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NOTES ON WEEKEND XXI WITH
K. POLANYI, MARCH 29, 1959

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THE NEW WEST

In discussions with Paul Medow, P. used the term, "The New West". It indicates that the West should have something to say - their experiences and the lessons they have learned.

At the center are the limitations of the industrial outlook. Secondly there is the position in regard to the world economy. Another lesson of the West is that nationalism is really a protection against industrialization from outside. (according to the position of The Great Transformation) But industrialization cannot be regarded as an ultimate solution and here nations come in with their own interpretation of life which is anti-industrialist, and we can explain to them the true meaning of their reservations. They all have these reservations.

P. thinks that Canada is a much more favourable domicile for any new Liberal world thinking and is less suspect to everyone.

P. has advised Medow to write me to ask how far we got on the modus vivendi project. The peoples of the East would not think of such an idea which is a highly theoretical idea, namely to discard all theory on this matter.

P. said that the first thing is to make sure that we have something to say that is meaningful and relevant and we should try to strengthen it by including such people as Myrdal, Toynbee, Boyd-Orr, Chisholm, Bunche etc. who would be some guarantee for others that these are not stooges.

Two ideas are linked together for the first time by saying that we should assume a subordinate economy. We link the ascendancy of the moral-political with actual economic policy, using as a bridge the eclipse of the economy as a predominant concern.

P. wrote to Medow and unless this is clearly and definitely a moral and spiritual message based on intellectual insights, there is no meaning to all this. We would not be listened to. That we would be listened to would depend on the relevance of the things that we have to say. We would take the line that we are speaking of part of mankind now in danger and this means the lessons of the West as we interpret them.

These nations don't ask us whether to have a revolution or not, to industrialize or not, to have planning methods or not. They don't ask us. Where we do come in is seeing beyond capitalism and socialism. These are features which derive from the technological character of civilization that they cannot see. All civilizations distrust our civilization and they are not industrially minded.

We have learned a double lesson on capitalism and socialism that comes of industrialization and is a final outlook. We need a restoration of the *modus vivendi*. Also there are the questions of how to master our stop signs gone unreliable, and how to stop conformity and the question of freedom.

P. thinks that the first point is clarification, and Paul's larger plans are premature, but Paul is a tremendous activist and in touch with all kinds of people and groups.

Paul has ideas of national integrity and he believes that the growth of the spiritual forces are safeguarded only by national groups. He turns against capitalism in the name of the national community and he defines modern nationalism as a secular movement of intellectuals. It is secularist and turns against the ancestor religions and links with science. That is what he means by national movements of the East.

Medow doesn't like the groups around Fromm who say the nationalist movements are collectivist. These are market-minded elements in Fromm's followers. He thinks that unless Fromm is corrected by the Great Transformation he can't fully trust him. At the heart of it is something strange to P. and to me - Narodnitschestvo. He is anti-state which he distrusts as a Machiavellian. He offers strong opposition to the rationalist state which is not national and he cuts through this with all kinds of formulations. The secularist state cuts away from traditionbound society. There are thoughts here which are clear and which he supports and others to which he is indifferent.

P.'s thought is on the slant of how much we have to say and P. says that the West has nothing to say and therefore is not worth listening to.

P. is not attracted to Paul's plans of "Voices" and "Money". To have three or four take part in an academic discussion in the Far East, the question is really what they have to say. The *modus vivendi* theme comes up as a very grave disturbance.

The point is how to imagine a world looking beyond industrialism. The West's contribution is only a discussion of the past and its traditions. The thing is to discuss the future.

We don't join the Marxist camp who have their own tone of voice, methods, armies, schools etc. But while the Russians are as good as we in the West in physics and chemistry and don't have economics or sociology and whatever they do have here is useless. They have Marxist teachers for instance, in Japan who write articles with a footnote that of course in Japan it's all different. There is no point in being a camouflaged Stalinist group in the West. There is no contribution of the mind here. The Russian contribution becomes sufficiently definite to become a contribution of its own. They go ahead in the East under their own name.

That is why we call this position the Voice of the West. If they disown us, it is a new West and a different West and the difficulty is that it doesn't yet exist. If this has political implications it should nevertheless be done anyway but one is not permitted to deny the international political implications to such a position. But this doesn't do the job.

P. thinks nothing of the West, he just belongs to it, i.e. he is not dominated by the superiority of the West as many Asians seem to be. Also he is not trying to understand the East (this is unnecessary). The whole of UNESCO was given to bridging the gap between East and West until the Americans stopped that.

Medow is an Afro-Asian narodnik.

Why should the West present itself to the World as a monopoly of selfish, thoughtless, repetitiousness? We are talking about what the West has to say not as a radio broadcast but for example, in a book or discussion article or a letter to the "Globe and Mail" in Canada, for example. In Canada the traditional policy was to avoid conflict of the two powers between which it was. Previously it was England and America, now it is Russia and America. It is in its interests to avoid conflict and it is really the traditional Canadian national policy.

Whether these would be thoughts for statesmen or parties is not part of this mission. It might consist for instance of a rewritten G.T. to be read in the East or something I would write for the NATO project to be published somewhere. The philosophical background for all of it is the reality of society.

P. thought that on the international sphere the problem was to get a more elastic relationship between the States and each would be more sovereign than before.

The Hungarian lesson teaches us that a socialist country should be free to make arrangements on its own affairs. It should have more autonomy on its own affairs and more latitude on others. P. had something on this in the G.T. The Hungarian lesson is a Western experience and it is one of the things to tell the others. If they are really sovereign they want to:

- 1) be able to safeguard the currency, that is to say they should be able to take up a loan and not remain politically dependent e.g. Poland.

- 2) Then there is exports. How can you save the currency ^{in a} crisis? You should be able to improve the balance of payments by dumping large amounts and reversing the balance of payments through changing markets at a moment's notice. There should be more elastic international relationships at the same time safeguarding the autonomy of sovereignty.

Both of these measures are required to avoid unemployment. Unless a country is entirely integrated and incorporated with another country you couldn't take up the unemployed. If for example these were deported from one of the satellite countries to Russia then it would be said in America that this is a slavery etc. There is something on this in the G.T. (p. 193). P. was surprised to find it there.

This was first discovered when the Hungarian strike bankrupted Hungary. No one could answer them at the time. Russia didn't help and they broke down. The Russians eventually did save Hungary.

"FREEDOM AND TECHNOLOGY"

There are ideas of freedom which shouldn't be nourished and others which shouldn't be developed. Paul developed the idea of a niche of freedom saying that if someone wanted to work lesser hours, the trade union should fight for such a possibility, and he would get less wages. Why shouldn't this be permitted? Others might put in the time for him and there might be a pool of labour, so that he might go somewhere or be with his family etc. That could be organized and new human values enter the economic sphere. Medow's idea of a pool of labour, the idea of mutuality is accepted in this regard.

The basic trouble is the loss of freedom in a sense in which the world religions assume freedom. The fact is that society confronts you with unavoidable alternatives, especially in regard to participation in power because you can't contract out. These are new view-points beyond socialism and capitalism. We are utterly stuck on the issues of capitalism and communism, Marxism and anti-Marxism etc. We have polarized our thinking, as if there are no other questions.

Fromm in his "Psychology and Religion" has an introduction to the humanist position. "Art of loving" is a reinterpretation of the whole doctrine of love.

The whole point about Jasper's book is that things historically are getting filled in. In anthropology there are no more patches on the map and one can begin to generalize about human beings. There are no people who have not been investigated. The same is

true of the time scale. We are beginning to know what happened in the past five thousand years and we are able to make definite negative statements of time and place. Before we had some patches of time and place and the rest was darkness. A number of things were previously said about the American continent, that no people originated there etc.

What the technological civilization caused us to loose is the idea that we can contract out. We have to choose. It is no good to say that I won't make up my mind. There is nothing else but to choose. Without on the one hand some freedom, and on the other some limitation of freedom, no existence is possible in general. We can't exist without these limitations. Before a technological civilization, that was normal, but now there is a new balance. It is like the girls who want to get rid of all of their weight. But they can't get rid of all of it, they need some.

Comments on "Not By Organization Alone", Draft #3.

In the term 'social ethic', 'ethic' is the behaviour in definite situations, the sum of the norms. The compelling force of public opinion depends on the internalization of these values.

An astute way of writing is to forecast the result at the end, and then clinch it by producing the right text. The proof of the position would be, if we could show that the authors have a vague consciousness of it being a technological civilization (however small the reference) but ignore it.

Formulate in advance the thing that Dudintsev complains of as conformity and then show its presence. Show there is no governmental compulsion, no individual lawlessness or conspiracy by a secret group, public or private.

It can be shown that it is public opinion by showing negatively that it is neither public force nor secret private interest which compels. He is not a victim of lawlessness, 'justice' or 'rule of law'. He doesn't complain of these things and we take this as proof that it is public opinion. This is the bridge of the story.

The reader will say how can a single man fight the Soviet Union? The reader isn't sure it is public opinion i.e., free group opinion formation. It is not what the government enforces and he is not a victim of lawlessness or abuse of law. Neither is it the failure of the law to protect him e.g. if they send goons, he goes to the police and they don't protect him. There is no corruption or bribery

either, and he is aided by the party. Perhaps leave open the question of what it is really.

Bring in the idea of Whyte's utopia early, and show later as a surprise that D.'s is also a utopia. He doesn't raise the question of democracy, freedom of the press, or legal control etc. Neither does Whyte but no one expects him to in America.

In D.'s utopia it will resolve itself, similar to Whyte's.

Generally, the reader would expect that it's being against the party that would get you into trouble, or accusation of subversive activities, or miscarriage of socialist justice.

"The monopoly" might correspond in America to rackets, pressure groups, hooligans, goons.

The argument needs a steel chain and you can't allow yourself anything here.

Conformism in America is generally regarded more broadly, but I say this is conformity and I would get away with it.

On research, one could say there is a wide-ranging problem where one would least expect it, where one expects spontaneity.

Bring in the question of whether or not he is a member of the Party (we are writing for intelligent people).

If you swim against the stream, you must show you are right and convince the reader.

It is not clear what the last sentence means. There is no form of death which doesn't live in life everywhere. It may be something in the nature of modern civilization and not emphatically America. That would be a false front.

ROBERT OWEN

In Owen, the transition of part of one society to another hinged on the triumph of example. Owen was the originator of the idea and today the world situation hinges on this thought.

There was also Marx' critique of the Gotha Program. It is peculiar how little educated people know of the program of Erfurt and don't know that the Russian assertions of what the socialist program is, is quite well based on it.

What kind of a socialist thinker was he? We are stressing the incredible originality of the man extending almost to anything.

Owen says that the worker's labour loses its value because the machine puts him out of his job.

Jaspers indicates that Hegel seems to have said that the worker has to work more because the machine depresses the value of the commodity and his work is worth much less.

MARX

The Hegel-Marx chapter should be more about socialist humanism than P. planned. It is a reformed humanism based on the Early Marx. With the article in the New Reasoner, the Early Marx is more clearly focused and Hegel must be made the introduction to that. Borkenau (recent edition of selections of Marx in German) is on the same line and with him everything hinges on human labour getting objectified (reified).

Something must come under Owen which is technology and on a higher level it follows in Hegel and Marx.

P. had a discussion with a very hysterical and blue-stockinged lady. She was a fiercely anti-fascist and anti-communist lady and said she was a humanist. Was this a pacifist? Or a sentimentalist? What did it all mean? It was irrational, incoherent. Almost everything she adduced was a Marxist argument. Coming from Eastern Europe it was the only way the language was used.

SHAW

Shaw makes fun of everyone and everybody. Edmund Wilson starts his essay with an annoyed appraisal of Shaw's dialectic (c.f. The Eight Essays).

If we take the plays, Man and Superman, Mrs. Warren's Profession, Widower's Houses, the figures don't see the reality of society and trip over it. For example, the trade unionists in The Applecart, or On the Rocks.

Among these realities, he deals with character in the same way. A person who doesn't realize where the strength of his own character lies is comic, e.g., Too True To Be Good (Bacillus and Meek etc.)

There must be something in Shaw's understanding of things which allows him to be so successful. Wilson says it's sheer impudence. But if that is all, it can't go on for 90 years without being found out. In any case, Shaw is one of the most advanced thinkers. It is the same thing in Androcles and The Lion.

I should read Shaw in chronological order, about 30 plays.

JASPERS

The book "Vom Ursprung und Ziel Der Geschichte" was written in 1954-55. It sums up history in the light of our present knowledge. There is a universal growth of religion between the 8th and 2nd century B.C. India and China are linked up with the Hebrew-Greek move but not Egypt and Mesopotamia. "Via veritas et vita".

The writer who has put P.'s point with the greatest force up to now is Jaspers. He says that if man's ten thousand years are delimited it really consists of two breaths. The first is all of history up to the 13th century and the second begins then and it will take three thousand years for the breath to be released.

It was the conclusion that P. had come to, but he didn't have the courage to put it in two breaths and the second period he says is not the "axen-period", but that may come in two thousand years. But that time there may be a fulfillment. Now only one thing is growing, science, technology and everything else is crumbling away, e.g. friendship, decency etc.

"TRADE AND MARKET"

The archeological assertions are made in two passages on P. 17 and page 16. They may have had markets but no market places or a market system. Note also the bottom of page 30 and 31 and page 26. P. argues on seven points listed on page 16. With reference to "these were doubtful" P. put it in to safeguard Oppenheim.

One of the things Robert H. Adams (American Sociological Review page 596) says in his review is that P. proves that the Aristotle texts are mis-translated.

P. has shifted to the non-dominant economy.

One of the reviews of T. and M. says that after all, bread always went to the highest bidder. However, although generalizations are always dangerous, if one generalization could be made for all of history it would be exactly the opposite to what this reviewer said. Bread almost never went to the highest bidder.

COMMENTS ON MY LETTER OF THE MORALITY OF EVERYDAY LIFE

All is valuable and on the right lines and P. takes a very positive view and was very pleased with it.

Concerning bureaucratization, the usual definition is the shifting of responsibility to a higher level. The question is whether this is mere impoverishment or a higher level of moral organization of the group. There is avoiding of responsibility but at the same time there is acceptance of participation in a higher type of responsibility. It needs more thinking through and P. isn't sure of the points. The letter however is very much on the lines that P. would himself follow.

NOTES

INTERDISCIPLINARY PROJECT

Bohannan's work was turned down by an economist who said that they would learn nothing from it. (It was all based on P.'s work). It shows that prejudices are now handled in an aggressive way.

In various applications that P. made recently he goes one step further than the Commentary Article to deal with non-predominant economies.

THE ECONOMY

(Following Bohannan's letter on the state and the economy). It was the discovery of the economy by the physiocrats that supplanted the state by society. The two are contrasted in Hegelianism. Marx meant by society, business life (Gesellschaft).

The term 'substantive' is not related to something new that we have discovered. Ever since the economy was known it was the substantive economy which was meant.

TRIBALISM

P. was immensely sympathetic that tribalism contains both aristocracy and democracy, the first as a principle of leadership and the second is one of equality of political participation. Socially there was the leadership of the best warriors, and statesmen were taken on this virtue as leadership. People were trained for war, leadership and self-discipline and that is the virtue in Rome

and Greece. These are the aristocrats but every group of assembly or commoners stands under equality, (political not social).

ARISTOTLE

The key to Aristotle's Politics is that the society is aristocratic and a democratic decision is necessary for any vital matter. Deadly is the oligarchy (rule through money) which is the enemy of both aristocracy and democracy. With this formula Aristotle becomes quite simple and if these two are mixed up he becomes unintelligible.

NIETZSCHE

N. was anti-German and wrote essays in the 1870's. He rebuilt the language and was a great journalist. He is like Carlyle who in his "Sartor Resartus" sounds as if he translated the English into German and then gave it out as English.

THE GREAT TRANSFORMATION

It is a pity that the G.T. wasn't developed and rewritten. P. had to leave the country in 1943 and the book was never revised. Important whole chapters are compressed to where P. doesn't understand it himself.

COMMENTARY ARTICLE

P. is amazed to what extent the first page of the Commentary article forecast his views ten years later. The technological civilization and the accusation against science is the heart of P.'s position.