The Funeral Service for Karl Polange at the First Unstanian Charel, I would on April 27, 1964 The sorvice book place in the large meeting hall of the First blue larging Church, flooded with sun and flowers.

Parts of Booksoven's like he Gruphong were heard.

Poster's "Istoneus" was read by a Hungarian fring healder Halas, focho's "Scolige Schussers" was read by his daughter Kars hook.

Blake's "Termsalow" was read by his friend A. to young.

A Back Cantalor "Da meein Sent Hong spess are don Lower hunds "we played by his former student and friend Horeham Roth Lein.

Rev. John 4. Maryan read the Grope placed note written by Kars tank.

"Elizion" the hird survivement of Barlo's's Concerts for Brokesha was floged.

Kenneta he Roccia spele his word over have Pacang."

Harry Levik, the youngest grand a read his stop "Son of the King of August!

The palenering shood in siteme. The pase beauers - his young salolary friends who can linear his work and friends of our corried the coffin from the weeky hall. The charac part of the bruke Symply, was heard as the fathering began to leave the back.

Qber cremation, around somet of the same day; the non containing the order. of Kare Portains were communitated to be work in the Entire Cometany in the ord very of Dunbardon, Tickering township, make to the age of a wooded ravine. The communities serves was read by his friend, they a. E. young.

Had by a Huyana frie

József Attila

Istenem

Dolgaim elől rejtegetlek, Istenem, én nagyon szeretlek. Ha rikkanes volna mesterséged, segitnék kiabálni néked.

Hogyha meg szántóvető mæmmád lennél, segítnék akkor is mindennél. A lovaidat is szeretném és szépen, okosan vezetném.

Vagy inkább ekeszarvat fogwa szántanék én is a nyomodba, a szíkre figyelnék hogy ottan a vasat még mélyebbre nyomjam.

Ha esősz volnál, hogy évd a sarjat, én zavarnám a fele varjat. S bármi efféle volna munkád, velem azt soha meg nem **únmádm** unmád.

Ha nevetnél, én is örülnék, vacsora után melléd ülnék, pipámat egy kicsit elkérnéd s én hosszan, mindent elmesélnék. Sagt es niemand, nur den Weisen, Weil die Nenge gleich verhoebnets. Das Lebendige wilk ich preisen, Das nech Flammentod sich sehnet.

In der Liebesnsechte Kushlung, Die dich zeugte, wo du zeugtest, Ueberfacht dich fremde Fuehlung, Wenn die stille Kerze leuchtet.

Nicht mehr bleibest du umfangen In der Finsternis Beschattung, Und dich reisset neu Verlängen Auf zu hocherer Begattung.

Keine Ferns macht dich schwierig, Kommet geflogen und gebannt, Und zuletzt,des Lichts begierig Bist du Schmetterling verbrannt.

Und solang du das nicht hast, Dieses"Stirb und werde", Bist du nur ein trueber Gast Auf der dunkeln Erde.

Zum Gedaechtnis an Karl Polanyi. Insel von Toronto, 25. April 1964.

Selige Sehnsucht. (Goethe).

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Nicht mehr bleibest du umfangen In der Findternis Beschattung, Und dich roisset neu Verlängen Auf zu haeherer Begattung.

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During the First War Karl Polanyi served in the Austro-Hungarian army. In 1919 he moved to Vienna where he lived and worked till 1933. He met his wife, Ilona Duczynska in Vienna and they were married in 1923. Their only child, Kari, was born in the same year. In Vienna he worked as foreign editor of Der Gesterreichische Volkswirt, Vienna's leading economic and financial weekly.

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Kari Levitt (Polanyi) April 25, 1964

Elégia, The Unio movement of Barbok's "Concerte for Orchestra".

Sume 14/64 Kari This obsiding hardly does justice - but De thought you would like this copy of the forum Of course, it is greatly indebted to your biographical votes Which Dlona let Best Dishes abel

Biographical Note Prepared For the Occasion of the Funeral Ceremonies, Unitarian Church, Toronto April 25, 1964.

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The first of his two principal books, The Great Transformation, was written between 1940 and 1943 at Bennington College in Vermont where he held the post of resident scholar. After it was finished, he went back to England, but returned to the States in 1947 when he was offered the post of Visiting Professor in Economics at Columbia University, which he held until his retirement from teaching in 1953. In the years that followed he lived partly in New York and partly at his little house in Pickering, Ontario, continuing his research with a group of younger scholars the fields of working in/economics, anthropology, history, and sociology. Together they wrote a symposium volume, Trade and Market in the Early Empires (1957).

These last years, with Polanyi in his seventies, were extraordinarily productive; they culminated in a study in economic anthropology of the West African kingdom of Dahomey during the eighteenth century, posthumously published (1966).

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The core of his scholarly work and of his life's concern was the study of the place of the economy in society) where question as to how arrangements for the production and acquisition of goods are related to kinship, politics, religion, and other forms of organization and culture. The problem first confronted him in the form of the British industrial revolution which in his view, while it was to multiply man's wealth, was to threaten the very fabric of society.

Polanyi argues in The Great Transformation that laissez-faire capitalistic market economy was not socially viable. The attempt to make foar of hunger and quest for profit the governing central motives for the economy proved socially divisive and humanly unrewarding. The European and American upheavals of the 1930's-- Communism, Fascism, the New Deal--were emergency displacements of market societies, the economic and social consequences of which had become intolerable.

Polanyi's theoretical work was forever informed by a concern for a solution to what he considered the crucial problem of modern society: how to regain control over the forces of the economy that had been conferred to the markets during the industrial revolution; the problem was how society could regain this control without abandoning freedom. Modern society, in his view, is compelled to compel to some extent, and he was concerned with sorting out the economic realms that required planning and control from the cultural spheres that required freedom.

Polanyi thus held a re-defined socialist position, in antithesis to the economic determinism of both the orthodox left and the determinant Mises-Hayek position; both argue the determinant power of the economic organization, although they prognosticate a diametrically opposed outcome.

Polanyi's two main works deal with two aspects of the place of economy in society; The Great Transformation primarily with contemporary societies, Trade and Market in the Early Empires with primitive and archaic societies of the past, or their existing remnants. In the latter book he created a conceptual framework for the analysis of pre-industrial economies in which the market mode of transaction was not important.

Modern economic theory, being confined to the phenomena of the market, he found wanting in two respects: It removed from its ambit the social organization which links economy to the cultural, psychological, and political structure of society; nergo, and its exclusive concern with industrial capitalism distorted the perspective we bring to other, non-capitalistic societies, whether contemporary or past, primitive or developed, by forcing their analysis into an analytic framework that did not fit them.

In his view, market economy is but one of the three historical types of economies; the other, being reciprocity and redistribution. What he called "Substantive Economics" provided a new and productive framework for comparing different economies, that has acquired currency among anthropologists and some of the historians and economists interested in pre-industrial economics and comparative systems.

Even Polanyi's wide range of writings hardly reflects the enormous breadth of his interests in the humanities, in arts and letters, and even in the history of the day. It was his custom to treat friends and collaborators, after the day's work was done, to commentary on political events, it was in these informal conversations that the astounding analytical and, at times, prophetic power of his unorthodoxy revealed itself fully.

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- 1963 Ports of trade in early societies. In The Journal of Economic History, March, 1963, 30-45.
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P. Bohannan and G. Dalton, "Karl Polanyi" in American Anthropolopis, v. 67, 12. 1965. POLAN71

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DESCRIPTION .

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Mahalanobis, Myrdal, Thirring, and others, Co-Existence was founded. Polanyi saw the first issue through the press; on the day he was buried, the first copies came in.

The core of his scholarly work and of his life's concern was the study of the place of the economy in society, the question as to how arrangements for the production and acquisition

of goods are related to kinship, politics, religion, and other forms of organization and culture. Since the question transcends modern economic theory, Polanyi suggested that we distinguish between substantive and formal economics.

His point is that the word "economic" is used in two very different senses, the separate meanings of which must be borne in mind if we are to avoid perceiving all economics--primitive and archaic especially--as crude variants of our own.

used as a synonym for "material." For example, when anthropologists talk about the "economic" aspects of primitive society, they simply mean the arrangements for acquiring or producing material items materials services for individual or community purposes.

In this minute meaning of processing what Polymyr certific the restantial societies, whatever their size, technology, or polythal dauble an "economic" system: structured arrangements for the livelihood.

"the second, formal, meaning of economic is "economizing," or for the purpose of "economical": the choice among alternatives in maximizing.

output, or profits, or gain in exchange, or to minimize costs
of producing something, within the context of material "scarcity"
relative to the demand in the economist's sense.

In capitalist, many market-integrated economy and in conventional economic theory, the two meanings of economic are fused because in capitalism the arrangements for providing the material means of existence are the market institutions, which enforce economizing activities on participants: people must mule of the market market, people must to earn livelihood,

Economic theory reflects this separation of the economy from the social institutions that surround them, by making market transactions its sole concern; economic theory is essentially a theory of valuations, of prices, and their mutual interdependence.

Market economy, however, is a very special case, historically and anthropologically. Pre-industrial societies frequently have economies in which economizing institutions are not the structured mode of providing the means of existence. Polanyi's reason for providing the two meanings of economic is to avoid what he called the "economistic prejudice": perceiving all

economies (including the primitive and the archaic) as variants of our own, and translating all economic institutions into market-economizing terms. He sought conceptual categories which would allow us to analyze the relation of economic to social organization, and to allow direct comparison of economies.

In modern terminology one would say that the models of traditional economic theory do not fit the reality of all societies.

Modern summanic theory, Being confined to make phenomena of the market, the found wanting in two respects. It removed from its ambit the social organization which links economy to the cultural, psychological, and political structure of society. And its exclusive concern with industrial capitalism distorted the perspective we bring to other, non-capitalistic societies, whether contemporary or past, primitive or developed, by forcing their — in modern terminology, one world say model — analysis into an analytic framework that did not fit them.

Polanyi's analyses of money uses, forms of external trade, and of the roles of markets in different economies illustrates how superficially similar devices, such as money and foreign trade, have different functions in non-market economies. We would not

conclude from the fact that both the Soviet and the U.S. economy make use of money, foreign trade, markets, and trade unions, that either their practices or their underlying organization are the same. So too, for money, markets, and foreign trade in primitive and archaic economies.

The problem of the economy's place in society is the main topic of Polanyi's two principal works, The Great Transformation (1944) and Trade and Market in the Early Empires (1957). The first deals primarily with contemporary society; the second with primitive and archaic societies of the past or their existing remnants.

The problem of the economies in which the market mode of transaction was not important.

On his view, market economy is but one of the three historical modes of organizing economies; the others being reciprocity and redistribution.

Polanyi did not mean these types of economies to represent evolutionary stages, although some have developed earlier than others. Nor are they exclusive types: For any economy,

But usually one is dominant, and integrates the basic production

processes in that economy. In primitive, archaic societies, such

as the Inca, the Nupe of Nigeria, 18th century Dehomey, the in
digenous kingdoms of east and south Africa, as well as the pre
Christian middle-east, redistribution was the dominant pattern

of integration (transactional mode), but gift-giving and market

In stan economic,

transactions were frequently present studied by anthropologists,

(the Tiv, the Trobriand Islanders), reciprocity was the dominant

mode of transaction, petty markets were present as well.

Folance
first confronted per in the form of the British industrial revolution which in his view, while it was to multiply man's wealth, was to threaten the very fabric of society. Polanyi argues in

The Great Transformation that laissez-faire capitalistic market economy was not socially viable. The attempt to make fear of hunger and quest for profit the governing central motives for the economy proved socially divisive and humanly unrewarding. The European and American upheavals of the 1920's and 30's--Communism,

Fascism, the New Deal -- were emergency displacements of market societies, the economic and social consequences of which had become intolerable.

Polanyi's theoretical work was forever informed by the concern for a solution to what he considered the crucial problem of modern society: how to regain control over the forces of the economy that had been conferred to the markets during the industrial revolution; the problem was how society could regain this control without abandoning freedom. Modern society, in his view, is compelled to compel to some extent, and he was concerned with sorting out the economic realms that required planning and control from the cultural spheres that required freedom.

Polanyi thus held a re-defined socialist position, in antithesis to the economic determinism of both the orthodox left and the Mises-Hayek position; both argue the determinant power of the economic organization, although they prognosticate a diamatrically opposed outcome.

Even Polanyi's wide range of writings hardly reflects the enormous breadth of his interests in the humanities, in the arts

and letters, and even in the history of the day. It was his custom to treat friends and collaborators, after the day's work was done, to commentary on political events, and it was in these informal conversations that the astounding analytical and at times, prophetic power of his unorthodoxy revealed itself fully.

Echogy read at funnel service in Unitaria Church for Karl Polanyi

Life, no regrets, personal statement; and love, above all. Those words, those expressions of his great life, come irresistibly to mind. And so much else, if mind and time allowed. O have hardly begun to know him. Fut I feel that all my life friendship will grow and ripem. For there is a presence here today. One could talk of the spiritual. Yet it is far more. The sense of the physical is overwhelming.

That is why, I can only think, there is a feeling among us, since we began to gather yesterday, of quiet elation. Grief is a powerful force, but one that needs a vacuum. We know that there was no vacuum, no melancholy, about Karl Polanyi. The buoyancy that he breathed everywhere -- is everywhere.

The comments that I have been asked to make this morning must start and end with life; in its poignant embodiment, youth, he handed on life to the future, to his youngest grandson, who will read some lines of his own from this platform when I shall have finished.

Aged sevety-seven years! But was there ever anyone so youthful? At least I have that in common with those other young men present this morning, from many lands and disciplines; and with those others far away, who know him now or will come to know him in the future. I do not forget the family assembled here. But they, beginning in his love, remained there always. We others, drawn to his mind, never

ceased to be amazed to find a dear, a closer way leading further than we had dreamed. This was a discovery: first of Karl, then of ourselves, and then of the world around us. This is to return again to the physical, it seems to me, to a faith, grounded in the material. I think of him at home, as master, in the world of things, whether working over the concrete images in the poems that occupied him so much in his latter years, or looking about him with sensuous delight at the soft countryside in which he had made his last home.

The youngest here, his two grandsons, will remember the river that runs behind his home: its steady flow, its varying breadth, the shallows and deeper stretches. He went out in a boat on it till a short while ago, and long managed the steep climb down from the small white house on the edge of the high wooded bluff. It is the Red River. The windows of the house catch its moods. At sunset, it courses like a vein, blueish and crimson, past the house.

But yesterday, you may have notised, the river was green -a delicate lime-green, and milky. This is the colour of that
life I spoke of. For spring is breaking out of the ground,
from every material thing, and from the very air about the
body of Karl Polanyi. The material world is being reborn
before our very eyes in this season. And among the things
he has thought us is to use our eyes well.

He set the example. -- His absent friend, Fritz Samson, once spoke of Karl's sense of wonder as an ability to re-

create the world. It also took the form of a radiant patience, if I may speak for myself, towards his intellectual inferiors. of don't know what his public has made of some of his recent Work. But I know that it taught me how to use my eyes. His love for his native land and his love for poetry had come together in a unique burst of work, in which I was privileged to assist as one among several. What he taught was meticulous observation, meticulous use of language, and rejection of the self-indulgent phrase. -- These stemmed from his regard for materials, and right use of materials. Such precious sustaining materials, some of them. "The poems are the country's bread and wine," we read in the volume of translations that bears the simple title "The Plough and the Pen." This opens with a story "To Eat One's Fill" and cone cludes woth the poem "Seasons". I cannot trust myself to speak of the deep emotion he felt for the long poem, "The Stag", by the Young Ferenc Juhasz; although I may say that the same author's "Man Imposes his Pattern Upon a Dream" is perhaps a summation of his feelings.

Finally, of life in terms of what we have come to know of him in words he penned many years ago, Karl Polanyi was strong enough to die, he knew, as he wrote in "The Great Transformation", that there are worse things than death; that man builds the meaning of his bodily life upon resignation, a resignation that is the fount of man's strength and new hope; strength to test for what can be changed, and hope through testing himself in the face of what cannot be changed.

In his article "Hamlet" there is a message for today, in its

despair, and recovery and pledge. Friends are present who knew him in the days, nearly fifty years ago, of which he writes:

I was serving as an officer in the old Austro-Hungarian Army. The Russian winter and the blackish steppe made me feel sick at heart. It happened that at the time my personal life had taken a turn towards darkness; daylight seemed bounded in a narrowing disk that grew dimmer and dimmer. At one time, I remember, the cold was so intense that when my horse stumbled and fell I was too apathetic to get out of the saddle.

But the horse recovered herself, he goes on to say, and dragged the rider up and onward to finish the journey and the campaign. Karl Polanyi finished his campaign, and left us these words on the course our own may take, on the course we may or may not choose to take:

"Hamlet" is about the human condition. We all live, insofar as we refuse to die. But we are not resolved to live in all the essential respects in which life invites us. We are postponing happiness, because we hesitate to commit ourselves to live. This is what makes Hamlet's delay so symbolic. Life is men's missed opportunity. Yet in the end our beloved hero retrieves some of life's fulfillment. The curtain leaves us not only reconciled, but with an unarcountable sense of gratitude towards him.

Kenneth McRobbie

3

Some Words, for Karl Polanyi

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Kenneth McRobbie

Karl Polanyi; Was Columbia Teacher

Karl Polanyi, 77, retired visiting professor of general economic history at Columbia University, died yesterday of a cerebral hemorrhage in a hospital in Toronto, according to word received here. He

lived at 423 W. 120th St.

Prof. Polanyi also was a former occurrer for extraformer octurer for extra-mural delegacy at the University of Oxford in England and a resident scholar at Bennington College in Ver-

Born in Vienna, Prof. Polanyi was graduated in 1900 with the degree of doctor of jurisprudence at the University of Budapest in Hungary, where he founded the radical students Club Galilei. In 1919, he founded the Radical Citizen's Party of Hungary and became its general secretary.

He returned to Vienna for political reasons, and from 1924 to 1933 was foreign editor of the Austrian financial weekly Der Osterreichlsche Volkswirt. He also was a con-trigutor to the academic

journals.

He went to England in 1937 and came to this country in 1940. He was at Bennington until 1943, and was invited to Columbia in 1947 as a visiting professor. He retired in 1953 as a professor and directed an interdisciplinary project on the study of non-market economic institutions in preindustrial societies. He was a social science fellow in 1959 and 1960.

Prof. Polanyi was the author of "The Great Transformation," editor of "Christianity and the Social Revolu-tion," and co-aditor of "Trade and Market in the Early Em-

Surviving are his wife, Mrs. Ilona Duczynska Polanyi; a daughter, Mrs. Kari Levitt: and two brothers, Michael and Adolph Polanyi.

Uxbridge. (Mrs.) WIODA

The Great Transformation

It seems a pity that your report of the death of Karl Polanyi (April 25) did not more fully detail his work. If the power of early education ever gave one the comforcing assurance that the unequal distribution of the goods of the world was a special dispensation of Divine Providence, such comfort went out the window when Polanyi published his book, The Great Transformation.

To most readers the impact of the book was momentums. The analysis of the economic and historical background of the modern capitalistic system, the research into the history of the institutions which led to the establishment of the modern state is rivalled only by such studies as Tawney's Religion and the Rise of Capitalism and the works of Max Weber. It was well said at the time that here was a fresh comprehension of the form and meaning of human affairs, a remarkable display of insight into the social implications of the market economy. And in his book he reaffirmed the essential values of human life.

Perhaps the most important lesson he taught was that mere liberal formulas are not enough. As Professor MacIver of Columbia University said of the book. "It is for every intelligent man who cause to advance beyond his present stage of social education, for every man who cares to know the society in which be lives, the crises it passed through, and the crises that are now upon us."

Not everyone, of course, agreed with Polanyi's thesis. For example, Peter Drucker contended that there are mechanisms by which individuals can freely combine to protect themselves against the ravages of the market, such as co-ops, labor unions, mutual insurance companies, and so forth. Drucker was only one of those who did not go along with Polanyi's analysis. But it is significant to note that in very recent years, the leading social scientists of our time have considered it as established that social and moral issues are necessarily and inevitably an integral part of the subject matter of their inquiries.

Of Polanyi it may well be said that when one suspects that a man knows something about life that one has not heard before, one is uneasy until one has found out what it is.

Certainly Polanyi's work and ideas are part of the cultural apparatus a citizen requires if he would understand the society in which he lives.

Toronto. Samuel Margolian.





MRS. T. Stolper I Gracie Terrace New YORK, 28, N.Y. USA. Dear 20ni,

Found this in the Globe + Mail today.

Did you know about it?

POLANYI. Professor Bard of Tomore, Professor Bard at Tomore, Professor Bard Polary, busband of Bona and Intho at Burt. At the Funest Charle II. A. W. Miles 20 St. Char Avr. W. Service in the First. Unitarya. Church 18. Chair W. as. Average Rd. J. Morday Towning at 11 o'chock.

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DR. KARL POLANYI, ECONOMIST, 77. DIES

Tomer Political Leader in Hungary-Taught Hera

Social to The New York Hairs
TORONTO, April 24 Dr.
Kart Polanyi, an oxmanusa and former Hungarian political lead-er, dief last night after a stroke. He was 77 years old and twed in Pickering, Out.

He was 74 years old grid lived in Pickering, Out.

Dr. Polamyi was visiting professor of economics at Columbia University from 1947 to 1952. Later, under foundation greats, lie directed a study of non-market economic institutions in preindustrial society.

As a political philocopher Ye expressed deep omecan with the ment and institutional pendiens of industrial society—shows an that of avoiding ble sacrifices of Cartetian spiritual values to a simplified view of the functional Tequirement. In the medistical Tequirement, in the medistical system.

Dr. Polinyi with was some in Victim, studied at the Universities of Budapest and Kollewig Funnania, He received at Dactor of Laws degree in 1868 and was called to the Endapest bar in 1812.

Founded Shutenia 43th

Formded Students (306

At onlige he established the radiost students' Club Galilei, which had a fac-searing influ-ence of subsequent Hungarian intellectual life.

in 1919 Dr. Felianri was a founder and general sametary of the Radiesi Citizens party of Hurgary Forced to migrate to Vienna for political reasons, he freezing toreign editor of Der Desberrichische Volkswirt there from 1024 to 1823.

Borsuse no redition annie ha

there from 1024 to 1623.

Bosume of politics again, he left. Vicona in 1627, without mergiand and behaved for the extramunal delegacy at Oxford University. Later, he came to the United States and was a resident scholar at Bennington College from 1040 to 1643.

Dr. Polanyl's major work, "The Great Transformation," was antished in 1644 by Farent & Ribebart.

Dr. Huns Kulin wrete in The New York Times Book Review had the critical reader "will learn much for a better united reader standing of the elements of 19ther standing of the elements of 19ther standing of the elements of 19therestanding of 19therestanding of 19therestanding 19therestanding of 19therestanding 19the

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Dr. Polany: was the editor of "Christianity and the Beckel
Revolution." 1865, and co-author of "Trade and Market in The Larly Empires." 1987.

His antibulegy of Himparian puerty translated into English was recently published in London. He was a founder and memor of the editorial board of Co-Existence. In International journal of the social ediffer, and had completed a minuscript for a book. Elled "The Shave Trace and Dahomey."

Dr. Polante was a member of the Royal Institute of International Affairs in London and the Meconomic History Association.

Sindware, Include his wifewatte for the Royal Institute of International Affairs in London and the Meconomic History Association.

Sindware, Include his wifewatte former flows International Properties and two proches, or Wiennel Palanyi, a physical chamist, social Scientist and Policaspier. Social Industry, and Include Polsaryi, an enduquist

Jons Time, died in Toronto a april 230 It is let years were strent in as a frof in the Universit & Colombia and at his home near Toronto. The main preparation for this book The train of his unsparing efforts to for in the abult Educa not in this county. He was the wind of rare teacher who was able to shartle his purpils by the have of his own with learning Ha his clear convictions, was able to starte his pupels into Sharing his wenders and of the world with at here were to bear for hemselves. problems for hen Selve His love for this country this a desperimen for its future, + a conviction that it could play an

important role in activity ahumane society in we a highly mechanged in dustral Civilization. This he believe to be the Two din of Arcealini future drigues of our Time & his song in Christiant one bre! her? will in the creation this ness the human world in which he believed

Letters to the Editor

ing at university? The present system must place small value on learning, judging by its very minor emphasis on teaching. Are

they not essentially related?
Undergraduates have certain options in most courses, and many take two or three subjects unrelated to their subject of concentration. If one intends to teach ultimately, each year should offer education as a compulsory subject; with an accumula-tion of credits in this "discipline", at the end of three or four years one could omit the College of Education bit. Needless to say, there would be a considerable saving of money and time by this method. The side-line subjects chosen now as options, and admittedly cultural and broadening, could be taken at a later date when the scudent is self-supporting.

To assume that all scholars have an ability to teach, to assume that they know anything at all about methods, motivation, systems in other countries, trends, and other related topics; to assume that they need but a minimum of practice, is just not being realistic. The accumulation of academic credits and concentration on scholastic work only delays the facing of life and its problems. It also delays the expected contribution of these bright people

to a rather needy world.

Uxbridge. (Mrs.) Mona L. Taylor.

The Great Transformation

It seems a pity that your report of the death of Karl Polanyi (April 25) did not more fully detail his work. If the power of early education ever gave one the comforting assurance that the unequal distribution of the goods of the world was a special dispensation of Divine Providence, such comfort went out the window when Polanyi published his book, The Great Transformation.

To most readers the impact of the book was momentous. The analysis of the eco-nomic and historical background of the modern capitalistic system, the research into the history of the institutions which led to the establishment of the modern state is rivalled only by such studies as Tawacy's Religion and the Rise of Capitalism and the works of Max Weber. It was well said at the time that here was a fresh comprehension of the form and meaning of human affairs, a remarkable display of insight into the social implications of the market economy. And in his book he reaffirmed the essential values of human life.

Perhaps the most important lesson he taught was that mere liberal formulas are not enough. As Professor MacIver of Columhia University said of the book: "It is for every intelligent man who cares to advance beyond his present stage of social education, for every man who cares to know the society in which he lives, the crises it passed through, and the crises that are now upon

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Of Polanyi it may well be said that when one suspects that a man knows something about life that one has not heard before, one is uneasy until one has found

out what it is.

Certainly Polanyi's work and ideas are part of the cultural apparatus a citizen requires if he would understand the society in which he lives.

Samuel Margolian. Toronco.

A ROOM BY THE ROUGE RIVER. In Memoriam, K.P.

The house works between two windows onto the night, one facing water, one the black garden.

A rollingoin and breadboard tablelamp lights the continuous rotary motion of matter, spinning dusts,

shafts of gyrating greenflies, and woody moths that thud onto the glass to turn and turn about juiceless furred underbellies.

By one window the yellow lamp lays the table with light; its rose of power sips currents of fly generations, volts of fine snow.

A smell of damp flags fills the room, from elothes hanging behind the door

dark with work. And

shadows flowing in over the sill mould cheeks impatiently rising from a rounded childish hand.

Through both windows morning finds the straight best,
its blade of alum frees the tongue, and from
dark thunder's mad dog bark overhead.
Conserving space casts bloody bones and lungs
into the river's

liberal power of time.

Mosquitos return to the ceilings, and a head rises from the round table's uneasy rest.

The river window had just begun to divide white time when a small black and white bird flew

like thunder into the white wooden house-side out of the glare, and lay trembling in the grass.

Hot to the touch, neck broken, in the hand it died as the ebony bevelled beak gaped at such freedom on the retrieving glove.

Both windows exist for the sake of the room

where the human new motion of reciprocation,

breaking out from the bore of insects,

loosed long-nailed hands from the crank of stars.

In the kiss before

the passage of consumption only in the house does bread not leave the system as before, nor sleep restore only the past.

Through windows earth is inhaled, ice for food clears in the safe of zinc, and fruit bursts in hot sugar over the firestove's flame.

But to give substance to rooms takes bread, heavy and moust

to the touch, a knife's tip
tracing a cross first on the crust, every pieze
tenderly retrieved from the floor to be kissed.

In the garden window, fleeked with ancestors' sins
the moon fades, the lit lamp pales, and
night's metaphysic dies into metaphor.

Not quite turning, the Rouge River bends left
like a vein in

of rubbish passing down with the light, not over but around dry long deposits of the just human.

The house works between two windows onto the light, one accepts the garden, one limits the sky.

Everything exists, nothing has value till a name arrests the material condition in order to bestow it.

First fire, then a face from lines of created shadow, that will last in the light, and will not be lost in the dark.

Kenneth McRobbie

A room by the Roage River. In Memorian K. P.

The house works between two windows onto the wight, one facing water, one the black parden.

A vollingmin and Greadboard Laberlamp lither the continuous volary undias of mater,

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the san, a moving skin of the passing down with the light not over but around dry long deposits of the j'ast human.

The house works between two windows outo the light, one accepts the parker, one limits the sky. Everything exists, mothing has value title a name arests blee material condition in order to bestow it.

First five, then a face from lines of creates shadow, that will last have last in the earth.

Kamak Neckoon's

Magyar Hireh, Bosta Meghalt Polanyi Karoly

May 15, 1964 Torontóban, 77 éves korában elhányt dr. Polányi Károly professzor, a magyar származású hírneves gazdaságtörténész, a New York-i Columbia egyetem nyugaimazott tanára. A Magyarok Világszövetsége meghívására feleségének, Duczynska Ilonának társaságában tavaly októberben hazánkba látogatott tudós halálhíre országszerte mély részvétet keltett. "Emlékezésül talán nem lehet mélté más, mint ha egyik utolsó tervét elevenítem fel-- írta Ungvári Tamás a Magyar Nemzet nekrológjában.



"Egy nemzetközi lapot szeretett volna megindítani, mely a békés együttélés gazdasági és szeltemi adottságait, módjalt vizsgálja. Ezért is utazott tavaly a világban, ezért hagyta oda a tengeren túlí Ontarlót, ahol kis háza az őserdő tövében épült, s Európában keresett szövetségest megszállott eszméibez ... Tele volt hát tervvel, elszántsággal, és úgy tervezett, mintha nem egy élet alkonyán, hanem egy pálya kezdetén várná az elvégzendők dandára...«

From "Magyar Hirek", Budapest, May 15, 1964

Karl Polanyi died

Dr. Karl Polanyi, the noted economic historian of Hungarian origin, late professor at Columbia University in New York, passed away in Toronto at the age of 77. The news of the scholar's death who last October, at the invitation of the World Federation of Hungarians, paid a visit to our homeland accompanied by his wife, Ilona Duczynska, evoked deep sympathy throughout the land. "As a memorial I cannot think of anything more dignified than to remind us of one of his last plans," Tamás Ungvári writes in his obituary in "Magyar Nemzet". "He had in mind the starting of an international journal which was to inquire into the economic and intellectual means and possibilities of peaceful co-existence. This was what moved him last year to leave his Ontario home -- the small house on the edge of a forest -- to undertake the long journey, and drove him to seek in Europe for helpers and allies in the realization of his passifinately held convictions ... He was full of plans, of determination, and his plans were conceived not as if he were standing in the dusk of his lifetime, but rather as if hosts of tasks to be fulfilled awaited him at the outset of a life's career ... "

Yellow swallow tell me your wings are shot with lead,

How can your eyes reviel the light with-in your head.

You no there is no reason, Seasons of hunters sigh

boundlesswinter passes

Over midnight oceans The sea sick lullubies ;

You were shot now just like a broken tiketex leaf
The arrow scorches your flesh
Hazy battle cries fall like banners that...

Have noone to hold them proudly

The peasents carry wood to the fire in the sand,
A banquet is being held by a hunted man

They gather round for shelter and hear the looms sad cry toasting to their host may he be free to ride

The haunted vetern saw you one dark and sleepless night clinging to his rife clinging to his wife

The sacrifical madain made in the spring time rite calls you betrayer as chanting cuts the night

Sail with you through the night

Your eyes are darker than oyster shellsthey dive for in the nights
benieth a blue coral reef on a mist less moonlight
hair darker than the oceans deeper that the seas
twisted up like licorice she sure looks fine to me
lenes noches sinorrita sail with you through the night
lunes noches sinorita sial with you through the night
Off the clif we'll make our dive on the midnight tides
enith the blue coral reef as shooting stars flew by
and as we finally reseed serbhing for the reels and they

I crawl behind the bushes I'm looking for my girl chourus

eria emiferna e est mi decen adepan localizate est

There is a solemn gathering,
people, glad, although gathering
silently, weeping and glad
because the weeping speaks the heart's
brimmed-over richness: for someone
who enriched their
days in the sometime dark
the sometime lonely ways
with the sun-touchibg, wondering
welcome, the awe at sharing
the sun's ways with us here.

One friend out of his long-ago (was he already seasoned with sadness of much past already as a boy?) remembering that boy's eyes, vivid, a thrush's eyes, enticipating brightness; one fellow-student here, now himself weary, bone-weary, but heart-glad remembering the sun-entangled days and forest ways with him; a Kentish farmer whose sky was opened out by faithful teaching; a typist in an archives office who

embroidered her days with

expected, or experienced and perhaps she knew his name only from his renown; the obscure, the scholars, neighbours, friends, his beloved: silently gathering solemn, glad, weeping, together learning the blessedness blossoming from the orchards of remembered moments, cherished now afresh, young orchards in a morning blowing with the tinted sky, the Canadian-luminous space he celebrated here among us.

(Let me include,
for I think he would relish it so,
a self-portrait there, in the massing company
with sun-blessed faces tilted to remembering
and giving thanks for him: his joyful

fanfare for Van Gogh's simplicity
and strength, one summer noon;
his whispered
exultation over the

"terrible beauty" of

one Juhasz word —
these from the quiet reached

of my blurred looking
into the deepening fragrance of the branches
lost into the horizon

of daybreak.)

Each of us is gentled and refreshed with more and more of all he gave us, as the irrelevant mists and cloaking mindlessnesses of tiny failures are fading and falling away.

Thus there emerges,
plain, unassuming,
caring, critically at ease, in peace
with poignant liveliness:

the grave, noble features,
the white-hot filement of his
spirit, and the quiet
candle-flame of affection
no cold, twentieth-century, Canadian gusts
could ever set guttering.

Every particular is gathered into one

presence, and in our weeping
we know something nameless
and ultimate — and touched
with sunlight
forever.

Margaret Avisan

ly his below verely of There is a solemn gathering

but glad and weeping out of the heart's

brimmed-over richness: for a man

who enriched our

days in the sometime dark

the sometime lonely ways

with a sun-touching, wondering

weldome, an awe at sharing

the sun's ways with us here.

One is a lifetime friend remembering

him as a boy, his vivid

thrush's eyes, anticipating brightness;

one a fellow-student, bone weary now, who

knew the sun-entangled

days and forest ways that

peace, among the wars;

one is a Kentish farmer whose

sky was opened out by this

teacher's speaking voice;

in an archives office one of the typists

knew the beauty of his smile

expected, or experienced (and perhaps

knew his name only through knowing it in print

and on her lists and shorthand notebook pages):

many together silently gathering

once again learn to see

young orchards in a

morning blowing with the

tinted sky, the Canadian-luminous space

he celebrated here among us.

(Let me include
a self-portrait among
these sun-blessed faces, remembering
rain-dark on the gravel hill, his musing there,
a fanfare for grandsons one summer noon,
his whispered exultation over
the "terrible beauty" of
one Juhasz word -these from the quiet reaches into the deepening
branches lost into the horizon
of daybreak.)

Each of us is gentled and refreshed with more and more of all he gave us, as the irrelevant mists and cloaking mindlessness of our tiny failures are fading and falling away

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Every particular

is gathered into one

presence, and in our weeping

we know something nameless

and ultimate -- and touched

with sunlight

forever.

(3)

Rerusalem

And did those feet in ancient times walk upon England's mountains green? And was the Zoly Lamb of God On England's pleasant pastures seen?

And did the Countenance Divine Shine forth Apon our clouded hills?
And was Jerusalem builded here
Among the se dark, Satanic Mills?

Bring me my Speer of burning gold:
Bring me my Arrows of desire?
Pring me my Speer: O clouds unfold!
Bring me my Chariot of firet.

I shall not cease from Mental strife, Fight, Nor shall my Sword sleep in my hand Till we have built Jerusalem In England's green of pleasant wand.

Affer flue: A Back Countries was played by a former student -

The Maritime Trusteeship

WHEN TRUSTEESHIP WAS IMPOSED ON THE maritime trade unions last year, many Canadians concluded that the labor relations problems in the shipping industry were all but resolved with only some minor details remaining to be settled. What is it that the government, organized labor, and public expected from trusteeship? Public opinion as expressed in press editorials and comments favored an end to violence and the removal of Hal Banks as the prime objectives. Organized labor represented by the Canadian Labour Congress expected to see the unions involved merged and ultimately placed under the control of a GLC affiliate, the Canadian Brotherhood of Railway, Transport and Ceneral Workers Union (CBRT). The government, it would appear, wanted the trustees to remove from the cabinet the responsibility for making what was bound to be an unpopular compromise.

As a result of this uncertainty over what was desired the trustees were not provided with an operational set of objectives. Furthermore in some important respects their powers of action were severely limited. Thus for example they could not compel the shipping companies to cooperate in their reform efforts. Nor could they alter the constitutions of the unions involved.

It would appear that the trustees have defined their immediate tasks to include the following objectives in order of priority: an end to inter-union violent conflict; free access for all Canadian ships to all Great Lakes ports; changes in the officers and mode of operation of the SIU which would end some of the worst excesses disclosed in the Norris report.

It was not likely that the government could sit idly by if boycotts of Canadian ships in American ports were resumed. Yet the trustees knew that any measures which would serve to weaken the hold of the SIU over the Canadian seamen would result in such action and that they would be helpless in dealing with such a situation. Furthermore, the bulk of the seamen and their employers seem to favor a restoration of SIU control. There do not appear to be any potential leaders of ability among the seamen apart from those identified with the SIU. The SIU's international officers, therefore, have a powerful weapon in bargaining with the trustees. The latter seem to have accepted the idea of restoration of SIU control in the long run and in return have secured SIU acquiescence both to the removal of Hal Banks and for some reform in union administration.

While Banks' removal was widely acclaimed, there is some concern over the course which the trustees seem to be taking. Thus the CLC officials, while adopting a wait and see attitude, have indicated that they will not accept close associates of Banks in leadership positions in the union. It is not clear whether they oppose the potential candidates as such or whether it is the matter of SIU control to which they object. One suspects that the CLC will ultimately reluctantly accept SIU control (since they cannot come up with any feasible alternative) and content themselves with some surface reform in that union. To urge any basic changes might open up the question of legislation extending beyond the maritime industry, something the CLC would not particularly welcome. The public and the government in all likelihood will be content with a change in union officers and a few other administrative reforms. The trustees would then be able to bow out, their job apparently done.

One suspects that in the long run these changes will make the lot of the Canadian scamen little better than it has been in the past. The potential for union tyranny over the membership will remain unaffected. What is required here are measures which will eliminate the basis for tyranny and corruption without destroying union effectiveness. The trustees could achieve a long term improvement in the lot of the scamen by undertaking studies of the underlying sources of the difficulties which led to strife and drastic government intervention and proposing those changes which would eliminate the potential for abuse. In particular, union control over hiring halls must be examined and some procedure established for ensuring that members are able to "oppose and depose" their leaders without fear of suffering loss of employment. (The required measures are more fully explained in my Forum article of October 1963.) It remains to be seen whether the trustees have as their long run objective such basic reform or whether, as appears more likely, they too will be content with the politically acceptable solution that now appears within their grasp. ARTHUR KRUCER

Professor Karl Polanyi, 1886-1964

IN HIS FORWARD TO THE GREAT TRANSFORMAtion, Professor Robert M. MacIver wrote of Karl Polanyi:

Here, at a crucial hour, is a fresh comprehension of the form and the meaning of human affairs . . . he is shedding a new illumination on the process and revolutions of a whole age of unexampled change.

Born in Vienna in 1886, Karl Polanyi grew up in Hungary and studied philosophy and law at the Universities of Budapest and Kolozsvar, Rumania. During his student days he founded a broadly-based radical student movement, the Galileo Circle, in 1908 at the University of Budapest. It had an eventual membership of about 2000 and attempted to introduce the liberal ideas, absent from the archaic curriculum, that were essential for the creation of a modern democratic nation. Members of the movement volunteered for popular education among workers in the trade unions. The members of the Galileo Circle were prominent participants in subsequent political events in Hungary such as the revolutions of 1918 and 1919.

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Karl Polanyi was called to the bar in Budapest in 1912 and served in the Austro-Hungarian army during the first World War. In 1919 he moved to Vienna and there he married Ilona Duczynska in 1923. Their only child, Kari, was born in the same year. From 1924 to 1933, he was foreign affairs editor of *Der Oesterreichische Volkswirt*, the leading economic weekly of Vienna.

Under the rising tide of fascism, he emigrated to London in 1933 and lectured for the Workers Educational Association and for the Extra-Mural Delegacies of Oxford University and the University of London. He was active in the Christian Left and was joint editor of Christianity and Social Revolution (London, 1935) and author of the article "The Essence of Fascism."

He visited the United States on several occasions to lecture on international affairs for the International Institute of Education. In 1940 he was invited as a resident scholar to Bennington College where he wrote The Creat Transformation (1944), the most complete statement of his social philosophy. Not since Adam Smith had shown the market to be the pivot of a newly-emerging economy, had anyone penetrated more deeply into its social ramifications. The social history of 19th-century response to the machine took the form of a double movement. The attempt to extend free markets for genuine commodities included also the attempt to encompass the factors of production, labor and land, within the workings of the self-regulating market economy. But labor and land were together the constitutive elements of society—man and his environment. Thus the attempt to embed society itself within the economic process gave rise to a spoutaneous countermovement to protect its substance and thus to restrict the operation of an economic system running automatically in its own groves. Socialism and the trade unions were early examples of this counter movement. The emergent stresses and strains brought about the collapse of market civilization in the upheavals of the 1930's. The "Great Transformation" is the present challenge of re-embedding the institutions of the economy within society after this initial response to the machine had failed.

In 1943 Karl Polanyi returned to England and in 1947 was invited to Columbia University where he served as Visiting Professor of Economics from 1947 to 1953. He was co-director of the Interdisciplinary Project on the Economic Aspects of Institutional Growth from 1953 to 1958. The result of the interdisciplinary work was the volume Trade and Market in the Early Empires published in 1957. Professor Polanyi was joint editor and a contributor to this volume. Continuing the work of The Great Transformation, a new conceptual apparatus was developed to extend beyond the traditional economic questions about the efficient allocation of resources in a market setting. The general frame of reference in this interdisciplinary approach was "the place of the economy in society." Comparative and developmental studies of early economies in their market and non-market variants required general redefinitions of basic terms such as trade and money and of the economy itself. Trade, as old as mankind, was detached from its more recent market variant. "Administered trade" was carried on in that universal precursor of the market institution, the "port of trade." Thus the study of the empirical process under which livelihood was organized meant a departure from the traditional perspective where all economic activity was viewed either as an imperfect or perfect version of market activity. The existence of alternative patterns of economic organization — reciprocity, redistribution and householding was confirmed.

As a social philosopher concerned with freedom in an industrial society, Karl Polanyi left us the concept of "the reality of society" as an alternative to the atomistic individualism that symbolized the market society's view of itself. Once mankind had opted for a complex industrial society which generated great centres of power, the absolute priority of conscience and inner life could no longer be upheld. Power was sustained by opinion and in a radically new way we were compelled to compel. But neither could the demands of conscience be relinquished prematurely. Resignation to the reality of society was only possible after the search for the limits to which society could be reformed. Our metaphysical Freedom is then suspended, but our concrete freedoms and civic liberties would be assured. The Freedom we relinquish is illusory but the freedoms we gain are real.

On his retirement from Columbia in 1958, Karl Polanyi moved to Pickering, Ontario, and was co-editor with his wife of a collection of prose and poetry from Hungary, The Plough and the Pen, published in 1963. The English versions of the poems were rendered by a number of Canadian poets.

Before his death on April 23, 1964, Karl Polanyi had completed a manuscript on West African economic history, Dahomey and The Slave Trade. He was also the founder of the new international journal published in Canada, Co-existence, "for the comparative study of economics, sociology and politics in a changing world."

economics, sociology and politics in a changing world."

Karl Polanyi was a socialist all his life, although never associated with a political party.

associated with a political party.

He touched very deeply the lives of a generation of graduate students at Columbia University. His selfless charm, his originality and his immense intellectual courage are his life-long gifts to those who knew him.

ABRAHAM ROTSTEIN

From A CONTINUING TRIBUTE: TO KARL POLANYI

Each of us is gentled and refreshed with more and more of all he gave us, as the irrelevant mists and cloaking mindlessnesses of tiny failures are fading and falling away.

Thus there emerges
plain, unassuming,
caring, critically at ease, in peace
with poignant liveliness:
 the grave, noble features,
 the white-hot filament of his
 spirit, and the quiet
 candle-flame of affection
 no cold, twentieth-century, Canadian gusts
 could ever set guttering.

Every particular is gathered into one presence, and in our weeping we know something nameless and ultimate—and touched with sunlight forever.

6)

SON OF THE KING OF ANGELS

by the heat of the sun and the light of the moon. No one could see it. But it was a dream come true. Little fountains of courage.

lakes of truth. But one stream carried the power of healing; angels circled the star.

One day the king of angels had a son named Jesus. His father was named Jesus and his mother Sue. So he nemed him Jesus. He came down from the star to show people all the power of this little star, which was the holy star of Bethlehem, which remains the north star to show people where to go.

(Writtenby hum at the op of 8)

partir of Beebloven's Unde Symplay were heard,

KARL POLANYI AND' CO-EXISTENCE'

Brich mit dem Frieden in Dir, Brich mit dem Werte der Welt Bess' res nicht, als die Zeit Aber auf's Beste sie sein. Hegel

The Journal Co-Existence was the ultimate act in the life of a man, whose creative intellect opened important new vistas in many areas of the Social Sciences. These largely remain to be explored.

This is not the place to describe, even less to evaluate Karl Polanvi's contribution to social thought. His restlessness of spirit was that of the intellectural pioneer - and so his work is incomplete; new insights, indicating new concepts, with applications so diverse as to defy treatment in this note. The clues and the pointers he left will occupy social scientists for a long time to come.

And so it was that he died several days before the first issue of Co-Existence was off the press. For his initiative in bringing about the journal was yet another creative act- to be taken up and carried further by other.

His life spans the period of modern socialism, and through his intellectual heritage, reaches beyond the 77 years of his life, which ended on April 23, 1964. All his life a socialist, he was never associated with any political party, nor did he participate in any political movement. Never doctrinaire, he many times in his life cut across the main trends of debate within the socialist movements of Europe. Although not a Marxist, he was much less a Social Democrat. Although a humanist, he was eminently a realist.

Although aware of the reality of society, and the constraints which this reality places upon the action, values and ideas of all of us who inescapably live in society, his life was guided by an inner necessity to exercise freedom of action and thought and never to give in to determinism or fatalism. Thus the quotation from Hegel which he many times cited.

The conflict between the constraints of reality, both personal and social and the creative necessity of man to assert his will to conquer the world of the spirit and so to acquire the fulness of life, was for him the guiding dialectic of action, indeed, of life. So he wrote "the revealed reality of death is the ultimate source of the excuses for an empty life. The response of creative man is to fill that void through work and the permanence of achievement. Hence art and poetry, science and philosophy, the lone sacrifices of the true soul."

As man must be conscious of death to be able to respond by meaningful life, so man must be conscious of his internal life - be aware that he has a soul to look- to be able to reject personal predestination, which is indeed an excuse for spiritual death.

The revealed reality of society was in his thinking a third source for a life of unreality, "emptying life of the exploration of freedom and removing the challege of that freedom by an act of ultimate sloth, masquerading as superior wisdom". Reality operates on many planes. In this Journal we are concerned with political and social realities as they manifest themselves on the international plane. To act within the constraints of reality requires an exploration of these constraints. That is the task of the social scientist. To aid this task is the purpose of the co existence journal.

The understanding of power and material values deprive us of an illusory freedom and re-create it in terms of reality, as an existence that fills the universe as we know it does, not stopping other lives or taking away their meanings. Analysis of our function of creating material power and value is also the true analysis of our capacity to create freedom. Its boundaries cannot be known to us as it cannot (be known) what death brings, nor what brings us salvation. The essential uncertainty is the answer to man's existence.

It is in the context of such an outlook that the Co-Existence journal was conceived. For a world of co-existence of diverse social systems, ideologies and nation states is the world of reality. To explore, with all the imagination of which man is capable, the unknown boundaries of this world in which we live is the intellectual task of those who are serious about co-existence.

Inus it was not fortuitous that this man was able to take the initiative, in the waning of his physical life and the knowledge of his impending death, to leave his Ontario home - a small house on the edge of a quiet woodlot - to undertake the long journey to Europe to seek helpers in the realization of his vision of this journal. In December 1960, eight months after the lines quoted here were written, Karl Polanyi and his wife Ilona Duczynska discussed with friends of their youth in Budapest, and in Vienna and with the socialist historian Leo Valiani in Milano the idea of an "independent scholarly periodical" to be called Co-Existence. A week later, while in England, they secured the support and full co- operation of Prefessor Joan Robinson of Cambridge and of Dr. Rudolf Schlesinger, Editor of Soviet Studies of Clasgow, who agreed to serve as Editor of the new journal.

Contact was established with Soviet scholars through Professor Paul Medow of Rutgers University, friend and a former student of Karl Polanyi's and Dr. Rudolf Schlesinger on the occasion of their joint presence in Moscow in September 1961 and was followed up by an approach by Karl Polanyi and Rudolf Schlesinger to an eminent Soviet scholar in June 1962. The journal, as they explained on this occasion, was undertaken on the initiative of a "few socialist intellectuals of no definite affiliation" who wished to counter the many pseudo-scientific organs carrying on cold war propagands in English speaking countries and on the Continent of Europe. They then explained that the collaboration of liberal sociologists, economists and other social scientists who are firm supporters of peaceful co-existence was being sought, as was the goodwill and the contributions of colleagues from the socialist world system, "regarded by us as an intellectual pre-requisite of this venture in the service of peace."

During 1962 and 1963 this initiating group approached a number of scholars of independent mind, all of them eminent in the social sciences, and found an enthusiastic response which is reflected in the present Mditorial Board of Co-Existence. It was decided to press ahead to establish the journal, leaving open all doors to future enlargement of the Editorial Board. The addition of three new members to the Board with this second issue is part of this process of expansion.

The response which <u>Co-Existence</u> has evoked, despite the limited resources, financial and otherwise, at its disposal, confirms both the need for such a journal and its future. It remains here only to relate in the briefest and probably quite inadequate manner, the world of ideas of Karl Polanyi to his initiative in the launching of this Journal.

We began this note by referring to what Karl Polanyi called the three constituent facts in the consciousness of Western man: knowledge of death; knowledge of freedom and knowledge of society. Knowledge of society has come

to modern man through the experience of living in a machine age. This experience is rapidly spreading all over the globe and the inter-dependence of men and nations resulting from industrialization presents comtemporary society with new constraints as well as new challeges "how to organize human life in a machine society is a question that confronts us aknew". This problem has now acquired an international dimension of co-existence embracing the developing as well as the developed world.

Industrial society implies power and compulsion. The liberal illusion that society is shaped by men's wishes and will alone is a hoax. This liberal illusion, Karl Polanyi writes, "was the result of a market-view of society which equated economic with contractual relationships and contractual relationships with freedom". The illusion, whose ancenstry is easily established in 19th century bourgeois retionalism was presented to us" in the form of the self-regulating process of a market society", in which each individual is able, by the magic of Adam Smith's invisible hand, to freely determine his fate:

To separate myth from reality in this area is the first step towards exploring the creative polarity which formed the permanent axis of Karl Polanyi world of thought. This polarity was that of reality and freedom; science and religion; efficiency and humanity; technological and social progress, institutional needs and personal needs.

Karl Polanyi, as a scholar, was an economic historian. His approach to the study of economic history focussed on the shifting place of the economy in societies. He thus crossed the line into the disciplines of economic sociology and economic anthropology. Central to his approach in these disciplines

was the concept of the embeddedness of the economy in economic and nonsconomic institutions. This concept, he once wrote, "permits the transcending of an industrial civilization through a deliberate subordination of the economy to the ends of the human community". Only socialism can offer this, Thus it was Robert Owen, the early English socialist, who first recognised, with great prophetic insight, that far-reaching institutional changes were needed to a void the grave calamities associated with the unchecked employment of the machine. Although Owen belonged to the 'utopian' socialists, Marx equally proclaimed the need to re-fashion industrial society as an instrument of human advance. The divergence between Owen and Marx came at the point where Marx thought of the future of industrial civilization in terms of the suppression of the market-economy by a centralized socialist economy. Nevertheless, wrote Polanyi, "they both built their tough structures on the reality of society and the conviction that the future of man depends on his adapting his institutions radically to the nature of the machine within the limits of the laws governing real social existence".

A few years ago writing in an optimistic mood, he stated his belief that "the end of Western American-Russian meterialism is in sight. The world is turning back from the so-called 'economic' to the 'moral and political' axis. Peace and freedom are now the dominant concerns of the future".

It is now necessary to digress for a brief period to touch on one very important strand on the work of Karl Polanyi. We refer to his proposition that there are two root manings of the word 'economic', one is formal and one is substantive. They have he says, nothing in common. The formal meaning derives from logic and refers to "economising" scarce means by exercising choice as to their most efficient use to attain given ends. Such a logic of

maximising, subject to constraints on the availability of means, can, incidentally by applied to immumerable situations, from a chass game to a battle. To this maximising process, the word 'rational' has been attached. We note, in passing that the adjective 'rational', applies not to the means, nor the ends, but only to the efficiecy of the process of relating given means to given ends.

The substantive meaning of economic derives from man's dependence for his living on nature and on his fellow-man and is defined as "an instituted process of inter-action between man and his environment, which results in the continuous supply of want-satisfying material means." Only the substative meaning of economic is capable of yielding concepts useful to the social scientists in the empirical investigation of economics, past and present.

"The human economy then is embedded and enmeshed in institutions, economic and non-economic. The inclusion of the non-economic is vital. For religion and government may be as important for the structure and functioning of the economy as monetary institutions or the availability of tools and machines themselves that lighten the toil of labour".

In an economy controlled by a system of self-regulating markets, the formal and the substantive meaning of economic coincide. This is so because in such a society - but only in such a society - the economy does for all practical purposes, consist of a self-regulating system of price-making markets not only for produced commodities but also for lend and labour-power: nature and man. For the first time in history the instrument of material welfare was under the sole incentive of hunger and gain... "economic motives reigned supreme in a world of their own and the individual was made to act on them under pain of being tied underfoot by the juggernaut market. Such a forced convers, on to a utilitarian outlook fatefully warped Western man's understanding of himself".

The discipline of economic analysis was derived from observation of the function of 19th century capitalism and fashioned into a logical structure of thought by postulating economic motives of behaviour and building upon these an elaborate and internally consistent set of deductive truths. 'Rational' was thus defined as behaviour directed towards the satisfaction of these postulated economic motives. Soon the economic motives themselves were conceived as 'rational'. The mischief was compounded when 'rational' behaviour, as here defined acquired normative connotations implying a social optimum. "Hunger and gain were defined as economic motives and man was supposed to act on them in every day life. Honour and pride, civic obligations and moral duty, even self respect and common decency were significantly summed up in the word 'ideal'. Thus man was believed to consist of two components: the one material, the other ideal, the one economic, the other non-economic, the one rational, the other non-rational. The economic side of man's character was endowed with the aura of rationality. He who would refuse to act for gain alone was thus considered to be not only immoral but actually mad".

According to Karl Polanyi, the world of 'economic motives is based on a fallacy. Hunger and gain are no more 'economic' than love or hate. "There is no such thing as a <u>sui generis</u> economic experience, in the sense in which man may have a religious, aesthetic or sexual experience. These latter give rise to motives that are broadly aimed at evoking similar experiences. In regard to material production these terms lack self-evident meaning". The 19th century thought of hunger and gain as economic motives simply because the creganization of production under a market economy works only as long as people have reason to include in the activity of earning an income. But, writes Polanyi: "ranging over human societies we find hunger and gain not appealed to as incentives for production",

The heresy that man's motives can be described as 'material' and

'ideal' and that the incentives from which ordinary everyday life is organized spring from the material motives was favoured both by utilitarian liberalism and by popular marxism. As regards society, the kindred doctrine that its institutions were determined by the economic system was especially popular with Marxists. Under a market-system both propositions were true, but only under such an economy.

The attack on economic determinism as a general principle was one of Karl Polanyi's important contributions to creative thought on co-existence. Laissez-faire philosophy' has split up man's vital unity into the "real" man, bent on material values and his 'ideal' better self." It is paralysing our social imagination by more or less unconsciously fostering the prejudice of 'economic detreminism'. Today we are faced with the vital task of restoring the fullness of life to the person, even though this may mean a technologically less efficient society.

In any event the attempt to apply economic determinism to all human societies is little short of fantastic "according to Polanyi". Nothing is more obvious to the student of anthropology than the variety of institutions found to be competible with practically identical instruments of production.

Thus I the choice between capitalism and socialism, for instance refers to two different ways of instituting modern technology in the process of production, and "on the policy level again, the industrialisation of under developed countries involves, on the one hand, alternative techniques; on the other, alternative methods of instituting them. Our conceptual distruction is vital for any understanding of the interdependence of technology and institutions, as well as their relative independence".

Socialism is not better because it is technologically more efficientalthough it may well prove to be so- but because only under socialism does it become possible to subordonate the technological and ecomic order to social It does matter how industrialization is instituted. The American schomic historian W.W. Rostow, advisor to the late President Kennedy and author of a book which has unfortunately had considerable influence in the west, was, a prime target of criticism for his postulate that only industrialism is actual, and there is no such thing as either capitalism or socialism.

"The main ideological tendency with Rostow and his school is to prove that history is inessential by pointing to 'spentaneous immanent laws of motion of society'. Thus, for instance, according to Rostow," the great Russian revolution was quite gratuitous since eventually economic development occurs everywhere, as shown by the various economic indicators". In Polanyi's view this is "nothing else than nihilism". In a talk delivered in Budapest in December 1963 he warned socialist scholars to give more serious consideration to the need to refute such technocratic theories, which have predominant influence in contemporary American economic history and sociology. * "American technocratic ideology has produced a theory of a managerial revolution, the alleged 'revolutionary' emergence of industrial, commercial, financial and technical experts and asserted that the manegerial element was being raised to a ruling class by the laws of industrial development, not by the class struggle. Manifestly, this is not so.

The ruling class of America are the capitalists, the menagers are merely their employees. Distorting theories like these gain wide credence. "The technocratic view that industrialism must universally and everywhere assume the particular characteristics which it acquired in its capitalist manifestation, is not only fallacious, but is emerges as a poisonous argument against socialism. The laws of exchange which govern the market, the capitalist economy, are made out to be the general laws of society, of the human commonwealth. This view regards bestialisty as the future of mankind and undertake

⁺ The work of Professor Talcott Parsons and Professor Neil Swelser was specifical exempted for his criticism of the "permicious technocratic trends" in American scholarship. These have no bearing on the thoughts of Parson-Swelser or on the writings on the industrial revolution. Swelser does not share Clapham's view that there was never an industrial revolution and is not prepared to lend his

to lay down the basis for this as a scientifically determined destiny".

This brief, and inadequate summary of Karl Polanyi's ideas is presented here only because it relates directly to the themes which occupied him during the last years of his life and eventually led to his initiative in the establishment of the co-existence journal. In 1958, in the draft of an unfinished book he wrote of his concern for the barrenness of the cultural west in its encounter with the world at large. What matters here is not the level of its achievement in literature and the arts, which flourish as only rarely before, but the weight and influence of its life values with the rest of mankind. The material and scientific products of the west are consumed by the new nations, but with an unconcealed contempt for the valuations and interpretations set upon them by curselves. The voice of that cultural entity, the Western mind, the thinkers and writers who were its traditional vehicles is not longer listened to, not on account of a hestile public but because it has nothing of importance to say.

shamefuly identified democracy with capitalism and progress with colonialism, but a cultural entity dating from the Renaissance and Humanism which gave rise equally to capitalism and to socialism. Universalism— the Jewish christian inheritance — was the claim to a universal validity. This received a massive content when the west became the bearer of an industrial civilization which, capitalist or socialist, soon comprised almost half the planet. We were somehow thinking about and for the plant. It was not a conversation. It was a monologue since no answer came, we carried on our thought unsustained but also uncontradicted. Since valid thinking is confirmed by the absence of contradiction, the lack of contradiction seemed to offer a substitute for validity.

The day of uncontradicted western universalism has passed with the end of colonialism and the rebirth of China. There is no more monologue; there is no more uncontradicted thinking. Co-existence has begun. It will challege all the

creative imagination of mankind to devise institutions which can harness the dynamic social forces unleashed within a fremawork of peaceful co-existence.

As a prerequisite to a solution to the challege of freedom in the machine age, socialism must recognise that "economic organization and the property system are not any more the sole criterion of socialism and that spiritual values, along with materials ones must be accorded their place." He saw a re-orientation in the program of the social communist party presented to the 22nd Congress of the C.P.S.U. Referring to that program he concerted "this adds up to a re-defination of socialism beyond mere property terms, as a quality of life where the economy is embedded in no-economic social relations. Materials needs and their satisfaction are merely accessory to a tissue of society, a web of social relations which inheres in lives lived under human conditions".

As an intergral approach of Karl Polanyi's socialism was the rejection of any system of international orgazation, socialist or otherwise which would invade national independence or imply external interference under the guide of international planning. A socialist country in fact can tolerate foreign domination even less than can a market-organized country. "The market-organized country is subject to reparations, limiting of business opportunities, discriminatory texation, tariffs and the like that is all. Mone of this directly interferes with the daily life of the citizen on his farm, land or shop as do the regulations, directive and norms of a socialist economic administration. Hence the incomparably greater need - in the case of a separate socialist state - for full sovereignty at the top and effective democratic participation at the bottom". Thus the considerable number of separate socialist lands now emerging on the map require an international economic policy modus vivendi. They should be able to co-exist with the free economics without having facility to accept the universalist market.. criteria adhered to in these countries, and enter into

economic relations with socialism countries without loosing control over their sovereignty. The shifting balance of the world towards socialism "can only be beneficial to the two interlocking trends of a humanist renewal of socialism and of national independence .. the partial breaking up of the political, economic and social order of capitalism develves life-saving talks upon socialism, calling into play the peoples forces of the whole world' emerging nations". So he wrote in January 1960. The internal market for commodities, land and labour enslaved man in its self-regulating and all-embracing 'cash-maxus', resulting in a humiliating dependence on the 'material', which all human culture has been designed to mitigate. The extension of this system to be international sphere, which reached its zenix with the fully automatic international gold standard, soon broke down under the refusal of the national states to submit to its dictates. Thus only socialist institutions can offer freedom to the individual and national independence to the nation.

Such a future is not, however assured, as nothing is assured in personal or social reality. The shape of a world of co-existence is not known to us, but the outlines, as they appeared to Karl Polanyi, were visible. The vistas of humanist socialism, he wrote in 1962, comprise pluralist democracy, national independence, industrial culture and a socialist international order. Pluralism encompasses democracy and inner freedom, safeguarded and institutionalized in the constitutional social and inner-party spheres, and must include trade union autonomy. National independence comprises the economic autonomy of a country. The humanizing of industrial civilization is the universal task of socialism in the moral and personal sphere. This comprises the qualitative re-shaping of the process of productions the organic fusion of the world of the machine with human motivation. The evolving of modes of action in the international sphere which can effectively influence the total order of human affairs comprise the burning

political economic and cultural questions raised by the emergence of new nations, of racial emancipation, of nuclear bombs and nuclear energy, and reciprocal economic relations between nations having regard always to the previously membioned components of a humanist socialist order.

In a life so rich and diverse, and so often apparently removed from the world of immediate action there was consistency to the end. Thus, his last, (undated) letter addressed to Dr. Rudolf Schlesinger, Editor of Coexistence only days before his death, and quoted here by kind permission of Dr. Schlesinger, he wrote that "a weighty theme (for discussion in the journal would be national life under socialism. "Few words in political sociology are now so atterly perverted as nation, national or even nationalistic. After the feudal mation came the Bourgeois nation, which now is being superseded by the socialist nation. Within a couple of generations things may have changed. Unless we break with a confusing usage, the permanent connotation of words may The essential compotation is always about the communion of humans. be lost. The heart of the feudal nation was privilege; the heart of the bourgeois nation was property; the heart of the socialist nation is the people, where collective existence is the enjoyment of a community of a culture. I myself have never lived in such a society.



ferry and Elizabeth Frodrick 47, Alla St. Oakwille, Out.

May 4, 1964

Dear Elizabeth, dear fery -
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