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## THE ORIGINS OF POLANYI'S NEO-LIBERALISM

In an address delivered in Toronto in 1967, Michael Polanyi paid homage to the liberal Europe of his youth. "One day," he said, "it will be seen as a great period of mankind. We had built a net-work of railways and could travel about without passports and settle down anywhere without permit: a degree of civilisation inconceivable today. The cultural unity of Europeans, and particularly of the Continent, Was complete. I grew up under the influence of the Russian novel and the new French poetry. In the theatre we watched with equal passion the plays of Chekov, Strindberg, Ibsen, Shaw and Wedekind. The School of Paris, its impressionist and post impressionist movements, which renewed the visual arts, as only the Italian Renaissance and Ancient Athens had done before, counted members from every country of Europe. It was one great united European culture in which I grew up and went to the university." 1/

Fin de siecle Hungarian culture contributed significantly to that larger achievement. Polanyi certainly recalled, even though he did not mention, the music of Bartók and Kodaly, the art of The Eight, the journals *Nyugat* and *Huszadik Szazad*, and the Galileo Circle, a student group that sought to defend and propagate the scientific world view. Polanyi belonged to the Circle, not only because his brother, Karl, was its first president, but because he believed that "scientific rationalism (had) inspired social and moral changes that (had) improved almost every human relationship—both private and public—throughout Western civilisation." 2/ It was for this latter reason, above all, that he chose science as a vocation.

The Galileo Circle adopted an adversarial stance toward the university and toward Hungarian society in general. Yet despite its social radicalism, its members remained steadfastly liberal. And so, too, did the Hungarian government. True, the regime was not democratic; few citizens could vote and non-Magyars did not enjoy equality of opportunity. But it did protect intellectual freedom, promote economic development, and welcome into the national community those who chose to assimilate. Among the most willing assimilators were Hungary's Jews, many of whose sons and daughters belonged to the Galileo Circle. In gratitude, the government treated them exceedingly well, so well in fact that Budapest became a magnet for the persecuted Jews of Russia and Galicia.

Polanyi belonged to a family of assimilated Jews and he never forgot the opportunities that liberal Hungary afforded him. In his mind, therefore, the Jews' well being was inextricably

1/ *Michael Polanyi, "Sixty Years in Universities," November 24, 1967, Michael Polanyi Papers, The University of Chicago Library.*

2/ *Ibid.*

cably intertwined with assimilation and liberal rule. The latter he associated with Protestant Christianity, in part no doubt because the liberal political leaders, Kalman and Istvan Tisza, were Calvinists. For Catholicism and the Catholic Middle Ages, on the other hand, Polanyi never expressed any sympathy. During that time, he wrote in 1943, Christendom "could tolerate no heretics. The Jews were overpowered, exiled, hunted, and finally their remnants imprisoned within the walls of the Ghetto." 3/ As a result, they could produce nothing of general human value.

In an effort to escape the confines of the Ghetto, nineteenth century Jews began to assume new, non-Jewish, identities. They did so above all, according to Polanyi, because of "a profound urge to embrace the greater causes of mankind," 4/ to join European—Christian—culture. In that endeavor they proved to be eminently successful, as the names of Heine, Mendelssohn, Ricardo, Marx, Disraeli, and, we might add, Polanyi, attest. At the same time, they gained an acceptance in national communities that they had never before known. In Polanyi's view, therefore, Zionism represented a retreat to isolation, an alienation from Western culture.

In a 1934 letter to his colleague at Manchester, the distinguished historian, and Polish Jew, Lewis Namier, Polanyi repudiated Zionism in the strongest possible terms. "I will fight," he wrote, "against a revival of the Ghetto spirit which persecuted our ancestors when they ran away from home to learn Russian or other worldly languages." Precisely those assimilators, he continued, "have brought forward Jewry from ignominious obscurity to attach its name to some of the noblest deeds of (the) human spirit." 5/

I have dwelt upon Polanyi's passionate defense of Jewish assimilation because I believe that it relates directly to his abiding loyalty to liberalism. Because nineteenth-century liberalism had set him free, opposition to its ideals took on, for him, a very personal character. That opposition had originated with Marx, Nietzsche, and Dostoevsky before the turn of the century, but it was the Great War, during which Polanyi served as a medical officer, that destroyed liberal self-confidence. "Our belief in moral progress was shattered by the senseless massacres," Polanyi later recalled. 6/ So discredited, indeed, were liberal ideals that many could no longer speak their name. In Hemingway's **A Farewell to Arms**, we may recall, Frederic Henry says that "abstract words such as glory, honor, courage, or hallow were obscene beside the concrete names of villages, the numbers of roads, the names of rivers, the numbers of regiments and the dates."

3/ Michael Polanyi, "Jewish Problems," *The Political Quarterly*, XIV, 1 (1943), 34.

4/ *Ibid.*, 37.

5/ Michael Polanyi to Lewis Namier, May 27, 1934. *Michael Polanyi Papers, The University of Chicago Library.*

6/ Polanyi, "Sixty Years".

But it was precisely this scorn for ideals, according to Polanyi, that produced political pathologies such as communism and fascism. Like the fashionable cynics of the postwar period, these movements sneered at words like truth, justice, and charity. At the same time—and this was one of Polanyi's insights— they smuggled those ideals into a scientific theory of historical inevitability or a myth of national destiny. Although Lenin, Mussolini, Stalin, and Hitler acted in immoral ways, the appeal they made was essentially moral. By a complete "moral inversion," they persuaded the disoriented masses that brutality was really honesty, terror really humanism.

Although Polanyi left Germany for England because Hitler had won power, he eventually came to believe that communism constituted a greater threat to liberal ideals than Nazism. The former possessed a more seductive ideology, a "magic" that the latter lacked. While dismissing ideals as empty chatter, Marx infused his analyses and prophecies with a moral passion that would have been the envy of the Old Testament prophets. At the same time, he argued with conviction that his socialism was scientific, thereby adding immensely to its prestige. This incendiary mixture of science and moral passion so attracted the modern mind that men and women who thought they had lost faith in everything became enthusiastic converts.

Polanyi's strong aversion to Marxism and communism did not, however, develop overnight. To be sure, he told Karl Mannheim in 1944 that he had opposed the Hungarian Soviet Republic of 1919. <sup>7/</sup> But during the 1920s and 1930s he maintained good relations with the Soviet scientists N. Semenov and A. Frumkin and visited the USSR repeatedly. According to Edward Shils, who knew him well, it was only later that he became an anti-communist. <sup>8/</sup>

Two events, I believe, convinced Polanyi of the Soviets' contempt for freedom. The first coincided with a four-week trip he made to the USSR in the early spring of 1935. The Commissariat for Heavy Industries had invited him to deliver a series of lectures in Moscow and other scientific centers. While there, he visited Nikolai Bukharin, who then served as Director of the Industrial Research Department of the Supreme Economic Council, as well as head of the Academy of Science's section on the history of science. With a perfectly straight face, Bukharin told him that the Western, liberal, notion of pure science was an illusion. History proved that all science was applied, and in the Soviet Union, therefore, planners merely confirmed the scientists' instinctual desire to pursue that research which would advance the goals set by the Five Year Plan.

At the time, Polanyi subsequently recalled, he "smiled" at such ideas. <sup>9/</sup> He was not, however, amused when, a year later, his niece, Eva Striker, was arrested in Moscow. A

<sup>7/</sup> Michael Polanyi to Karl Mannheim, April 19, 1944. *Michael Polanyi Papers, The University of Chicago Library.*

<sup>8/</sup> Edward Shils, "On the Tradition of Intellectuals: Authority and Antinomianism According to Michael Polanyi," unpublished paper.

<sup>9/</sup> Michael Polanyi, *Science, Faith and Society* (Chicago: The University of Chicago Press, 1946), p. 8.

talented designer of ceramics, Striker had shared lodgings with Polanyi and his family in Berlin before following Alexander Weissberg to the Soviet Union. Weissberg, an Austrian by birth and communist by choice, married her when she arrived early in 1932. Not long after they had separated, the police charged her with plotting to assassinate Stalin.

After more than a year in detention, during which she attempted suicide, Striker was suddenly and inexplicably released and put on a train for Vienna. By then, however, the police had arrested Weissberg, whom Polanyi knew and respected. In the end, he too survived, thanks in part to a letter from Einstein to Stalin and from Arthur Koestler—signed by French Nobel Laureates—to State Prosecutor Andrei Vishinsky.

Given what he already knew of the Nazi regime, the unmasked face of Soviet oppression confirmed Polanyi's opinion that Continental Europe had embarked upon a dangerous course. Thus he was all the more grateful that freedom had survived in England, and alarmed that Marxism was beginning to make inroads there too, even among scientists. During the summer of 1931, Bukharin had led a delegation of Soviet scientists to the Second International Congress of the History of Science and Technology, which convened in London. The delegation's papers were published under the title **Science at the Cross Roads** and produced an electrifying effect on English scientists who already leaned to the political left. Thanks to them, England soon supplanted the Soviet Union as the center for discussion of planning in science.

Among members of England's scientific left were Hyman Levy, J. B. S. Haldane, Lancelot Hogben, and above all, J.D. Bernal. The latter's book, **The Social Function of Science** (1939) contained the most important statement of scientific radicalism. Indeed, Bernal attempted to naturalize Marxism by identifying its alleged guiding principle—the use of science for social welfare—with the more familiar aims of Francis Bacon. 10/ By then the British Association for the Advancement of Science had founded a Division for the Social and International Relations of Science. Its chairman was Sir Richard Gregory, editor of the prestigious weekly **Nature** and a leader of what came to be called the social relations of science movement.

"Bernalism" did not go unanswered, of course. John R. Baker, the eminent Oxford biologist, published a "counterblast" in **The New Statesman and Nation** and Polanyi wrote a critical review of **The Social Function of Science** for **The Manchester School of Economic and Social Studies**. In that essay, he attempted to set forth what he called the "liberal view," according to which science represents above all, a system of valid ideas that were steadily strengthened and revised in order to approximate ever more closely to truth. 11/ Science could only advance in accord with its internal necessities, and thus any attempt to deflect its attention to practical problems would destroy it.

10/ J.D. Bernal, *The Social Function of Science* (New York: The Macmillan Company, 1939), p. 32.

11/ Michael Polanyi, *The Contempt of Freedom* (New York: Arno Press, 1975), pp. 4-5.

Polanyi did not say, of course, that science could not or should not be put to practical use. Rather, he insisted that its usefulness depended upon its progress and its progress upon its fidelity to its own guiding principles. Furthermore, he argued that fidelity was possible only under conditions of freedom. The argument, he continued, could be extended to other systems of ideas. 12/ A liberal society was, in sum, one in which citizens remained free to pursue thought wherever it might lead. If a passion for human welfare were permitted to override intellectual liberty, the result would be not only the death of thought, but oppression of the sort the Soviet authorities practiced.

Polanyi's response to Bernal was impressive enough, and in due course he, Baker, and others organized the Society for Freedom in Science. Yet he was uneasy; more and more he was becoming aware of the weakness of his own position. 13/ What, he asked himself, if liberal principles were not as self-evident as they had once seemed? What if scientific skepticism, which had done so much to delegitimize dogmatic authority, followed the logic of doubt to a nihilistic conclusion—to the denial of those very principles upon which the claims of liberty were based? That, as Polanyi saw it, was the problem, and it could not be solved by restating, however eloquently, the pre-1914 liberal position.

Instead, Polanyi believed that he would have to frame a new liberalism, one based upon an unapologetic profession of faith in the reality of transcendent obligations to truth and morality. Such a faith would set limits to skepticism, without succumbing to a new dogmatism. It would be viable, even necessary, because, as Polanyi began to see, the search for completely objective, and hence certain, knowledge was a fool's errand; it paved the road to nihilism. That was so because all forms of explicit knowledge, including that of science, depended upon a prior commitment to presuppositions that could not themselves be proved or even fully specified.

To be sure, the scientist's commitment to certain presuppositions was not an arbitrary one. It was guided and disciplined by the tradition of science, which could accommodate change and development, but not complete skepticism concerning its very foundations. It was only because that and similar traditions existed, Polanyi wrote in **Science, Faith and Society**, that individual men and women could overcome radical doubt and embrace principles by faith. "Hence tradition, which the rationalist age abhorred, I regard as the true and indispensable foundation for the ideals of that age." 14/ Or as he put it a few years later, only Burke could save Tom Paine's ideals. 15/

12/ *Ibid.*, p. 10.

13/ Polanyi, *Science, Faith and Society*, p. 9.

14/ *Ibid.*, p. 83.

15/ Michael Polanyi, *The Tacit Dimension* (Garden City, New York: Anchor Books, 1967), pp. 62-63.

But saving them was not enough, for ideals had always to be put into practice, and for that purpose there existed no rules, no specific prescriptions. One might, for example, be fully committed to moral conduct and still not know exactly how to act in a given situation. Liberals wished to leave the required decisions to the promptings of conscience, but critics of liberalism warned that individuals might then make morality mean anything that suited them. To such critics, liberalism was simply another word for anarchy, because it recognized no authority able to guide and discipline individual conscience and conduct.

Polanyi acknowledged the force of such criticism, but just as he had opposed the central planning of science, he rejected any attempt to locate moral authority in a Hobbesian state or in the Catholic Church, "which denies to the believer's conscience the right to interpret the Christian dogma and reserves the final decision in such matters to his confessor." 16/ Instead, he turned again to tradition, for he understood that traditional ideals were always rooted in customary behavior. The practice of true liberty was no more rudderless than the practice of true science—both were disciplined forms of art.

To be sure, no one could specify exactly how to perform and create art, but apprentices could learn by example, by submitting to the authority of masters who acted within the context of a tradition. In a very real sense, then, science was the tradition of research, and liberty the historically acquired knack of being free. Polanyi illustrated what he had in mind in his magnum opus, *Personal Knowledge*: "In the course of the seventeenth and eighteenth centuries British public life developed a political art and a political doctrine. The art which embodied the exercise of public liberties was naturally unspecific, the doctrines of political liberty were maxims of this art which could be properly understood only by those skilled in the art. But the doctrines of political freedom spread from England in the eighteenth century to France and thence throughout the world, while the unspecific art of exercising public liberty, being communicable only by tradition, was not transmitted with it. When the French Revolutionaries acted on this doctrine, which was meaningless without a knowledge of its application in practice, Burke opposed them by a traditionalist conception of a free society." 17/

It should be clear from the foregoing that a tradition is always embodied in the practice of a particular community or society. Hence, Polanyi's insistence that societies dedicated to the liberal tradition were essential to the progress, indeed to the very survival, of civilized life. By the time that he published *Science, Faith and Society* in 1946, he had taken heart from the example of English society during World War II. From his vantage point in Manchester, he had witnessed in his adopted land a "moral revival," inspired by Dunkirk and reflected in Churchill's rhetoric. "He talked," Polanyi wrote in 1943, "in a language in which

16/ Polanyi, *Science, Faith and Society*, p. 57.

17/ Michael Polanyi, *Personal Knowledge: Towards a Post-Critical Philosophy* (New York: Harper and Row, 1964), p. 54.

the issues of the interwar period had no expression. He spoke of honour and duty.... The carefully balanced sentences, the stoically controlled inflections of emotion, upheld the majesty of a moral tradition even without making any explicit reference to it." 18/

But as inspiring as wartime England was to Polanyi, it was as nothing compared to his native Hungary in 1956. The revolution there was, in his view, a great historical and spiritual turning point, the result of ex-communist intellectuals' revived sense of obligation to truth and fresh resolve to act in a manner consistent with that obligation. "When I listen to my Hungarian friends who took refuge in England after taking part in the revolution of 1956," he later observed, "when I read their account of their times as ardent Stalinists and of the change of heart they have undergone since then, I find that their hopes are basically the same as those which animated liberal thought at the turn of the last century. They are the hopes with which I was brought up as a child in Hungary." 19/

18/ Michael Polanyi, "The English and the Continent," *The Political Quarterly*, XIV, 4 (1943), 372, 380.

19/ Polanyi, *The Tacit Dimension*, p. 86.