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Michèle Rioux

- 1 This is the transcript of a second interview I did with Kari Polanyi during the Fall of 2013. The first was published in Vol. 45 of this journal¹. Those interviews are part of a research project leading to a book that will discuss the work and life of two extraordinary women in Canadian political economy, Kari Polanyi and Sylvia Ostry. The book, written in collaboration with Hugues Brisson and Philippe Langlois, should be available in October 2014.

Michèle Rioux: Dear Kari, can you tell us about the first decade of your life?

- 2 **KARI:** I was born in Vienna, shortly after the end of the First World War. It was a chaotic and economically very difficult time. My father, Karl Polanyi², then in his forties, had a good position as a journalist for an important weekly economic and financial journal. My mother was studying engineering, as she had wanted to do since she was a young woman. I had a very happy childhood, even though I was the only child. I grew up in Red Vienna, which was perhaps the most successful illustration of what a socialist urban government can achieve in a country that was quite poor, with a high rate of unemployment. Production in Austria did not reach the prewar level until 1928. Socialist governments were elected in Vienna from the revolution of 1918, which put an end to the Austro-Hungarian monarchy, until the overthrow of the working class movement in February 1934. Red Vienna had remarkable housing projects, of which the Karl Marx Hof was the best known but there were dozens, if not hundreds of them, built by the municipality. The defining moment of my life was when the working class movement was attacked.

Michèle Rioux: You were 11 years old? The second decade of your life was just beginning.

- 3 **KARI:** I was 10 years old going on to 11. The Austrian government destroyed the working class movement in Vienna. I knew more or less what was happening. There was to be a General Strike. On my way to school I noticed that the electric clock in the large public square had stopped, and I knew that this was the beginning of the General Strike and so turned around to go back home. My mother was very active, and she told me that she would be busy for the next few days and that I would be in charge of the house and of my grandmother. I was given for the first time paper money. I went down to buy a lot of bread and made all kinds of preparations for these few days without electricity. Because we lived rather near to the barracks, we could see the army bring their guns to bombard the social housing. I think this was the defining moment of my life because I knew which side I was on, the side of the workers of Vienna. I remained concerned with political events for the next ten years, twenty years or maybe eighty years. The civil war lasted four days. Eventually the government forces won. The leaders of the social democratic party left the country and went to Prague. I went back to school and almost half of the teachers were gone. They had been dismissed, and it was clear that this was because they were socialists.
- 4 In the following week, I was sent to England on a train. When I arrived in England, it was a challenge. I went to stay with very close family friends and learned English within a year or two. I was fortunate to have a very good education because I won a scholarship to a prestigious avant-garde boarding school. Former school mates tell me that I was forever reading. There was the Left Book Club and I think I read every single book that they published. At the time of the civil war in Spain, we raised money to buy wool and we made knitted sweaters. I was always politically active.
- 5 For those fortunate to be young in war-time England, which was never invaded, they were extraordinary times. They were the best years of my life. At school, I had two subjects that I loved, history and physics. When the time came, I did my examination in history. I got the entrance but I did not get the scholarships and my parents had no money. My father was then in the United States and my mother had joined him but I refused to leave England. I was living with family friends and I then tried for physics in Cambridge. All the exams were in mathematics, except for one practical lab and I did quite well. I was accepted into the second year of the program. But again, no scholarship. I decided that I was a failure, a total academic failure, having failed to get into Oxford to study history or Cambridge to study physics.
- 6 So I decided to follow my political left-wing interests at the London School of Economics (LSE). And of course, the fees were minimal and it was easy to get a loan from the local education authorities. The LSE was temporarily relocated to Cambridge, and we could attend lectures by any of the great and famous Cambridge economists, like Joan Robinson³ and others, as well as our own lecturers.

Michèle Rioux: Who was your favorite?

- 7 **KARI:** My real favourite, from whom I have learned so much and remembered all through my career in economics, was Nickolas Kaldor. His course on Economic Analysis

was presented as a history of economic thought. He would present Adam Smith and the exchange of beavers and deers, you know that old story. But after having presented Adam Smith, he then proceeded to deconstruct him; likewise with Ricardo and the whole Ricardian system, and then with Marx, and the marginalists revolution. I will never forget how the course ended. “Ladies and gentlemen,” he said, “there is currently a research survey to find out how business men set their prices. They report that they sum up the costs and they add a margin; so you see we still do not know the source of value.”

- 8 I also attended a course by Professor F. von Hayek. Unfortunately, the course was mediocre because Hayek chose to lecture from a large textbook chapter by chapter. The textbook was written by Kenneth Boulding; it was a very fat, large book that my father called “the Boulder”. After a few weeks, most of the students stopped attending the lectures because you could just read the book. We were never exposed to Hayek’s theories.
- 9 I chose to specialize in statistics, because I had done a lot of mathematics. I loved mathematics and I thought a specialization in statistics might be more useful than economic theory. I wanted to know what happens in the real world.
- 10 After the first two years at the LSE, I was called up for National Service. I was told that I could find my own employment, and that would be my National Service. My ambition was to specialize in labour research. Because I had done some voluntary work with the labour research department built by a wonderful woman by the name of Margot Heinemann, I found employment in the research department of the Amalgamated Engineering Union, representing over a million workers employed in the war industries. During the war, the research department was located in South London and it was entirely staffed by women. The director was Yvonne Kaap who had previously worked at Vogue in Paris.
- 11 I later returned to complete my undergraduate studies at the LSE. A little known but very important fact is that the student movement in England in the thirties and during the war was dominated by the communist party. Because of the rise of Hitler and the Spanish civil war, many bright young people thought that the Soviet Union was the only way to defeat fascism. And this indeed was true. Thus, while I was at the LSE, the communists were at the center and had the brightest of the students. On the left, were pacifists and rationalists and on the right was the labour party. And beyond the labour party there was nothing. There were no conservatives, no liberals. There was a total absence in the student life of the political spectrum of the right.

Michèle Rioux: When did you meet John Maynard Keynes?

- 12 **KARI:** I never met Keynes.

Michèle Rioux: But you have been in contact with ideas of the general theory?

- 13 **KARI:** We were aware of Keynes' proposal of 1942 issued as an official government white paper, a blueprint for a new post-war international financial order. It was widely discussed. But the LSE was not friendly to Keynes. More precisely, Lionel Robbins had brought Hayek from Vienna in 1931 for the specific purpose of combating what they considered to be the dangerous influence of Keynes. Dangerous because it was inflationary, and the LSE was very close to the city. They feared Keynes because they thought that deficit financing would create inflation. The city and the bankers hate inflation like the devil hates holy water. Keynes was never part of the undergraduate curriculum at the LSE. When I wrote my final exam in 1947, Keynes was not on the curriculum. In Cambridge, there were off campus classes in Keynesian economics taught by young LSE lecturers. Interestingly, at the same time, we were discovering the work of Michael Kalecki⁴. There were also the usual classes on Marx that were given by the communist party. But that was all off campus.

Michèle Rioux: Did the ideas of Kalecki and Keynes resonate with students or were they more inclined to study Marx?

- 14 **KARI:** We were somewhat introduced to these ideas by Kaldor. He initially believed in the conventional neoclassical price theory, but then departed from that belief, and later relocated to Cambridge University. I certainly knew the basics of the Keynesian approach, but it was not taught in any of my courses. I recently reread Kalecki, he was prescient in his prediction that the Keynesian solution would ultimately fail. He argued that if we have full employment for a long period of time, as indeed we had in the 1950s and 60s, the power of the capitalist class would weaken to such a degree that they would find it intolerable, as indeed happened in the stagflation of the 1970s. The neoliberal counter revolution was constructed in think tanks as a response to the concern of the capitalist class that the world was getting out of control, both domestically and in the third world.

Michèle Rioux: You were in your twenties and thirties, you were finishing your program and you then travelled to Canada. What made you cross the ocean?

- 15 **KARI:** I had met in England some Canadians who had volunteered to fight fascism. They were all communists, including Joe Levitt and I agreed to join him in Canada when I finished my studies. He was demobilized in 1946 and I came to Canada in 1947, as a member of the communist party. I thought Canada would resemble Britain, allowing you to engage in any political activity of your choice, including the communist party. However, I discovered that although that was the case in theory, in fact it was quite different.

- 16 I arrived on the last day of October, which is Halloween. When the dead rise from the graves and in catholic Europe at that time, all the cemeteries are lit with candles. I thought it was a very appropriate entrance to my new life in Toronto. Joe made contact with the University of Toronto, as I was planning on continuing my graduate studies. I spent my first year in Canada at the University of Toronto. I had a teaching assistantship, because it was a course on economic history, a subject that I knew very well. The professor let me teach the classes, which I very much enjoyed, but I found the atmosphere oppressive, stifling, boring, really very depressing - grey halls, grey people. I decided I did not want to live this kind of life. This was not what I had come to Canada for. I wanted to pursue my interest in the labour movement and do labour research. In truth, I did not want to do graduate studies. However, I did meet the famous Harold Innis⁵, a small man behind a desk piled up with books.

Michèle Rioux: But you were a PhD Student?

- 17 **KARI:** No, I was not a PhD Student. I had a BSc. I had a first degree, a BSc [econ] from the LSE, where I had tied for the first class spot with Ralph Turvey.

Interviewer: So you were not the failure you thought you were!

- 18 **KARI:** I was no failure, no. I tied for the first spot with Ralph Turvey, but Maurice Dobb broke the tie in favour of Turvey. I had offers of fellowships at LSE and, in many ways, I thought I should stay there because I had really wonderful career opportunities. In London, Nicki Kaldor had invited me to join his team on the famous British study on The Effects of Allied Strategic Bombing on the German War Economy. There was a very small team in Britain led by Kaldor and a very large American team led by John Kenneth Galbraith. This is how the two of them got to know each other. When the British and the American forces invaded Germany, they seized many documents on war production from the German war factories and brought them to London and to Washington respectively to be analyzed. The British team was very small. It consisted of Kaldor, who directed it, a professional statistician, whose name I don't remember, and myself. I was hired because I could read German. My task was to look at microfiches and record the information. The study found that the result of the heavy bombing of German industrial cities and the working class population was a constant increase of production. You cannot demolish a people just by bombing. You can demolish a lot of structures but you can't demolish the will of a people. The German bombing had a similar effect in England.
- 19 If I had stayed in Europe, I would probably have gone to work with Gunnar Myrdal at the UN economic commission in Geneva, but instead I came to Canada for personal reasons, for love.
- 20 When I arrived in Toronto, it was depressing. The university was depressing and the center of the city was depressing. I got on a street car in west Toronto in search of the city, passed a few buildings and fields, and when we arrived at the terminus on the east side I said: "I thought we were going to the city." And they said "You've been through

it. You've passed it already." King and Bay, a few tall buildings. It was in 1947, and I was 24.

Michèle Rioux: That brings us almost to the third decade of your life.

- 21 **Kari:** From 1947 until 1956, I was working in left-wing political movements. After the year I spent at the University of Toronto, I decided to go back to a milieu that I thought would be more interesting, more sociable. I looked for a factory job of the kind I had done in the summer vacations in England, and I found one on the Western Road of Toronto called the Acme Screw and Gear Company. I spent a year working there and enjoyed it very much, because the people were pleasant and kind. When I was sick with the flu, they brought soup and food to my home. I got involved in the United Automobile Workers. I initiated a newspaper for the local called *Yours to Build*. Later I worked in the research department of the United Electrical Workers. This was a frustrating experience. I was then invited to edit a sixteen page monthly tabloid for the Mine, Mill and Smelter Workers Union which was much more interesting. It was a new challenge.
- 22 In 1956, like many others, I resigned from the communist party, after the Hungarian revolution and the invasion by the Soviet Union. Because it seemed that I had wasted many years, I needed to get back to my studies, and I considered making a big change. At that time, information technology was just beginning, and opportunities were being offered to bright students with an undergraduate degree. Eventually I decided to stay in economics and enrolled in a Master's program in the University of Toronto instead. I did two years of the master's program and all the courses of the PhD program.

Michèle Rioux: But you never finished?

- 23 **KARI:** I never finished. I became interested in traditional Canadian economic history as well as in economic development; I wanted to combine this with the mathematics and the statistics. This is how I got engaged in the input-output studies of the Atlantic Provinces. I was drawn to it by Professor B. S. Keirstead. He had built an excellent department at McGill University, with excellent professors such as Jack Weldon and Tom Asimakopoulos. But a quarrel with the administration at McGill forced him to leave for Toronto, which is where I met him. He came from the Maritimes and he got me involved with the Maritimes as an underdeveloped region of Canada. So this is where my interest in development began. We were introduced to national accounting and I have spent much of my professional life in this area of national accounting and the construction of input-output tables. I was initially introduced to national accounting at LSE by a small book by J. R. Hicks, *The social framework: An Introduction to Economics*. It presented the system of national accounts, in terms of major constituent sectors.
- 24 In 1961 I received a job offer from McGill, which I think was at the prompting of professor Keirstead. I accepted the offer. I started at McGill without having finished the PhD, and I never finished it. I was initially engaged in a huge project on the production of input-output tables for the four Atlantic Provinces.

Michèle Rioux : Can you give us a sense of what was really original in this project?

- 25 **KARI:** It was original because at that time there was interesting work being done on the construction of the input output tables. The new idea came from Tadek Matuszewski at University Laval. He was brilliant and was advising the Quebec Bureau of statistics in the early 1960s. He introduced the idea of rectangular tables, instead of the square format that we all knew. Essentially, there are the basic tables of input, but they are rectangular with many more commodities than industries, corresponding to the reality of the economy. And then there was a matching rectangular table for the output of the many commodities of the few industries. This caused quite a bit of a storm, and I got involved in it. We made the tables for the Atlantic Provinces with that method, which was new at the time. Thus, I was involved from the beginning in Statistics Canada, working with Terry Gigantes, who was another McGill “product” and student of Professor Weldon. Most of the staff had actually come from McGill and Terry was the director of this input-output work. A recent book by Duncan McDowall, *The Sum of the Satisfactions on Canada’s national accounting*, contains a generous treatment of my contribution.
- 26 The project was huge. It lasted for over 10 years and it was ultimately financed by the Atlantic Development Board, which does not exist anymore. There was a discussion at the time about regional policy. Should industries in the Maritimes be encouraged by Ottawa or should people be encouraged to emigrate and leave the region? That is a very classic problem. It is a problem that is currently much discussed in terms of the contribution of immigrants to their country of origin. I never supported that position. My initial work was on the industrialisation and economic development within the Maritime Provinces and then later I transferred that onto an international scale.

Michèle Rioux: This was your first project as a McGill professor. Were you teaching courses at the time?

- 27 **KARI:** I was teaching a very heavy load. When I first came to McGill, I was given a course about which I knew nothing, Canadian banking. In order to entice me to come they also gave me a course on technics of economic planning. I taught a course on business cycles, which I also found interesting. However, the problem was that in the sixties, business cycles had disappeared, and the course morphed into a course on economic growth. Instead of the old business cycle, recessions took the form of slowing down the rate of growth. For the banking course, I would start at five in the morning to have time to read the next chapter in the textbook, and I would present myself at 9 o’clock in the morning and behave as if I was totally familiar with the material. I was very strict with the students because I knew that this was a contest between my authority, as a relatively young woman, and a large class of commerce students, mostly male. If I did not exert my authority, I would be in trouble. So if I caught them reading a newspaper, I stopped lecturing and suggested that they read outside the class.

Michèle Rioux: When did you start the work on the Caribbean?

- 28 **KARI:** My contact with the Caribbean came shortly before I accepted the position at McGill, in 1961, and the person responsible was Professor Keirstead. It was the time of the Federation of the West Indies, which later collapsed in 1962. The circumstances were that he had a year of sabbatical leave and he was invited to undertake a study on the federal shipping service by Arthur Lewis.
- 29 Keirstead did what all professors do when they have a lot of work and it is a little boring. They find a graduate student. He asked for somebody who was more competent than myself, but they were not available. He then asked somebody else who was also not available, at which point, in desperation, he sent me an invitation in December. I jumped at the opportunity. My husband was very helpful and cooperative and he said: "Ok, you can go." I prepared everything for the children for Christmas and I went and set foot in Jamaica, late in December of 1960 and there I encountered a very new and strange world.
- 30 I felt that I had stepped back into the nineteenth century, the world of the novels of Jane Austen. It was very, very colonial. I was sent to Trinidad, which is where I had to do the research. That is how it started. Then, in the following spring I was asked to come and proof read in Jamaica. There I met a number of relatively young economists who had been trained in Britain at the LSE or at Cambridge, with whom I found I had much in common. Friendships were formed and that was the beginning of it.

Michèle Rioux: What is the next important moment, the publication of your book *Silent Surrender*?

- 31 **KARI:** It all started with Charles Taylor, an eminent political philosopher who was very active in the New Democratic Party (NDP). The NDP were having many discussions about foreign ownership, and Charles persuaded me to interest myself in this issue to write a background paper that could be used for their discussions.
- 32 At that time, the heavy weights did not see a problem. The influx of foreign capital was believed to be obviously beneficial. The most influential economist of Canadian origin at that time was Harry Johnson. I don't know whether that name is still known, but he was a very high profile Canadian in favour of economic liberalisation. I started to look at this and I became increasingly interested. The first thing I noticed was that there is surely a difference between portfolio capital and the operations of subsidiaries of large corporations of foreign investment. This discussion continued over two or three years. I constantly had to fortify my position, which became increasingly negative towards the sell-out of Canada's manufacturing industries to a huge influx of American money.
- 33 At the same time, I maintained my connection with the Caribbean and was working with my colleagues on the construction of an economic planning model for a typical Caribbean economy.

Michèle Rioux: In your economic planning model, what was the main element? What is related to the question of investment in Canada?

- 34 **KARI:** I think the question to ask is what did the effort in constructing an economic planning model have in common with the discussion about foreign private investment in Canada? What they had in common was that these economies were dominated by extremely large foreign owned extractive industries. You had in Jamaica a very large bauxite and alumina industry with the presence of Alcan and Alcoa, Kaiser, Reynolds, at least those four huge international companies. In Trinidad, there was Shell and Texaco, very large refineries, and there was also throughout the Caribbean a sugar industry dominated by British capital. The common factor was the effect on open economies of being dominated by subsidiaries and branches of large foreign companies. That was the common factor.
- 35 In the models that we attempted to construct, that reality had a central place. At this time there was an interesting intellectual movement in the West Indies and a published journal called the *New World Journal*. It was in that journal that my paper, which would become *Silent Surrender*, was first published in 1968. It was reprinted and circulated until the McMillan Company asked me if I would be interested in turning it into a book.

Michèle Rioux: Did you know at the time that it was important?

- 36 **KARI:** It certainly became very important in the NDP. Not only within the NDP, but because this was the time of Walter L. Gordon who was then the Minister of Finance. He commissioned the study which became the Watkins Report on foreign ownership, in which Mel Watkins and Stephen Hymer participated. That was at the same time as I was preparing the book for publication, and these were friends of mine.
- 37 *Silent Surrender* was an important document no doubt about it. It went to many re-printings and re-editions, large re-editions, physically larger, student editions, which were cheaper and so on. The book was reviewed when it was first published, on the front page of the business section of the *New York Times* with an interview, etc. It was extensively reviewed in Canada. Then I found myself in demand to be speaking about this. I did not like it, it was interfering with my work and it was too much. I had to finish the input-output work and a big project in Ottawa. I had to teach. I had undertaken interesting work in the Caribbean. With all of this on my plate, I said "Look, if you want somebody to carry the Canadian flag and become an activist, it's not me. Do it yourself."
- 38 Incidentally, I also had a dramatic encounter regarding my tenure in 1970, because after ten years my tenure was not yet confirmed.
- 39 I had written this book and I had an unfinished project. A committee of four, from which the two most important members of the department, professors Weldon and Asimakopulos, had reclused themselves to discuss my promotion. The committee said: "We respect your work and when you finish this large statistical study, you will get your tenure." I had sent them a big pile of works including the book that has just been

published. They asked me: “Incidentally, Kari, what do you think of this publication the Silent Surrender?” I replied: “In these circumstances, it is for you to judge”. They said: “Yes, but we would like to know what you think about it.” I thought for a moment and I still remember my reply. I said: “I think it is the most important thing that I have ever done, maybe the most important thing that I will do for the rest of my career.” They looked totally stunned because the people to whom they had sent my work to be evaluated had reported very negatively on the book. They repeated; “You’ll get your tenure when you finish your statistical study”. I replied: “Fine, I intend to finish it, so it is ok”.

- 40 Subsequently, I wrote them and said: “I think you owe me an explanation as to why this book is not a publication for the purposes of tenure and promotion”. They replied: “You know you will get your tenure when you finish the statistical work.”
- 41 Throughout my career, I have rarely submitted an article to a top of the line peer reviewed journal. I have not been motivated to do that. I can see really how much work I had actually done in my lifetime. It is a lot. None of it was motivated by advancing my career. But I understand that it is not possible anymore to behave in a university the way in which I behaved. I was fortunate in enjoying the privilege of the liberty to choose what I considered important to write and to publish. I don’t know how possible this is anymore. Certainly, it is not possible to survive or to eventually become a full professor in a good university without having a doctorate.

Michèle Rioux: Why were the seventies so important for you?

- 42 **KARI:** They are a very important part of my life because I had a good time and a lot of it was spent in the West Indies. I think I told you that I had started some work with Lloyd Best. We had a grant from McGill from the *Center for Developing Areas Studies* to develop our approach to plantation economy models for the Caribbean. I had wanted to continue this work with some CIDA funding in Trinidad at the University of the West Indies and something happened; a political intervention and CIDA took the money off the table. I had finally got leave from McGill and I had planned to move for two years with the family to Trinidad. In these circumstances I accepted an invitation from Mr. William Demas, then chief economist for Trinidad, to employ my skills in national economic accounting to produce a new database for the next five-year plan for the country.
- 43 The project was initially financed by IMF Technical Assistance and had strong support from the government of Trinidad and Tobago. I was an adviser on the new system of national economic accounts. We built a team of young graduates in economics and worked with the statistical office to reorganize the economic statistics of the country. The work started in September 1969 and was abruptly terminated in 1973 by changing circumstances at the political level. This was regrettable because we had done an amazing detailed and careful statistical work which was methodologically innovative.
- 44 I then accepted a professorial appointment at the University of the West Indies and did not return to Canada full time until 1977. I was kind of floating. In the 1980s, I was determined to develop a really good course in development economics at the undergraduate and graduate levels at McGill.

- 45 In 1978, my mother passed away, and I inherited the responsibility of the literary legacy of my father Karl Polanyi. This added a whole new dimension to my life. There was my Caribbean work, my McGill teaching, and now the responsibility for the legacy of my father. In 1986, a centenary conference was organized by the Hungarian Academy of Sciences in Budapest, celebrating the life and work of my father. The earthly remains of my parents were transferred from Canada to a cemetery in Budapest.

Michèle Rioux: Did you miss Europe?

- 46 **KARI:** I missed it of course, but when time goes by, you distance yourself from your country of origin. In my life, I grew ever closer to the West Indies and ever more involved in work there. When you ask me what I think is my most important contribution, it is probably my work in the Caribbean. I have published two edited books on the Caribbean, including the *George Beckwood Papers* (2000); *Reclaiming Development: Independent Thought and Caribbean Community* (2005), a collection of my essays on Caribbean topics; and jointly with Lloyd Best, *Essays on the Theory of Plantation Economy: a Historical and Institutional Approach to Economic Development* (2009).
- 47 In the 1990s, I was teaching a course on economic development in an excellent two-year-post-graduate program at the University of the West Indies in Jamaica.
- 48 In the Caribbean, there are many people who think of me as Caribbean by origin. Many are not aware that I have also a life in Canada. So I have three lives: Europe where I come from and continue to maintain contact, particularly in Vienna and Budapest; Canada where I have lived since 1947, in Toronto but much more importantly Montreal; and in the Caribbean, where I have developed another life.
- 49 Since I retired from McGill, I have been more productive than ever before. I have been able to do a lot more writing, and my interests have widened and broadened. My interests have shifted from national economic accounting and techniques of development planning towards a wider historical approach, to the trajectory of capitalism across space and time.
- 50 A collection of essays, under the title of *From the Great Transformation to the Great Financialization*, was published earlier in 2013. I am currently working on the completion of a manuscript on economists working on development from mercantilism and Adam Smith to the financial crisis of 2008 which revealed the rising importance of the global south in shifting geo-political power relations.
- 51 My sight is now very poor, I cannot read, but I have software that converts electronic text to speech. I am not saying the situation is good, it's not, but it encourages reflection on knowledge accumulated over the years, and discourages the accumulation of ever more material, which serves as a substitute for creative thinking. When I need information, I depend on human assistance.

Michèle Rioux: Who do you think was the most important person in your life and in shaping the way you have approached your work?

- 52 **KARI:** It must be my parents, but I think that this is ultimately true for just about everybody. No doubt that our parents have an enormous influence on how we are shaped. My parents are very different from each other. My father worked in the area of ideas and my mother was an activist. As a young woman, she played an important role in the Hungarian struggle against the First World War. She became a national heroic figure together with her comrade and first husband in organizing the production of anti-war literature distributed in the war factories and army barracks of Budapest. She was arrested and accused of treason. My mother has been described as a sovereign revolutionary; she was no camp follower. I hugely admired my mother when I was growing up in Vienna. When I was young, she was my model, rather than my father. It was much later in life that I grew to appreciate the ideas of my father.
- 53 Both my parents had an influence and I always felt, because of growing up in a socialist household, in a socialist Red Vienna, that I had to put the education that I had received and whatever natural intelligence I had been endowed with in some way to use in this world. I never had a career plan. Wherever I found myself I would become engaged in what I thought was a positive way, in an effort to serve a cause. It stems from the prevailing values of the family. The other thing is the curiosity. I am enormously curious and always continue to find what I do sufficiently interesting to attempt to keep writing and working.

Michèle Rioux: And your children, you told me that you owe the title Silent Surrender to your son.

- 54 **KARI:** There is no question that my children have suffered a lot from my active kind of life. If I had to do it over again, I might have chosen differently. But it is also the way that I was brought up. I was raised to be independent from an early age. My father was in rebellion against the bourgeois expectations of his mother, and my mother was in rebellion against her aristocratic family origins. They encouraged me to be independent and I thought when my children were growing up that that was the best for them too. I think there was a little too much independence and not enough caring.

Michèle Rioux: For young people interested in political economy what would be your best advice?

- 55 **KARI:** That is an enormous question. All I can say is that we have to rethink the way we live in this world. We have to reconsider our place in the universe, our relationship with nature, and perhaps the most important, we need to slow down and to restore our personal relationships with people and with our physical environment. There is an increasing interest in other civilisations, in other societies, and all of that is good. The solution does not lie in ever more sophisticated technologies but on the contrary, in

questioning how we really want to live with each other, in the natural environment we are too rapidly destroying.

56 **End**

NOTES

1. Michèle Rioux and Hugues Brisson, *Interview with Kari Levitt: "Bring the State back in!"*, *Revue Interventions économiques*, 45 | 2012, <http://interventionseconomiques.revues.org/1686>
2. See the Karl Polanyi Institute of Political Economy at: <http://polanyi.concordia.ca/polanyi/>
3. Joan Robinson (1903-83) is a great economist mostly known for her work on imperfect competition (*Economics of Imperfect Competition* published in 1933, Macmillan). She was close to J. M. Keynes, R. Kahn and Sraffa. She also wrote *The Accumulation of Capital* (Macmillan, London, 1956).
4. Kalecki (1899-1870) is a polish economist who worked at LES, Cambridge, Oxford and at Warsaw School of Economics. He has also worked at the United Nations.
5. Harold Innis is one of the most important Canadian professor of political economy. He worked at the University of Toronto and published on media and Canadian economic history.

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