphere.

There is thus the technological civilization, the adjustment of life and thirdly, the loss of freedom which may destroy those forms of adjustment but we are uncertain whether we can survive it. Indicate there is here a danger of untrammelled idealism wiping us off the globe.

We are losing the freedom beyond the civic liberties. The reality of society is on the same level as the death of freedom because the reality of society makes the freedom we thought we had a delusion. The condition of the Christian freedom is the freedom which is the burden - the guardianship of our inner life. It has long ceased to exist only we don't take note of it. This ^{is} the freedom which is gone.

Our resistance leads to a reform of our consciousness. The crisis which is up now is expressed in compulsion to recognize the reality of society which bereft us of it - the illusionary freedom. These are the questions of a technological civilization.

The same problem existed as in the 1820's and is doubtful whether society permits the utopian character of the absolutes. There is no sociologist to tell us the limits. The market utopia, fascism and communism have taught us something.

Myself: The self-assertion of society need not be the end of freedom, but the scene of the struggle to establish the ultimate boundaries of freedom.

Why do we call this freedom, Is it because it has something to do with freedoms, or independance from society or that all good things are called freedom?

Adjustment may have to go, if truth cannot be adjusted to adjustment. The personality cutting loose from society is illusionary.

The individual is free to safeguard his conscience. We have no words to distinguish inner life phenomena and the danger to it in a technological culture, or terms to express man's freedom because freedom means so many things.

In The Great Transformation P. gave the reality of society as the third revelation and all he said was that we would have to resign ourselves and create a new life. Instead of a delusionary freedom we would get maturity and then there would be no contradiction.

We can have all of the freedoms we insist on and more, but they are the fruit of maturity.

We don't exclude the machine solving its problems but not without increasing complexity.

For 200 years political theory had been moving along the same lines, Rousseau said: "man is born free and everywhere is in chains". "Free man" is a Christian freedom and "chains" is society. This puts in a very few words the dilemma of the whole matter and the question arises which we don't answer. This is P.'s most important contribution to social philosophy.

The reality of society is a reform of consciousness and is not a psychological phenomenon but of a mind character.

The center of maturity is a new kind of tolerance.

Life is turned inside out - externalization. The atom and TV are the end of freedom in an exoteric sense.

The reason for the peril we are in is that the foundation of what we mean by the meaning of life has been shaken.

What do we mean by the reality of society beyond power, economic value and externalization?

It culminates in Rousseau - the antinomy on where do natural rights and law come from. From the Christian position.

But man is born dangling from his mother's belly and not free. Rousseau meant delusionary freedom. And what kind of chains? He meant there was a society around him.

R. Owen said that we would have to do a very great deal to make life human and bearable. How did it occur to him that we would reach the limits of society and resign ourselves? He transcends centuries and illuminates mountains of darkness before him.

Comte discovered the same as Robert Owen but argued in the opposite direction. Comte discovered that there were laws in society which were unalterable. He founded a sect and he was the Pope. The Scientificos in Mexico are Comtists. Comte was greater than Spencer and antedates him by 20 years.

Adam Smith thought that the worker was just an animal and in London these animals are amused and entertained. Wells had the ideas of the Time Machine and Huxley wrote the book about the Brave New World.

P. hasn't changed his mind since the end of The Great Transformation.

We can't say "what a queer creature man is". The interest has moved to the complex society and the above expression closes the door, and you can't reppen it on the entirely different landscape. The question arises whether we should write the book briefly or at length. Only if we have much thought and material can we write a brief book. Everybody prefers a brief book to a long one.

No one has written the history of the machine this way. How did it effect the character of the reality of society? It brought society to the brink of not being able to go on under its delusion. It affects innermost life.

Kant said that so long as you act under your own law, you are free. Kant regarded that as the answer to the autonomy of the personality.

The terror of the French Revolution was Rousseauian, Saint-Just and Robespierre - the dictatorship of virtue.

HUMAN SOCIETY

Adam Smith gave body to a vision of society consisting of individual atoms.

But there is an idea here which has never been developed (except for a faculty seminar). Why does the economist think that his concepts are generally valid even though it doesn't work for primitive or ancient societies? Because he assumes a vision of society which makes human society a potential market system. But where does he get this thought that human society is essentially markets? From atomistic individualism. The strength of the economic theory is their vision of society. It is this assumption which makes the economic theory applicable and leads to a concept of society which makes this a probable state of affairs. Human society is regarded as a potential market because it is seen as an aggregate of individual atoms.

We are looking for an alternative and the reality of society is an alternative. We haven't got it and if we had it P.'s position wouldn't have importance. (No man knows what he leaves - Hamlet). The limits to which human society can be transformed are not known and the only way is to try to transform it. This is Owen's idea and that is the moral idea. It is to live by Christianity or Buddhism and to find out the limits which the reality of society sets, and there is no other way.

Looking at it in a historical way there was the market utopia, fascism, bolshevism, and now we are mature by so much.

limits
of the reality of
society

The dialectic is a concrete one and is the common experience of mankind and what man has developed into. His common experience is what he has matured into.

The limits can be found only in practice and not unless we try. This is the operational and pragmatic element. (Empiry is the testing of knowledge. Pirus is the Greek word for limit and Empiry is to put to the test).

(The temptations in the New Testament is satan who tested and tempted Jesus).

THE MIND

Reciprocity is a basic characteristic of the human mind. We cannot conceive of there not being an adequate response. It is a compelling feature of the mind function whether good is rewarded or evil punished. If something happens in one way then something else happens in another.

The reciprocity in the mutuality of gift-giving is the same as the compulsion of retaliation ('Talion' is the "eye for an eye"). It comes from the human mind demanding as a logical necessity that some change one way must be accompanied by something complementary. In this way we see in retaliation the same thing as reciprocity.

Unless there were symmetrically organized groups there would be no reciprocity. The Great Transformation is based on Thurnwald's thought which Malinowski took over.

We know nothing about the mind, e.g. why a syllogism is compelling. We call the mind the sum-total of compelling elements. Thus, to call the mind phenomenon subjective is absurd. This would make mathematics logic and geometry subjective.

"Compelling" is a function of an argument and it means that you don't find yourself in a position to contradict it. You accept it as true and valid and you are unable to think otherwise.

My question: Is there some element of overcompensation in idealism?

Saints show their inhuman character all the way.

Overcompensation is Adlerian and assumes inferiority complexes. This is the way the surface of consciousness works.

We are looking at forces which are not psychological but mind phenomena. The problem of how to distinguish what we say - the laws of inner life - and the psychological, doesn't mean that those phenomena don't exist. But it's a semantic question. We must try and find metaphors and a formula to distinguish between psychology and the mind.

One gets into difficulty on the term "consciousness". It seems to be psychological, but mathematics is not a psychological phenomenon. Political phenomena, the mind, and moral phenomena should be contrasted (distinguished) from psychological phenomena. The contents of the human soul are the same as the content of mind. We mean the compelling elements.

One metaphor that can be used is that the mind is like the ice which flows in the river. Although it is of the same substance as the river the aggregate is different. There is nothing in the mind which is of a different sort of content. It has a different function and this would have to be related to the reform of consciousness. The form is changing.

The mass of people can't resist. All of them together will not resist the pressure indefinitely.

P. assumes free will. Man's self-description of having

free will is correct, but this seems to be to deny the economic forces will compel people to do something. It is not the individual but the mass which is compelled. The individual knows that he is an individual, but the town or population can't resist famine.

Other factors are also involved. All religions assume free will. Science says it can prove that there isn't such a thing. But it proves something different - how the mass will behave in the long run. With a mass there are no loyalties and mind forces enter.

P.'s conclusion is that the individual is under compulsion only from the mind forces but not from psychological forces. All assume a free adherence to it. Even mathematics is that way.

P. uses the mind as synonymous with power in politics, and in psychology with the compelling element.

P. wants to stress that knowledge which is revealed and fundamental and which we can't doubt. The source of the compulsion is to accept it as valid knowledge. One can't say that there is compulsion to be compelled by them. $2 \text{ plus } 2 = 4$ and that is so because you call it four. There is a meaning here that you can show. You can transfer this as an operationally verifiable fact. As a fact there is nothing to compel you to submit to this or to consistent thinking in that sphere.

There is no mind phenomenon which has not something which logic calls premises.

In aesthetics, law, ethics, mathematics, and in a number of other disciplines they register these arguments.

MONEY

Money is quantifiable objects in definite uses. How is it a means of communication or information? Its availability or presence creates a linkage between all situations in which this object and that figure can operate. It makes the money fit another quantity which it doesn't fit. For example for fifty dollars I can avoid being hanged. Also for running fifty miles I can get fifty dollars. If I paid fifty dollars I can avoid getting hanged. If I run fifty miles I can earn fifty dollars. Except for the fifty dollars there is no connection between running fifty miles and getting hanged. Only with the fifty dollars you have a possible connection. If you introduce into the situation a dog for which you can get fifty dollars, this possession of the dog will make it possible to write a number of dramatic plays about the thing. Now I can decide if it's worthwhile to run fifty miles and not get hanged and the various other combinations. If you don't make it fifty dollars but forty-nine dollars there is no play at all.

Now what does money do? On the face of it, money is either a means of exchange or payment. But by saying this you have said nothing about the money in the context of these situations. For example, money is paid for not getting hanged and money is acquired for running fifty miles and money is a standard. To say a dog can be sold for fifty dollars makes it a means of exchange. Everything hinges on the quantitativity and the situations don't communicate. Then it turns out that they have something in common: the importance of the situation is measured by the fifty dollars. But this is only the consequence of the operational fact, otherwise there is nothing

to connect them. But now we say they have the same importance. The possession of a dog is measured by fifty while one can say that otherwise the situations have nothing in common. If there is no money there is no alternativity.

If a key fits my door and also the bank safe, it doesn't follow that these are equated. The key might open many different things.

That it measures something is irrelevant to communications. It effectuates something and makes something happen. The same symbol is used for two utterly different situations.

What P. says about money in "The Great Transformation" isn't true because of commodity money.

"TRADE & MARKET"

P. is satisfied with the book - "Trade and Market". It was a fortunate conjunction of circumstances which made the book possible at this time. It would not have been easy to produce a better book. It would have been easy to go in a direction in which it can't be done. We might have been in a position to produce something different and it would not have served the same purpose but an inferior purpose.

This symposium kind of method is very dangerous. Another book appeared recently with a symposium about the broader fields of the social sciences. It has excellent contributions from the point of view of scholars and writing.

P. can't remember a new position being taken by a whole group so precisely. The crucial steps were taken in the last three months and molded into a unified whole with no repetitions or contradictions, with 90% unity of terminology. Many fortunate and semi-accidental circumstances combined.

Without the index of topics the book loses half of its value. It helps to ascertain in what contexts these terms occur in the book. It is not possible to see where the definitions are consistent and inconsistent otherwise.

After I had written my Introductory Note, it was found that there were missing links and P. was compelled to produce answers

to questions which never were answered. (The concluding note takes the same form).

In some passages I took it further than before. The addition, by P. of other material to the Note, happened on the same level and it didn't prove impossible to maintain the level.

NOTES

INTERDISCIPLINARY PROJECT

On the question of underdeveloped economies, Boeke has written a book on Java and Sumatra. We have a case of the modern economy and the native one living side-by-side, - two worlds. The external economy refers to currency and the balance of payments problems. In the internal economy the institution of the market requires destroying the kinship or clan system. Otherwise, the jar for accumulating has a hole in it.

There is a confirmation of P.'s position in the oaths and counter-oaths of the Karum and is a proof of the treaties.

P. will write a paper for the Oriental Institute symposium on the economic aspect of the growth of cultures. It is a recognition that P.'s work on the growth of institutions has relevance. P. started to work on this in the last 3 or 4 days.

Arensberg said that the project should take up money. P. agreed. P. started to put questions on money - dozens of them. Arensberg will select those which make sense. P. put those questions on money which would link up with economic history.

PEARL HARBOR

Pearl Harbor was the failure of the American college system. It was based on the assumption of what a man is capable of doing. Military considerations are based on this and at West Point, for at

least a generation, the limits of what was possible had not changed. This was based on what an American would try. The failure of a generation can be put down to education.

SUEZ

Although Eton may have won at Waterloo it lost at Suez. The British made two mistakes - to have landed in Egypt and then to have left. The second was worse than the first. Dulles is not denying that this was a brink affair.

DUBARLE

Dubarle's position is ontological. He describes a world which is, and it is a Catholic position.

HOMANS

Homans of Harvard wrote a book on Marriage, Authority and Final Causes. P. suggests that I should see what he means and read it.

JEWS AND CHRISTIANITY

The reason for anti-semitism is that Jews are rightly charged with having brought Christianity into the world and then evading the consequences. (P. thinks it is true). The Jew thinks that the Gentile is pretty silly to be saddled with this religion. It is an unbearable burden.

P. always thought so. The Nazis said that Bolshevism was Christianity all over again and the Jews ought to be destroyed because they are responsible for Christianity.

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Some of the ideas of Fromm are a good starting point for the reform of consciousness. But Fromm is said to have introduced matters having a utopian smack.

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development is not possible, that would need volumes.

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- 2) The illusion about society.

The economic position is nearer to the understanding of man today. What we have to do is to transcend the economic position and we are being told this from all sides. But this is a mixed criticism of human existence involving materialism and the alienation of man.

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Fromm says that there is conformity that creates repression eliminating all that is evil and all that is good. (The subconscious contains all that is good too.)

Arendt gives the psychological-physiological criticism of a technological civilization. We are for a technological civilization and we are for freedom in spite of it.

We get the great change from the shift in the economic axis to the moral axis. People think that by the moral axis we mean the ethical and that we insist on ideals. To say the moral and political axis doesn't mean trivial conventions but something different.

The way to write is not to use the popular phrasings but to write in a matter-of-fact tone. Some things in my writing that are powerful are metaphors and they do exactly what is needed. I should avoid bringing in words with many associations.

P. feels that we should create a position the whole world can share.

FREEDOM AND TECHNOLOGY

Everything leads back to the shape of inner life. This is axiomatic and is really linked to the question of what is inner life in the complex society.

What is the complex society? It is technology and that is where the idea of progress comes from. Also science comes from there. Science is an extension of this and the mind penetrates the physical environment.

If we assume that technology is crucial and that inner life is the decisive factor we have to understand the position of an inner life in a technologically complex society. Our conviction is that inner life is essential and there is also our adherence to science.

Whitehead talked about the irrationality of facts. The strength of the epistemological position is examining these.

The idea of progress is that of accretional knowledge and looking to the future (the Jewish-Christian position). Salvation and security lie in the future. P. thinks that eternity is the characteristic of compelling truth and wouldn't become more or less true in time.

The complex society is not only complex because of the many firms in the telephone book (this is Arensberg's thought). What makes it so complex is the enormous degree of interdependence we have produced and the irrevocability of our attachedness; we can't contract out and have where to go, and we remain dependant on these people for the next day.

When we try to transform society we discover the limits of this transformation. The transformation of society is based on the discontents which everybody formulates in the same way: injustice, alienation, and the frustrations of inner life - the characteristics of human community which are expressed to this call to love. Our call to improve on this society, to make it more just, human and free has not ceased. Behind this is the insistence on inner life itself. That is not threatened immediately but ultimately.

A complex society is exteriorized. We are not in the position of being a free and independent agent. We can imagine that we are and pretend to be and so we become nobodies - imagined creatures and we are things that we cannot be. All we can do is change society in the right direction and resign ourselves to the unchangeable. That something outside of us is unchangeable is the terrible knowledge we all possess.

Thus we overcompensate in idealism and demand what we lost in reality.

Power and compulsion are necessary for the survival of a complex society and have taken away from us the guardianship of our soul. We are not in a position to take care of salvation in the inner life. (Jesus negated his mother and family in the name of his mission).

The basic thought is the way out: that is maturity which would lead to a permissible acceptance of the reality of society. It is a clear proposition and would rid us of the terror of suicide through abstractions. Through the reform of our consciousness we can regain the reality of inner life which was endangered.

We don't know if the forms of life will not collapse. We can't know the outcome because if we knew we probably wouldn't exist at all. Nothing else should come in.

With the economistic fallacy there is a clear, strong and powerful problem. We must drop the 19th century position. We are faced with clear problems - alienation and frustration.

If the book starts with the economistic fallacy we then go on briefly to say that in the world in which peace and freedom will be problems, the present life conditions centered on frustration and alienation reveal their deeper content as a loss of freedom. We can have a brief philosophical introduction and then come back in a positive way answering the problem.

Whether society is totalitarian or conformist makes no difference. It is not true that it is governmental power. That covers up the unity of opinion behind it.

What about exteriorizing? Ultimately the technologically complex society becomes humanly complex. You can't contract out and whatever you decide you are affecting it.

On a psychological level, alienation and frustration creates the societal situation where freedom has gone. This frustration etc. P. calls forms of life. We don't for one moment ignore these. But we might, up to a point, adjust to this. What we cannot do is do away with the complexity of society which is given by technology and gives an infinitely refined and complex skeleton to human organization. We should insist and detail the externalization and give many examples.

We can use technology to solve the problems that technology raises.

But we don't resign ourselves and rebel in an empty direction. It is a compensation for the freedom we know we haven't got. Nothing is more depressing than the perfectionist terms in which ever more criminal mankind argues about its affairs. The more imperfect the action the more perfectionist the pretenses.

The 18th century said we are rotters going after our own interest but the other man is even worse e.g., the dynastic wars of the 17th and 18th century, such as the Spanish War of Succession etc.

Freedom, in the most important sense of the word as the guardian of our soul is not a nice position to be in.

It is not the paradoxes of technology but of the complex society. The production and consumption of TV affects freedom. We don't influence directly the way it is produced. The way it's produced and consumed affects freedom. The Roman empire and the Roman church were also very complex but that complexity did not attack our individual freedom. It's the hydro that enforces compliance. If it stops you can't heat.

Society didn't start to be complex yesterday. But the complexity of such things as producing TV works in a definite way and affects freedom.

It is the concrete analysis of the phenomenon we are after. We have to avoid the common widespread concepts of why technology endangers inner life. We want to make the point of freedom in the

sense in which we speak of freedom e.g., that we can contract out and not take a part. If we give that up we give up Christian freedom.

The Anglican church etc. will say that this is nonsense and has nothing to do with the question.

Our society is in some ways less complex than e.g., primitive money. Arensberg says that a measure of the complexity may be the number of professions which for example he might count. Other things have disappeared: kinship, position, guild system etc.

There is a meaning of freedom which is forgotten and which you get only if you link Christianity with freedom. This is the revelation that man may lose his salvation and eternal life i.e., the meaningfulness of his life.

My question: What is complex about a complex society?

I must be startlingly radical in this regard. We don't know when and how this change occurred but it should be dated when the machine first made its appearance. When socialism first appeared it came in the wake of the machine and Owen saw the problem at a glance.

We don't know what makes a complex society, whether it is the machines for daily necessities, or the centralization of utilities for all the requirements of daily life, or communications media, or the atom bomb danger.

Historically, a hundred and fifty years is a moment and the industrialization of the planet was not completed in this time. This is all the answer there is. There was no socialism in the middle ages.

In America if you are for socialism you are for pick-pockets. Socialism in Asia and Africa brings industrialism and in America and Europe it stops it. It is the motive of the community. The purposefulness of life brings this about. The essential thing about socialism is the meaningful directing of the community's existence (this would cover Fascism too). That is where the reality of society links all modern consciousness.

Owen said that as long as Christianity prevails nothing can be done.

P.'s point is that something happens at the same time as machine production develops. Token currencies make their appearance, social legislation appears in this period and the concern about traditional religion weakens in the mass of the people. The concern about the condition of the people becomes general in advanced countries and is expressed in widely-spread passionately-held social philosophies. In the English parliament this is called the "condition of the people". On the continent, in France and Germany it is called the social question.

Where the machine is mentioned science must be mentioned as well. If you date the machine from 1740 or '50, science dates from 1850, about a hundred years later.

Frustrations and alienation in a technological civilization and adjustment of life it requires may eventually lead to a recognition of a dwindling or loss of inner freedom which transcends the institutional sphere.

There is thus the technological civilization, the adjustment of life and thirdly, the loss of freedom which may destroy those forms of adjustment but we are uncertain whether we can survive it. Indicate there is here a danger of untrammelled idealism wiping us off the globe.

We are losing the freedom beyond the civic liberties. The reality of society is on the same level as the death of freedom because the reality of society makes the freedom we thought we had a delusion. The condition of the Christian freedom is the freedom which is the burden - the guardianship of our inner life. It has long ceased to exist only we don't take note of it. This ^{is} the freedom which is gone.

Our resistance leads to a reform of our consciousness. The crisis which is up now is expressed in compulsion to recognize the reality of society which bereft us of it - the illusionary freedom. These are the questions of a technological civilization.

The same problem existed as in the 1820's and is doubtful whether society permits the utopian character of the absolutes. There is no sociologist to tell us the limits. The market utopia, fascism and communism have taught us something.

Myself: The self-assertion of society need not be the end of freedom, but the scene of the struggle to establish the ultimate boundaries of freedom.

Why do we call this freedom, Is it because it has something to do with freedoms, or independence from society or that all good things are called freedom?

Adjustment may have to go, if truth cannot be adjusted to adjustment. The personality cutting loose from society is illusionary.

The individual is free to safeguard his conscience. We have no words to distinguish inner life phenomena and the danger to it in a technological culture, or terms to express man's freedom because freedom means so many things.

In The Great Transformation P. gave the reality of society as the third revelation and all he said was that we would have to resign ourselves and create a new life. Instead of a delusionary freedom we would get maturity and then there would be no contradiction.

We can have all of the freedoms we insist on and more, but they are the fruit of maturity.

We don't exclude the machine solving its problems but not without increasing complexity.

For 200 years political theory had been moving along the same lines, Rousseau said: "man is born free and everywhere is in chains". "Free man" is a Christian freedom and "chains" is society. This puts in a very few words the dilemma of the whole matter and the question arises which we don't answer. This is P.'s most important contribution to social philosophy.

The reality of society is a reform of consciousness and is not a psychological phenomenon but of a mind character.

The center of maturity is a new kind of tolerance.

Life is turned inside out - externalization. The atom and TV are the end of freedom in an exoteric sense.

The reason for the peril we are in is that the foundation of what we mean by the meaning of life has been shaken.

What do we mean by the reality of society beyond power, economic value and externalization?

It culminates in Rousseau - the antinomy on where do natural rights and law come from. From the Christian position.

But man is born dangling from his mother's belly and not free. Rousseau meant delusionary freedom. And what kind of chains? He meant there was a society around him.

R. Owen said that we would have to do a very great deal to make life human and bearable. How did it occur to him that we would reach the limits of society and resign ourselves? He transcends centuries and illuminates mountains of darkness before him.

Comte discovered the same as Robert Owen but argued in the opposite direction. Comte discovered that there were laws in society which were unalterable. He founded a sect and he was the Pope. The Scientificos in Mexico are Comtists. Comte was greater than Spencer and antedates him by 20 years.

Adam Smith thought that the worker was just an animal and in London these animals are amused and entertained. Wells had the ideas of the Time Machine and Huxley wrote the book about the Brave New World.

P. hasn't changed his mind since the end of The Great Transformation.

We can't say "what a queer creature man is". The interest has moved to the complex society and the above expression closes the door, and you can't reppen it on the entirely different landscape. The question arises whether we should write the book briefly or at length. Only if we have much thought and material can we write a brief book. Everybody prefers a brief book to a long one.

No one has written the history of the machine this way. How did it effect the character of the reality of society? It brought society to the brink of not being able to go on under its delusion. It affects innermost life.

Kant said that so long as you act under your own law, you are free. Kant regarded that as the answer to the autonomy of the personality.

The terror of the French Revolution was Rousseauian, Saint-Just and Robespierre - the dictatorship of virtue.

HUMAN SOCIETY

Adam Smith gave body to a vision of society consisting of individual atoms.

But there is an idea here which has never been developed (except for a faculty seminar). Why does the economist think that his concepts are generally valid even though it doesn't work for primitive or ancient societies? Because he assumes a vision of society which makes human society a potential market system. But where does he get this thought that human society is essentially markets? From atomistic individualism. The strength of the economic theory is their vision of society. It is this assumption which makes the economic theory applicable and leads to a concept of society which makes this a probable state of affairs. Human society is regarded as a potential market because it is seen as an aggregate of individual atoms.

We are looking for an alternative and the reality of society is an alternative. We haven't got it and if we had it P.'s position wouldn't have importance. (No man knows what he leaves - Hamlet). The limits to which human society can be transformed are not known and the only way is to try to transform it. This is Owen's idea and that is the moral idea. It is to live by Christianity or Buddhism and to find out the limits which the reality of society sets, and there is no other way.

Looking at it in a historical way there was the market utopia, fascism, bolshevism, and now we are mature by so much.

limits
of the reality of
society

The dialectic is a concrete one and is the common experience of mankind and what man has developed into. His common experience is what he has matured into.

The limits can be found only in practice and not unless we try. This is the operational and pragmatic element. (Empiry is the testing of knowledge. Pirus is the Greek word for limit and Empiry is to put to the test).

(The temptations in the New Testament is satan who tested and tempted Jesus).

THE MIND

Reciprocity is a basic characteristic of the human mind. We cannot conceive of there not being an adequate response. It is a compelling feature of the mind function whether good is rewarded or evil punished. If something happens in one way then something else happens in another.

The reciprocity in the mutuality of gift-giving is the same as the compulsion of retaliation ('Talion' is the "eye for an eye"). It comes from the human mind demanding as a logical necessity that some change one way must be accompanied by something complementary. In this way we see in retaliation the same thing as reciprocity.

Unless there were symmetrically organized groups there would be no reciprocity. The Great Transformation is based on Thurnwald's thought which Malinowski took over.

We know nothing about the mind, e.g. why a syllogism is compelling. We call the mind the sum-total of compelling elements. Thus, to call the mind phenomenon subjective is absurd. This would make mathematics logic and geometry subjective.

"Compelling" is a function of an argument and it means that you don't find yourself in a position to contradict it. You accept it as true and valid and you are unable to think otherwise.

My question: Is there some element of overcompensation in idealism?

Saints show their inhuman character all the way.

Overcompensation is Adlerian and assumes inferiority complexes. This is the way the surface of consciousness works.

We are looking at forces which are not psychological but mind phenomena. The problem of how to distinguish what we say - the laws of inner life - and the psychological, doesn't mean that those phenomena don't exist. But it's a semantic question. We must try and find metaphors and a formula to distinguish between psychology and the mind.

One gets into difficulty on the term "consciousness". It seems to be psychological, but mathematics is not a psychological phenomenon. Political phenomena, the mind, and moral phenomena should be contrasted (distinguished) from psychological phenomena. The contents of the human soul are the same as the content of mind. We mean the compelling elements.

One metaphor that can be used is that the mind is like the ice which flows in the river. Although it is of the same substance as the river the aggregate is different. There is nothing in the mind which is of a different sort of content. It has a different function and this would have to be related to the reform of consciousness. The form is changing.

The mass of people can't resist. All of them together will not resist the pressure indefinitely.

P. assumes free will. Man's self-description of having

free will is correct, but this seems to be to deny the economic forces will compel people to do something. It is not the individual but the mass which is compelled. The individual knows that he is an individual, but the town or population can't resist famine.

Other factors are also involved. All religions assume free will. Science says it can prove that there isn't such a thing. But it proves something different - how the mass will behave in the long run. With a mass there are no loyalties and mind forces enter.

P.'s conclusion is that the individual is under compulsion only from the mind forces but not from psychological forces. All assume a free adherence to it. Even mathematics is that way.

P. uses the mind as synonymous with power in politics, and in psychology with the compelling element.

P. wants to stress that knowledge which is revealed and fundamental and which we can't doubt. The source of the compulsion is to accept it as valid knowledge. One can't say that there is compulsion to be compelled by them. $2 \text{ plus } 2 = 4$ and that is so because you call it four. There is a meaning here that you can show. You can transfer this as an operationally verifiable fact. As a fact there is nothing to compel you to submit to this or to consistent thinking in that sphere.

There is no mind phenomenon which has not something which logic calls premises.

In aesthetics, law, ethics, mathematics, and in a number of other disciplines they register these arguments.

MONEY

Money is quantifiable objects in definite uses. How is it a means of communication or information? Its availability or presence creates a linkage between all situations in which this object and that figure can operate. It makes the money fit another quantity which it doesn't fit. For example for fifty dollars I can avoid being hanged. Also for running fifty miles I can get fifty dollars. If I paid fifty dollars I can avoid getting hanged. If I run fifty miles I can earn fifty dollars. Except for the fifty dollars there is no connection between running fifty miles and getting hanged. Only with the fifty dollars you have a possible connection. If you introduce into the situation a dog for which you can get fifty dollars, this possession of the dog will make it possible to write a number of dramatic plays about the thing. Now I can decide if it's worthwhile to run fifty miles and not get hanged and the various other combinations. If you don't make it fifty dollars but forty-nine dollars there is no play at all.

Now what does money do? On the face of it, money is either a means of exchange or payment. But by saying this you have said nothing about the money in the context of these situations. For example, money is paid for not getting hanged and money is acquired for running fifty miles and money is a standard. To say a dog can be sold for fifty dollars makes it a means of exchange. Everything hinges on the quantitativity and the situations don't communicate. Then it turns out that they have something in common: the importance of the situation is measured by the fifty dollars. But this is only the consequence of the operational fact, otherwise there is nothing

to connect them. But now we say they have the same importance. The possession of a dog is measured by fifty while one can say that otherwise the situations have nothing in common. If there is no money there is no alternativity.

If a key fits my door and also the bank safe, it doesn't follow that these are equated. The key might open many different things.

That it measures something is irrelevant to communications. It effectuates something and makes something happen. The same symbol is used for two utterly different situations.

What P. says about money in "The Great Transformation" isn't true because of commodity money.

"TRADE & MARKET"

P. is satisfied with the book - "Trade and Market". It was a fortunate conjunction of circumstances which made the book possible at this time. It would not have been easy to produce a better book. It would have been easy to go in a direction in which it can't be done. We might have been in a position to produce something different and it would not have served the same purpose but an inferior purpose.

This symposium kind of method is very dangerous. Another book appeared recently with a symposium about the broader fields of the social sciences. It has excellent contributions from the point of view of scholars and writing.

P. can't remember a new position being taken by a whole group so precisely. The crucial steps were taken in the last three months and molded into a unified whole with no repetitions or contradictions, with 90% unity of terminology. Many fortunate and semi-accidental circumstances combined.

Without the index of topics the book loses half of its value. It helps to ascertain in what contexts these terms occur in the book. It is not possible to see where the definitions are consistent and inconsistent otherwise.

After I had written my Introductory Note, it was found that there were missing links and P. was compelled to produce answers

to questions which never were answered. (The concluding note takes the same form).

In some passages I took it further than before. The addition, by P. of other material to the Note, happened on the same level and it didn't prove impossible to maintain the level.

NOTES

INTERDISCIPLINARY PROJECT

On the question of underdeveloped economies, Boeke has written a book on Java and Sumatra. We have a case of the modern economy and the native one living side-by-side, - two worlds. The external economy refers to currency and the balance of payments problems. In the internal economy the institution of the market requires destroying the kinship or clan system. Otherwise, the jar for accumulating has a hole in it.

There is a confirmation of P.'s position in the oaths and counter-oaths of the Karum and is a proof of the treaties.

P. will write a paper for the Oriental Institute symposium on the economic aspect of the growth of cultures. It is a recognition that P.'s work on the growth of institutions has relevance. P. started to work on this in the last 3 or 4 days.

Arensberg said that the project should take up money. P. agreed. P. started to put questions on money - dozens of them. Arensberg will select those which make sense. P. put those questions on money which would link up with economic history.

PEARL HARBOR

Pearl Harbor was the failure of the American college system. It was based on the assumption of what a man is capable of doing. Military considerations are based on this and at West Point, for at

least a generation, the limits of what was possible had not changed. This was based on what an American would try. The failure of a generation can be put down to education.

SUEZ

Although Eton may have won at Waterloo it lost at Suez. The British made two mistakes - to have landed in Egypt and then to have left. The second was worse than the first. Dulles is not denying that this was a brink affair.

DUBARLE

Dubarle's position is ontological. He describes a world which is, and it is a Catholic position.

HOMANS

Homans of Harvard wrote a book on Marriage, Authority and Final Causes. P. suggests that I should see what he means and read it.

JEWS AND CHRISTIANITY

The reason for anti-semitism is that Jews are rightly charged with having brought Christianity into the world and then evading the consequences. (P. thinks it is true). The Jew thinks that the Gentile is pretty silly to be saddled with this religion. It is an unbearable burden.

P. always thought so. The Nazis said that Bolshevism was Christianity all over again and the Jews ought to be destroyed because they are responsible for Christianity.