

Greetings to all,

I respectfully ask the Van Leer Institute to accept my thanks and congratulations on their initiative to translate *The Great Transformation* into the Hebrew language. We are celebrating an important moment in world history. This new Hebrew translation will surely serve to increase the number of people who can participate in a discussion of Karl Polanyi's important ideas and their relevance in our lives today. It is a very special moment to write on the occasion of the launch of my father's book in Hebrew. I know he would have been very happy and I wish he could have been here with us.

It is a special moment for me also because my father died in 1964 when Israel still harbored socialist traditions and culture. He never witnessed the neoliberal counter-revolution that swept your country much like the rest of the world. The fact that the book sees the light in Israel now, after years of demonstrations against capitalism with no restraints, is proof of the power of Polanyi's theory of the double movement and the capacity of society to mobilize to reverse its own destruction.

The father of Karl Polanyi and his siblings was Michael Pollacek. His family was based in the southern slopes of the Carpathian Mountains, which provided fertile territory for many Jewish settlements. Jewish people began settling there as early as the fifteenth century and were allowed by local rulers to establish flourishing communities. The Pollacek's lived in the town Ungvár, now known as Uzhhorod, in the region of Transcarpathia, or Carpathian Ruthenia, the south-east of modern-day Ukraine. Michael was able to pursue his interest in extending railway lines, including tunnels and bridges where necessary in the alpine conditions of much of the Austro-Hungarian Empire. His family was wealthy and able to send him to the best technical institutions in Switzerland. As Jews, they were not permitted to engage in farming, but they rented a wood lot and their property on a river provided the power to operate a general mill that

could grind cereals and cut wood into planks. With the money made from the mill the family engaged in the production of beer. Both parents of my father were practicing Jews, but both were sympathetic towards the effort of building close relations between Christian and Jewish communities. Some years before his death, when the family had assimilated in Hungary, Michael Pollacek Magyarized the names of his children to facilitate their participation in Hungarian social life. He maintained his original name and his Jewish religion, as did his wife Cecile. The children were told that when they became young adults, they would have to make their own choice regarding religious affiliation—all of them ended up opting for one or another Christian affiliation. Michael Pollacek became a successful railway contractor. He provided his children with first-class homeschooling until they were old enough to enter the Gymnasium. At home, he gave instruction in Latin and Greek and English and French. The children adored their father. He would invite one or another of them to accompany him on business trips to foreign capitals.

Karl Polanyi's mother, Cecile Pollacek, was the daughter of Mr. Wohl, a scholar in a rabbinical college in Vilnius (part of the Russian Empire at that time) devoted to the instruction of future rabbis. He was drawn to the affinity between the Hebrew religion and Christianity. He translated the Talmud into Russian for which the Czar honored him with a medal named for St. Anne. Cecile was sent by her father to Vienna to learn a trade. She met and married Michael Pollacek in Vienna and Karl was born there. Pollacek spoke Hungarian and Cecile spoke Russian. They communicated in German. The German language, at that time, was a requirement of an educated person like French would be later in the nineteenth century or English today. Cecile had a number of girlfriends who lived in Simferopol in Crimea, one of them married the Russian socialist revolutionary Samuel Klachko. Klachko came from Vilnius but was living in Vienna and acted as an important family connection. The Pollacek and Klachko families enjoyed a close relationship for many years. Klachko's wife gave birth to a daughter, Lena Klachko, who

in later years married the Austrian education reformer Karl Futmeiller. I remember her as Lena Futmeiller and she was a good friend of my parents in Vienna.

As you may know, I am 97 years old. I am old enough to have lived through some of the events mentioned in my father's book as he witnessed the destruction of civilization caused in large part by what he called the 'fantasy' of the free market. *The Great Transformation*—widely regarded by economists as one of the most important works of the twentieth century—is as relevant today as at the time it was written. When asked to rank the ten most important books written by economists in the past hundred years, a 2016 survey of over three thousand heterodox economists in *Real World Economics Review* placed *The Great Transformation* (1944) second only to Keynes' *General Theory of Employment, Interest and Money* (1936), with Schumpeter's *Capitalism, Socialism and Democracy* (1942) in third. Without Polanyi's critique of the dangerous fantasy of the "free market" and his analysis of what he called the "double movement," how would we make sense of the rise of destructive populism? Especially in the United States and the United Kingdom where the neoliberal counter-revolution is most evident. Without Polanyi's analysis of the Gilded Age and its destruction of all social connections and tradition, how would we make sense of our own Gilded Age, which has given rise to populist and crypto-fascist movements throughout the world?

My father's book not only gives us the tools to understand the present but a guide on the struggle to reshape our shared future, to reintegrate the economy back into society, subjecting it to meaningful social values and morals. His book is relevant today because it explores the dynamics of social and economic change but never proposes a blueprint. It is up to us to create our own movement of change.

As we enter the new year of 2021, it is a universal wish that we see the end of the Covid-19 pandemic, which has claimed over 2 million lives. To put perspective on it, we are reminded that

the original pandemic effecting humanity, the so-called Black Death, claimed an estimated 25 million lives and around half of the population of Europe. When I was a child in Vienna, every child born in Europe received vaccination against that terrible illness—I still have a mark on my arm from the injection. But even the bubonic plague was conquered. I would like to suggest that we have done remarkably well with Covid-19, with the exception of poor countries unable to buy the vaccine. This requires a solution with the members of the World Health Organization and the United Nations who should work together to provide the vaccine for free to poor countries.

We are celebrating an important moment in world history. As I write about in a recent essay, “The Return of Karl Polanyi: From the Bennington Lectures to Our Present Age of Transformation,” we are today facing civilization challenges that threaten the future of humanity.<sup>1</sup> These challenges include ecological deterioration, climate change, the danger of nuclear disaster, the rise of superbugs, and the threat of technology, including artificial intelligence, which has destroyed the incomes of many working people and led to new industries based on collecting and selling our data.<sup>2</sup> For all of these issues, the work of Karl Polanyi is of some relevance, which is why it is critical that more people be able to access his thinking.

I want to wish the publishers of the Van Leer Institute an enjoyable day of celebration of the translation to Hebrew of Karl Polanyi’s *The Great Transformation*.

With Sincere Thanks,

Kari Polanyi Levitt

A handwritten signature in cursive script, reading "Kari Polanyi Levitt". The signature is written in dark ink on a light-colored background.

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<sup>1</sup> Kari Polanyi, Radhika Desai, and Alan Freeman, *Karl Polanyi and Twenty-First-Century Capitalism* (United Kingdom: Manchester University Press, 2020).

<sup>2</sup> Shoshana Zuboff, *The Age of Surveillance Capitalism: The Fight for a Human Future at the New Frontier of Power* (New York: Public Affairs, 2019).