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Forewords by Dr. Wu Ta-You, Chairman of the China Foundation

Dr. Yang Tsui-hua asked me to write a foreword for her book “Patronage of Sciences: the China Foundation for the Promotion of Education and Culture”. The China Foundation for the Promotion of Education and Culture (the China Foundation) was established by negotiation between the Chinese and U.S. Governments in 1924 for management of the repatriation by the U.S. Government of the balance of the Boxer's Indemnity payable to the U.S. The total amount in principal plus interests amounted to more than 12 million U.S. dollars from the period of October, 1917 to December, 1940 to be returned to the China Foundation in 20-year installments. Both sides agreed that the usage of the remission was for scientific and educational enterprises.

Up to the present, the China Foundation has been established for 67 years. In the early period when the Nationalist Government was established, the Government had tried to meddle with the personnel and operations of its organization. During the Sino-Japanese War period, the Foundation faced a crisis when the remission installments were stopped. Therefore the total amount received by the Foundation was far lower than promised. At the end of the War, the Foundation faced a threat by the then Minister of Education, Chen Li-Fu to abolish the Boxer's Indemnity administrations and snuff out the existence of the Foundation as it was one of them. After the end of War, the domestic investments of the Foundation went up in smoke. These were some of the trials and tribulations in the history of the China Foundation. Before the War, the Foundation had subsidized academic institutions; sent scientists abroad for advanced research; and supported science education. Its contribution to education in China has been tremendous. In Dr. Yang's book, she has a detailed analysis of its history and its works, especially for the period of two decades before the War. This book is an important reference book for the history of science and academic development in modern China.

Sixty years ago, I received the Class-B Research Fellowship from the Foundation to study in the U.S. and 29 years ago I was elected trustee of the Board of the China Foundation. It can be said that I have an inextricable affinity with the Foundation for my whole life, but my knowledge of the Foundation is less than one percent of that of Dr. Yang. After finishing my reading, I have gained much insight of the Foundation from it. Here I express my thanks and give my congratulations to her.

After the War, because of limited resources, even though the China Foundation's influence was far less than before the War, during the 1950's and 1960's the seemingly pitifully small grants in foreign exchange from the Foundation still benefited greatly the National Taiwan University and the National Science Council. I hope in the future when the author do publish her revised edition of the book, she would have a brief description of the contributions from the China Foundation during its recent 20 year's history and make the book a complete history of the China Foundation.

October, 1991

The Prologue

The Western impact has been a major factor for the development of the culture and education in modern China. Some of scholars take the view that the Western academic values and the modes of education were not as important as the Chinese indigenous social dynamism in the process of the “*cultural modernization*” of China. Through constant absorption or borrowing from the Western values and modes before 1949, China had “*successfully*” caught up with the tide of the world culture, while still maintaining its self-dependency and uniqueness in its education without domination by any other major world culture⁽¹⁾. However, very few people would deny the fact that among the cultural and educational relationships, especially in science education, scientific research and medicine, which China had linked up with other countries such as Britain, U.S., Japan, Germany or France, the influence of the U.S. has been the most profound.

In past researches on the Sino-America cultural and educational relationship, the emphasis had been mostly on the activities of the missionary and the missionary schools, but recently scholars began to explore the important roles played by the social societies of the Chinese students studying in the U.S. and by the American educators and philanthropists on the process of the “*secularization*” of the Sino-American cultural and educational relationships; and the implications of the “*transplantation*” of the American ideals and systems on the soil of China⁽²⁾. In 1908, the U.S. Government used the remission of the First Boxer’s Indemnity to fund the Chinese students to study in the U.S. and later to fund the establishment of the Tsing Hua School. This was the first crystallization of the Sino-American cultural and educational relationship. In principle, 80% of the remission-supported students were supposed to study physics, chemistry and other applied sciences and about 20% to study social sciences. This became the major theme on the future Sino-American cultural and educational relationship. Later, the China Medical Board of the Rockefeller Foundation deployed its vast resources to engage in cultural and educational enterprises in China, emphasizing medicine and basic sciences. Were these efforts successful or not? Were these symbols of the so-called “*cultural imperialism*”? Was such a mode helpful for the “*professionalization*” of the science and technology in China? What kind of impacts of these was on the “*localization*” in academic and educational circles? Among these debates⁽³⁾, most are from the standpoint of the Americans such as American philanthropists, educators, and the missionary schools, in looking into and evaluating the significance of the Sino-American cultural and educational exchanges. Basically they ignore the significance of the thinking and activities of the Chinese people in the field of culture and education. With the study of the China Foundation, which was jointly established by the Sino-American political and educational people, we are reevaluating these debates through the prism of this major nexus of the culture and education between the two nations.

The China Foundation is an abbreviation of **The China Foundation for the Promotion of Education and Culture**. It was established in September, 1924 with President Ts’ao Kun’s appointment of 15 Chinese and Americans (with the Americans accounted for 1/3 of the trustees). From then on the Board was to elect trustees by itself. The China Foundation was entrusted for management and custody of the second

remission of the Boxer's Indemnity by the U.S. Government (referred to hereinafter as The Second Remission). The funds were to be used "*for the promotion of Chinese educational and cultural enterprises.*" On this main theme of the Sino-American cultural and educational relationship, the scope of the so-called educational and cultural activities by consensus were limited to science education, science research, science applications and cultural enterprises of a permanent character such as libraries. Its policy orientation and activity emphasis had a major impact on the development of science in China before the Sino-Japanese War. Since 1939 the Government suspended the payments and in 1943 when the New Sino-American Equal Treaty was signed, the payments were completely cancelled. Nevertheless, the Foundation was able to use its own accumulated endowment and the funds under its custody (i.e. the Tsing Hua University Fund, the Fan Memorial Institute of Biology Fund, and the Chinese Social and Political Science Association Library Fund) to carry on most of its routine works, albeit with some exertions. After the War, the office of the Foundation was moved back to Nanking from Chungking in 1945. Later when the political situation worsened, it moved from Nanking to Shanghai and then to Hong Kong. In 1949, the Foundation transferred cash and investment securities to New York. From then on the business and financial operation were managed from New York. Its grant-receiving institutions were also switched to academic and cultural institutions in Taiwan. Its impacts were very positive on the academic and scientific developments in early Taiwan after the Government was moved there.

In September, 1972, the office of the Foundation was moved back to Taiwan from New York and the Head Office at King Hua Street, Taipei was inaugurated. Later on several boxes of archives had been moved back to Taipei from New York. The major contents were the minutes of the annual Board meetings after 1950, financial data and audited reports, the correspondences among trustees, and the documents about the grants-in-aid to educational and cultural institutions. Among these, some files were dated before 1950 but were mostly carbon copies or photo copies collected or supplemented by their staffs in the U.S. and private correspondences or related materials left by some trustees, such as the complete file of the newspaper clippings, cables and letters concerning the reorganization of the China Foundation as collected by Hu Shih, which retold the whole story with behind the scene maneuvers of the reorganization. There were two boxes of Rogers Greene's personal files (more than 40 folders) containing the correspondences among the trustees in Chungking and the U.S., that are helpful to bridge the hiatus due to the suspension of publication of the Foundation's annual reports since 1941⁽⁴⁾. However, most of the pre-1950 records were not removed to New York while the investment securities were. Compiled by the Chinese Government in Mainland, those records were kept in the Nanking 2nd Historical Archives. In all, the Archives collected 1,641 folders of the China Foundation. These include the minutes of meeting records; the records of personnel and financial administration; accounting books and documents, formal correspondences with government agencies, foreign and Chinese banks; and applications and reports by grant-receiving organizations, etc. These are valuable basic reference materials for the study of the history of the Foundation.

This book, based on the firsthand historical records on both sides of the Straits, tries to: (1) reconstruct the development path of the China Foundation; and (2) research on the

impact of its role in the science development of the modern China, in order for deeper understanding of the true nature of the Sino-American cultural and educational exchanges. In this context, the book is divided into two parts. The first part is a vertical analysis of the history, policies and organization of the Foundation, spanning the first three chapters. The main theme is on its relationship with the Government. Whether in its establishment and its later forced reorganization, its near-death crisis at the end of war, its personnel, organization or financial conditions, they were all entangled with the political conditions of the Nationalist Government as well as the Government's diplomatic relations with the U.S. How could an independent, self-governing and self-perpetuating foundation such as the China Foundation maintain its ideals and beliefs among its intricate relationships with the political organizations, the academics and educational institutions? What were the agreements and disagreements among the American and Chinese trustees? What were the chemical reactions when the scope of business and the principle formulated by the consensus of the Board were put to test vis-à-vis the complex personal relations and the unstable political situations? Through these questions, maybe we could see more clearly the significance of the development path of the first non-civilian cultural and educational foundation in China.

The second part of the book is a horizontal analysis of the relationship between the China Foundation and the development of modern science in China. This part is composed of Chapters 4, 5 and 6. The focus is on the major goals of its activities, i.e. science education, science research and science applications. Because the early grants of the Foundation were focused on the first two, science education and science research, it did not pay much attention to science applications. Basically, the Foundation included the grants to science applications under the category of the grants to educational institutions. Therefore Chapter 5: Science Applications was put ahead of Chapter 6: Science Research as the former is more closely related to Chapter 4: Science Education. Through what steps, had the Foundation tried to improve science education and promote science research in China? What were the best ways to improve scientific teaching--through elementary and middle schools or through the higher institutions such as universities and research institutes? What was the major focus? Pure science or applied science? What were the characteristics and emphasis of its grants to science research? What were the accomplishments? From these questions, we should be able to analyze its role and find its impacts on modern Chinese science development by the Foundation, the patron of science in China. In the summery section of the Chapter 6, we point out that the role of the China Foundation was not only a science supporter but also an active science promoter. The main focus of its grants reflected the mainstream thinking of the scientists at that time. I give my conclusions in Chapter 7 and spell out the prerequisites for the Foundation to play these double roles and also the similarities and differences between the China Foundation and other foundations of similar nature as well as the uniqueness of its activities. Finally the Epilogue is an extended but brief description of the activities of the Foundation since 1950 and its contributions to the science development in Taiwan during the 1950's and 1960's.

The author had received a one year research project grant from the National Science Council while writing this book and was elected as the 27th tranche of

researchers to research abroad. This enabled me to collect record files and conduct oral interviews in Taiwan and abroad. For the assistances from the Foundation's Chairman Wu Ta-You, Director Su Han-ming, Financial Secretary Chi-Chu Chen, former Trustee Lee Kan, Yang Shu-jen, and L. T. Yip, and the support from staff officers such as Su Yu-wen, Lin Yah-Ping and Chang Chung-Min, I hereby express my thanks. My special thanks go to Chairman Wu Ta-You of the China Foundation. Sixty years ago, Dr. Wu received the Class-B Fellowship from the China Foundation to study in the U.S. Since then Dr. Wu formed an "*inextricable affinity*" with the Foundation. Its history and operations are at his fingertips. When the author decided to undertake this research, he gave his full support and encouragement. During the stages of preparation and writing, he showed his care by frequently inquiring about the progress of this project and he supported it with his whole heart. He gave me many invaluable suggestions and, when the book was finished, he was ever so gracious to write a foreword with high praises. For this I am greatly honored. As to his instructions to continue its history to the present, due to the fact that the objective environment is still not mature enough, I am afraid I am unable to abide by his wishes at this time. When time is right, I might try to do so in repayment of my gratitude to this senior scholar. Besides, I would like to express my thanks to: Mr. Thomas Rosenbaum of the Rockefeller Archives Center; Mr. Wan Zen-Yuen, Deputy Curator of the Nanking 2nd Historical Archives; Ms. Chao Huei-Chih, the Research Institute of the History of Natural Science, the Chinese Academy of Science; Chang Sien-Wen, Head of the Department of History, Nanking University and his colleagues Chen Chien-Ping, Chen Hong-Min, and Shen Siau-Yun; and my colleagues of our Institute, Lu Bao-Chien, Chang Min-Yuan, Tao Ying-huei, Wei Shiu-Mei, and Chang Li's proof-reading and the hard labors of Fu Bao-Yu, Wu Feng-Lien, Chiang Shu-Ling, Pang Kwei-Feng, Li Huei-Ling and Shen Huai-Yu. Here I thank all of them for their help. More than 10 years have passed since I had written my master's theses and my teacher, Dr. Tao Ying-huei has always provided me unceasing guidance that have greatly benefitted my life whether in dealing with people or in doing research. My gratitude to him is unlimited. Of course, my husband, Li Meng-Shun with my family members' encouragement and the healthy growth of my two children has always been my spiritual support and the driving forces of my research. My thanks to them are beyond words.

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Chapter 1: The Establishment and Reorganization of the China Foundation for the Promotion of Education and Culture

I. Negotiations Leading to the Remission of the Boxer's Indemnity

The U.S. Government's remissions or repatriation of the Boxer Indemnity (referred to hereinafter as the Indemnity) happened twice. The first remission occurred in 1908. Negotiated by the Chinese minister in the U.S., the balance of the over-claimed Indemnity in the amount of more than 10 million U.S. Dollars was to be returned to the Chinese Government by the joint agreement of the U.S. President and the Congress⁽¹⁾. The total amount was to be repaid in monthly installments from 1909 to 1940, for the purposes of sending Chinese students to study overseas, and for establishing schools. Besides the guidelines of the usages of the funds, the U.S. Government also formulated a rule of so-called "*pay first and return later*". The Chinese Government should first pay the required amount of monthly installment to the City Bank Farmers Trust Company, the predecessor of the present Citibank, in Shanghai and subsequently the U.S. counselor at Shanghai reviewed and authorized the remission through the Shanghai custom office to the Chinese Ministry of Foreign Affairs⁽²⁾.

The first remission was mainly used for sending students to study in the U.S. and for setting up the Tsing Hua School. In 1909, the Office of the Overseas Study in the U.S. began to operate. Up to 1911, 180 students were selected and sent to the U.S. in three tranches. Most young students came from missionary schools and provincial high schools. In 1911, the Tsing Hua School was formally established and started to recruit students from junior and senior high schools. After graduation, they were sent to the U.S. colleges for further study as sophomores or juniors. After the 1911 Revolution, the Office of the Overseas Study was abolished and the Tsing Hua School was reorganized as the Tsing Hua College to be supervised by the Ministry of Foreign Affairs. However, the budget and other important administrative matters of the Tsing Hua College were still under the influence of the U.S. Minister (later Ambassador) to China. In 1917, the Tsing Hua College Foundation was organized. Under the Foundation, the Board of Tsing Hua College was in charge of the funds. In spite of the political strife in China, Tsing Hua College Foundation had never strayed from its original purpose as they focused only on education. This was held up as a good example for the movement to promote the second remission of the Indemnity.

In 1917, China declared war on Germany and seized the opportunity by negotiating with foreign powers for the suspension of the Indemnity payments. The public-minded people both in the U.S. and China started to promote the second remission. In 1921, Senator Henry Cabot Lodge proposed to the Senate for the remission of the remaining Indemnity and the U.S. Senate duly passed the resolution to return the remaining Indemnity. However, the House worried that other countries might cite this example to refuse payment on their debts owed to the U.S. during the World War I. As a result, the House tabled the resolution⁽³⁾. Nevertheless, the promoters of the second reparation persisted.

On the Chinese side, V. K. Wellington Koo, the Minister of Foreign Affairs, and Sao-ke Alfred Sze, the Minister to the U.S., had exchanged views with overseas Chinese, American educators and politicians lobbying for the second remission from the U.S. Meanwhile, Chinese educational societies, such as the Chinese National Association of the Advancement of Education, strongly urged the Peking Government to push for the second remission. As a result the Ministry of Education formed the Committee of Indemnity Reparation for Education. The Chinese National Association for the Advancement of Education also formed a Department for the Remission of the Indemnity with Chiang Monlin in charge. In his letter to Mr. Sze Sao-ke, Dr. Chiang proposed to use the fund to set up a Sino-American Friendship Fund to provide funding to 13 national colleges for setting up libraries, laboratories, museums, sport stadiums and class rooms ⁽⁴⁾. Ms. M. E. Wood, a foreign member of the Association and the chief librarian of Boone University in Wuchang, was especially supportive. She visited V. K. Wellington Koo, C. T. Wang (then the chief of the Sino-Russian Conference), W. W. Yen (the prime minister) and President Li Yuan Hung. She urged that a portion of the remission should be used for public libraries. During her 6-month trip in the U.S. in 1923 she contacted 82 senators and more than 400 representative of the House lobbying for the second remission ⁽⁵⁾.

On the American side, in addition to the lobbying efforts in the Congress by Senator Cabot Lodge, Senator Stephen G. Porter, and Mr. J. V. A. MacMurray, Chief of the Division of the Far Eastern Affairs of the State Department, Professor Paul Monroe of Columbia University was the most enthusiastic promoter outside the government. In 1921, Monroe had a field trip on education to China. As a result, he made many friends within Chinese educational and political circles. After returning home, he worked hard on the second remission. Enlisted by Monroe, the then President of Columbia University wrote letters to the people in various fields asking for their support of the second remission. After exchange of opinions with people in the American educational circles, Monroe proposed that the U.S. and China jointly establish a foundation to receive the funds from the remission. He recommended to form a board consisting of 17 trustees, with 1/3 of them to be Americans and 2/3 Chinese. Monroe wrote a letter with such ideas to Huang Yen-Pei, Chairman of the Kiangsu Council of Education. The Council duly passed a resolution agreeing to them. However, people on the American side were more or less reserved. They concluded: (1) American trustees should be free of missionaries, and the Chinese trustees be free of powerful politicians with any political party affiliation and also free of bureaucrats affiliated with political parties; (2) Some trustees should have administrative duties in the Foundation and (3) The Chinese side should have a consensus that there should not be strings attached to the usages of the remission in order not to be constrained by them in the future ⁽⁶⁾. In 1923, professors from Harvard University and Wellesley College gathered at Columbia University, to review the effectiveness of the Chinese students who studied in the U.S. with the support of the funds from the First Remission ⁽⁷⁾.

In December, 1923, Senator Cabot Lodge proposed the second remission again to the Senate, while several House Representatives also proposed the same to the House. As a result, from March 31 to April 2, 1924, the House held public hearings on the issue with 11 witnesses invited. Other than Siong Che-Chun, a Chinese student in the U.S., the

following is the list of the ten witnesses:

Professor Luciu C. Porter, Department of Chinese, Columbia University
Dr. A. L. Warnshuis, Secretary, the International Missionary Council, New York
Dr. Edward Hume, President, Yali College (Yale in China), Changsha
Dr. William Hiram Foulkes, General Secretary, General Counsel of the Presbyterian Church, New York
M. E. Wood, Boone University, Library, Wuchang, China
Dwight W. Edwards, Executive Secretary, the Princeton in Peking
Dr. Ralph A. Wood, Secretary of the Eastern Asia Board of Foreign Mission, Methodist Episcopal Church
J. V. A. MacMurray, Chief of the Division of Far Eastern Affairs, State Department
Robert McElory, Princeton University
Leonidas C. Dyer, Representative of the House

They unanimously suggested that the remaining Indemnity should be returned to China. However, for the usages, they had different ideas. Nevertheless, most of them agreed that the funds should be used only for the purposes of education and culture ⁽⁸⁾.

After the hearings, Monroe also presented a proposal in which he stated, in addition to the necessity of the remission; the guidelines for the organization of a foundation should be as described by him in the following:

Chinese leaders, American educators, religious leaders and social workers unanimously asserted that the best way to use the funds is to set up a foundation modeled after the Carnegie Foundation, the Rockefeller Foundation or the Sears(?) Foundation etc; and they all agreed that a portion of the funds of the foundation should be used to support the research institutes of applied science. But these institutes should be under guidance of the foundation, and the grants are treated as subsidies and not to be used to fund establishment independent institutes such as Tsing Hua College. Also the trustees should be composed of Americans and Chinese with a Chinese majority ⁽⁹⁾.

He thought that the guideline served the only purpose as “*a preventive measure against the future plunders and wastes by the politicians, bureaucrats and warlords alike.*”

On May 7, 1924, the House of the Representatives passed the bill of the second remission, with the restriction that the funds should be used only for the purpose of education and culture. With the renewed passage by the Senate, President Calvin Coolidge signed it into law on May 21⁽¹⁰⁾. The total payment of the second remission, according to the audit report of the Senate Foreign Affairs Committee, amounted to US\$6,137,552 in principal and US\$6,407,885 in interest with total payment of US\$12,545,437 from October, 1917 to December, 1940 in 20-year installments ⁽¹¹⁾.

II. Controversies over the Future Usages of the Reparation Fund

Right from the start of the remission from the U.S., there were debates about whether the use of the returned funds should be only for education or also for industry. Even though the Chinese government wished to use the funds also for large industrial developments, but eventually the first remission was still solely used in education. After the U.S. Congress approved the second remission in 1924, many organizations kept on asking the Ministry of Foreign Affairs and the U.S. Embassy in China for subsidies from the remission. Even though the Americans had stated clearly their position of the fund was only for cultural activities in China, still there were organizations pleaded for subsidies for local development projects. For example, in 1923, the military governor of Kiangsu, Chi Sie-Yuan repeatedly cabled the Ministry of Foreign Affairs asking for subsidy to improve the Hwai River irrigation systems. In 1924, the Hwai River Irrigation Research Society, Kiangsu and Anhwei irrigation bureaus also asked for subsidies to improve the Hwai River irrigation systems. In spite of the fact that the Ministry of Foreign Affairs reiterated that the remission should only be used for education and culture, Kiangsu-Chekiang Lake Tai Irrigation Bureau pleaded for 2 million dollars for Lake Tai irrigation. The Association of the Highway Constructions of China also asked the funds for highway construction ⁽¹²⁾.

There were even more diverse opinions among Chinese educational and cultural societies on the use and management of the funds. The Science Society of China, the Astronomical Society of China, the Far Eastern Society of Biology, the Archeological Society, the Geological Society of China, and the Society of Meteorology in China held a meeting on June 9 and 10, 1924. They reached the following three conclusions:

- (1) Among t cultural activities, scientific research was the most eligible for support.
- (2) An endowment should be set up to receive the remission for long-lasting use. For the custody and management of the funds, they should be left to the trustees of the foundation.
- (3) The Chinese trustees should be composed of a large number of educators and scholars who were knowledgeable and well-accomplished in their respective professions ⁽¹³⁾.

The Science Society of China further issued a draft manifesto in both Chinese and English. In the manifesto it stressed that the scientific research was the foundation of cultural and industrial developments. On this basis, the scope of educational and cultural projects should be defined in the following three directions:

- (1) For pure research: to establish large-scale research institutes and subsidize well-accomplished research institutes and universities, both public and private, for research equipment.
- (2) For dissemination of knowledge: to set up libraries and museums etc.
- (3) For international cultural exchanges: to exchange teachers with other countries ⁽¹⁴⁾.

The National Educational Association of China, the Chinese National Association for the Advancement of Education, eight National Universities in Peking, the United Council of the Faculties of the 8 National Universities, South-eastern University, Kwangtung University, the Science Society of China, the Society of Geology in China and Committee on the Return of Boxer Indemnity also convened on August 19th in Peking. They strongly opposed the use of the funds for highways construction. The monies must be used only for education ⁽¹⁵⁾.

The opinions of these educational societies basically echoed the view of their American counterparts as well as the politicians as mentioned before in the 1923 House public hearings. As for Monroe's proposals and the opinions expressed by the witnesses at the public hearings held by the House of Representatives, they were mentioned before. In 1923, Roger S. Greene ⁽¹⁶⁾, Director of the China Medical Board of Rockefeller Foundation, in his speech to the Chinese Social and Political Science Association, declared that the returned funds should only be used for developing education and cultural affairs in China. It should “*avoid using the funds to lessen the obligations which should be borne by the governmental and private institutions*”. In his view, educational and cultural projects should include setting up public library, promoting rural education, sending students to study abroad and reinforcing the guidance and management of those students, etc. However, the most important thing was to promote the unification of the Chinese educational system. To avoid the possible confusion and disorder to be created by the experiments of adopting a medley of British, American, German and Japanese educational systems, there was a need to unite all of those remissions of the Boxer Indemnity to establish a cooperative educational foundation ⁽¹⁷⁾. The main purpose of this fund was not to be used to support the foreigner-operated or missionary educational institutions, but to strengthen the existing Chinese universities with solid basis such as the South-eastern University or the National Peking University (Peking University or Peita). To attract donations from the Chinese Government or civilians, a counter-fund should be set up to improve the educational system in China. Through his local friends, Roger Greene negotiated with Japanese and British Governments' officers and educational authorities for cooperation in this matter and he told J. V. A. MacMurray, Chief of the Division of the Far Eastern Affairs, Department of State about his findings ⁽¹⁸⁾.

MacMurray was lukewarm to Greene's proposals. He believed that the existing commanding position of the American educational and charitable organizations in China enabled the Americans to secure the leadership in the Chinese education similar to British leading position in politics and commerce in China. It would face a lot of practical problems in international cooperation. Endless negotiations among the countries would only delay the remission and would not be good for the educational development in China. In the meantime, Greene visited Sze Sao-ke in Washington D.C. to express his wish to postpone or even to cancel Monroe's visiting China. But his views were not shared by Sze ⁽¹⁹⁾. MacMurray believed that the exclusive negotiation between China and the U.S. was the best. Sze gave Monroe the full authority for negotiation. Right from the beginning, Monroe believed that the remission should be used fully for education, without interference by the political, commercial or religious interests. The most important job for education was to establish a school of applied science. Even though he firmly believed

that scientific education was the major theme of the modern education and the foundation of scientific education was to be built up from the middle schools, still at that time the most urgent need in China was the knowledge of applied sciences such as agriculture, engineering and medicine. The advanced research of pure science was too remote to solve the current problems. In the process of the industrialization in China, Chinese should cultivate its own engineers and specialists in order to undertake the development of manufacturing, mining and railway construction, etc. so as to get rid of the control by other countries. In his mind the school of applied sciences should resemble the Massachusetts Institute of Technology with not only departments of mechanical engineering, civil engineering, electronics and chemical engineering, but also departments of highway and sanitary engineering ⁽²⁰⁾.

Americans who were interested in the Chinese education also proposed different uses of the remission. For example, Ms. Wood continued her push for libraries in China. Some American educators proposed to organize a Sino-American university. Yet Leighton Stuart, President of Yenching University was strongly against establishing such a school. The leaders of Peking Union Medical College, Greene and H. S. Houghton, etc. did not agree to Monroe's idea of establishing a technological school in China. Henry F. Osborn, Director of the American Museum of Natural History in New York, suggested using the remission to establish an institute in Peking similar to the Smithsonian Museum or the American Museum of Natural History ⁽²¹⁾.

In spite of the fact that different people had different ideas for the usage of the remission, those opinions in some way had influenced the future guidelines and the usage of the funds. More importantly, the educators had formed a preliminary consensus of how to manage the funds, i.e. forming a foundation with Sino-American participation.

III. Formation of the Board of Trustees of the China Foundation

In the U.S., when Sze, Minister to the U.S., learned that the Congress had passed the remission of the Indemnity, he immediately discussed with Paul Monroe about the management and use of the funds. After receiving the notification from Charles E. Hughes, the Secretary of State, Sze Sao-ke replied right away as follows:

The first remission by the American Government in 1908 enabled the Chinese Government to devote the annual payments of the indemnity thus set free to educational purposes. The results of the experiment have convinced the Chinese Government of the wisdom of the step taken in this direction. It is the purpose of the Chinese Government to continue the policy with the further payments remitted by the present act of the American Government with such modifications as experience and the demands of the times may dictate. As the demand for scientific education has in recent years been increasingly urgent in China my Government now proposes to devote the funds thus made available by the generosity of the American Government to educational and cultural purposes, paying special attention to scientific requirements. Moreover, it is the intention of my Government to entrust the administration of the funds to a Board which shall be composed of Chinese and

American citizens as members, and also to avail itself of the services of experts in working out the details along the lines indicated. Upon the formulation of some definite plan I shall take pleasure in laying it before you for consideration ⁽²²⁾.

The contents of the above letter basically were in agreement with the views of the American and Chinese educators. The twin principles of the establishment of a board of trustees and the usage in the field of science thus had received the blessings from both governments.

Which “*expert in working out the details*” was intended for in Sze’s letter was none other than Paul Monroe. In July, 1924, Monroe drafted an *ad hoc* measure to elect the Minister of Foreign Affairs as the honorary chairman. Out of the fourteen trustees, five trustees should be American and nine Chinese. Among the nine Chinese trustees three were to be proposed by educational societies and six to be appointed by the Chinese government. Out of six trustees appointed by the Chinese government, three trustees should be prestigious in educational circle ⁽²³⁾. For this matter, Monroe made a special trip to China in July. He visited many important government officials and educators. After consulting with V. K. Wellington Koo, he changed his mind and decided that there should be no candidate to be recommended by the educational societies. All Chinese trustees were to be appointed at the government’s discretion so as to avoid potential disputes ⁽²⁴⁾.

After learning the changes, the educational societies in Peking on August 31 convened a special meeting. On the next day, they held a meeting of the united council of the educational societies across China. They decided that no government officers should be appointed as trustees and all the candidates should be recommended by educational societies. In this meeting, they elected following seven Americans and fourteen Chinese as candidates:

American candidates: Monroe, Greene, John Dewey, J. E. Baker, C. R. Bennett, Williams, W. W. Willoughby

Chinese candidates: Tsai Yuan-Pei, Fan Yuan-lien, Wang Ching-wei, Huang Yen-Pei, Chiang Monlin, Shiung Hsi-Ling, P. W. Kuo, Chang Po-ling, V. K. Ting, Yuan Hsi-Tao, Li Yu-Ying, Y. T. Tsur, Chen Kuang-Fu, Mu Siang Yue⁽²⁵⁾

The list was composed of the Northern and Southern political, educational and industrial people but excluded those diplomats such as V. K. Wellington Koo and Sze Sao-ke.

After consultation with V. K. Wellington Koo and Chang Kuo Kan, Minister of Education, Monroe drafted a constitution with 10 articles and officially named the foundation as **The China Foundation for the Promotion of Education and Culture**. The constitution stipulated that the Board of Trustees should be composed of fifteen trustees to be appointed in the first instance by the President. Thereafter, vacancies in the membership of the board of trustees shall be filled by election by the board. After this was passed by the Council of State Affairs, on Sept. 11, 1924, it was presented to Ts’ao Kun,

President, for approval and appointment of the trustees ⁽²⁶⁾. On Sept. 16, Sze notified State Secretary Hughes of the constitution ⁽²⁷⁾. Next day, President Ts'ao appointed the following fourteen trustees:

- W. W. Yen (1877-1950): Prime Minister, Minister to Germany, Minister of Foreign Affairs
- V. K. Wellington Koo (1877-1985): Minister of Foreign Affairs
- Sze Sao-ke (1877-1958): Minister to the U. S.
- Fan Yuan-lien (1876-1927): President, National Peking Normal University; former Minister of Education
- Huang Yen-Pei (1877-1965): President, Kiangsu Education Council; Trustee of the North-eastern University; Trustee of the Chinese National Association for the Advancement of Education
- Chiang Monlin (1886-1964): Deputy President, National Peking University
- Chang Po-ling (1876-1951): President, Nankai University
- P. W. Kuo (1879-1967): President, South-eastern University
- Y. T. Tsur (1883-1958): Chief Secretary, Committee of the Financial Reconstruction; former President, Tsing Hua University
- Paul Monroe (1869-1947): Dean of International Institute, Columbia University
- John Dewey (1859-1952): Professor, Columbia University
- J. E. Baker (1880-1957): Adviser to the Railway Bureau, Ministry of Communications
- Roger S. Greene (1881-1947): Representative, China Medical Board, Rockefeller Foundation
- Charles R. Bennett (1885-?): President of the International Banking Corporation in Peking

According to the draft constitution of the China Foundation, there should be fifteen trustees in total. The State Council wrote to the Ministry of Education and asked it to consult with educators for adding one more candidate ⁽²⁸⁾. The Ministry in turn asked the trustees of the China Foundation—Huang Yen-Pei, Fan Yuan-lien, P. W. Kuo, Chiang Monlin and Chang Po-ling to recommend a candidate. They unanimously asserted that:

The list of the candidates proposed by the educational societies last time included more than the five trustees appointed this time. Therefore, the new trustee should come from the list. As the foundation will mostly devote itself to developing scientific education in China and in the list V. K. Ting is a scientist, could it be possible to nominate him for the cabinet's approval ⁽²⁹⁾?

The proposal was accepted by the State Council and V. K. Ting (1887-1936) was formally appointed as a trustee of the China Foundation. Ting was the founding director of the National Geological Survey. He had contributed tremendously in the field of geology in China.

Out of ten Chinese trustees, except for first three who were officials of the Peking Government, the rest were not only from the educational circle but also were the

candidates recommended by the national educational societies. It was jokingly called, “*The Board of the University Presidents*”⁽³⁰⁾. These trustees were on the list recommended by educational societies. As a whole, the Peking Government did respect the opinions of educators concerning the make-up of the Board of Trustees. But the provincial educational societies were still not satisfied. They claimed that 2/3 of the appointees came from just one or two provinces and most of them were members of the National Association for the Advancement of Education. With the inevitable regionalism, the trustees might represent the interests of only one or two regions. In October, 1923, the National Educational Association of China convened its 10th Plenary Meeting in Kaifeng, Henan. The meeting formulated the principles of the quota system for the usage of remission and the organization of the Board of National Boxer Indemnity Remission. The provincial councils together with the national educational societies were to form a board to manage all the Boxer Indemnity returned from foreign powers. They refused to recognize the China Foundation as envisioned by the Government. They insisted that the name of the China Foundation should be changed to the “*Sino-American Board of Remission*”. Not only the appointment of trustees but also the custody and the usage of the U.S. remission should respect the opinions of the Board of National Boxer Indemnity Remission⁽³¹⁾. The Board was officially established in December and applied to Ministry of Education for registration. The registration was rejected and the non-recognition of the China Foundation was therefore not effective. This proved the wisdom of Koo and Monroe in insisting for the sole right of appointment by the President was not without merits. Facing the criticisms and attacks from all sides, Hu Shih made the following fair comment:

In such a chaotic and confusing situation, how can we ever hope that Americans will carelessly and unconditionally throw away the multi-million dollars cash? Throw the monies to whom? Could they be entrusted to the Government that we have little faith in? Would there be no disagreements if the monies are given to the Chinese National Association of Education or to the National Association for the Advancement of Education⁽³²⁾?

Therefore under the circumstances that the educators in the north and south were unwilling to abandon their self-interests, it would be much better to have the President of the United States to exercise the full authority on the remission at the beginning, and relinquish his authority to the foundation only after it was established by a board composed of Chinese and American trustees.

On Sept. 18, 1924, V. K. Wellington Koo convened the first board meeting at Ministry of Foreign Affairs, Peking, and The China Foundation was officially inaugurated. First item on the agenda was to pass the constitution of the Board. It set forth the purposes of the Foundation as follows:

- (a) *To receive the funds remitted pursuant to the note of the Secretary of State of the United States of America to the Chinese Minister at Washington under date of June 14, 1924;*
- (b) *To deposit said funds as received in a bank or banks and to make investment at*

- its discretion;*
- (c) *To receive at its discretion part of the funds as an endowment of which the income may be used for the purposes for which the board is established;*
 - (d) *To apply its funds for the promotion of education and other cultural enterprises in China; and*
 - (e) *To receive other funds for educational or cultural activities, and within the conditions of the gift, to have all authority concerning their disposition, as in the case of the original funds.*

With these in mind, at inauguration, the board elected the following temporary officers: Fan Yuan-lien, Chairman; Paul Monroe, Vice-Chairman; Y. T. Tsur, Secretary. Five provisional committees were formed as the following list:

- (1) Committee on By-laws: Fan Yen-lien, Baker, Y. T. Tsur
- (2) Committee on the Recommendation of a Director and an Executive Secretary: Monroe, W. W. Yen
- (3) Committee on the Consideration of Grants: All the trustees
- (4) Committee on Finance: Bennett, Y. T. Tsur
- (5) Committee on Negotiations whose duty was to arrange with the U.S. State Department for the handing over of the remitted funds: Sze Sao-ke, Greene, Monroe ⁽³³⁾

Wellington Koo specially thanked Monroe by saying, “*In conclusion, I thank Dr. Monroe for his success in promoting the remission and his generosity in providing us with his experience gleaned from other charitable foundations. The establishment of the Foundation to a large extent is the works of Dr. Monroe* ⁽³⁴⁾.” After the establishment, Fan Yen-lien and Y. T. Tsur played important roles in its early administration and financial management.

The U.S. Government, still doubtful of the usage of the returned funds, took time to release the promised funds. Secretary Hughes in his letter to the U.S. President clearly stated that before receiving a clear statement concerning the usage of the funds, the U.S. government should adopt an attitude of wait-and-see ⁽³⁵⁾. He wrote, “*I have felt that this Government might subject itself to criticism, were it not to require some such statement as I have indicated, in order that there may be an assurance that the funds will actually be expended in conformity with the intent of the congress.*” Faced with this problem, Monroe revisited China in January, 1925 and discussed the matter with Huang Yen-Pei and P. W. Kuo. He said:

In the opinion of the U.S. Government, since the Board has the approval of both U.S. and Chinese Governments, it should not be interfered or forced to change by any third party. As for the usage, according to the opinion of the Chief of the Office of the Far Eastern Affairs, State Department, and the words “education and culture” are too vague. The U.S. Government is waiting for clearer guidelines from the Board when it makes the appropriate decisions.⁽³⁶⁾

Referred to in the quotation, the Chief of the Far Eastern Affairs was J. V. A. MacMurray who was appointed U.S. Minister at Peking that year. His view reflected that of the U.S. Government.

China Foundation then on June 2 to 4, 1925 convened the first annual meeting at Tientsin and the acting Chairman Fan Yuan-lien said:

The Foundation is in charge of the second remission of the Boxer Indemnity. The first remission was realized through the negotiation by the Sino-American Governments. But the second remission was mostly due to the efforts of the private individuals with the help from both governments. ... Therefore, I firmly believe this remission will have a huge benefit in cementing the Sino-American friendship ⁽³⁷⁾.

The trustees first approved the guidelines relating to the promotion by the foundation in the field of education and cultural enterprises. The main focus was to develop science knowledge and to promote cultural enterprises of a permanent character. In the meeting, the draft by-laws, the principles of allocation of fund and grants were approved and the Board appointed Y. Y. Yen, Chairman; Chang Po-ling and Monroe, Vice Chairmen; Fan Yuan-lien, Director; V. K. Ting, Secretary; Bennett and Y. T. Tsur, Treasurers.

Sze Sao-ke subsequently notified Frank B. Kellogg, U.S. Secretary of State, of the minutes of the first annual board meeting and requested to release the accumulated funds of the second remission to China Foundation since the guidelines were approved. He also requested that “...*Indemnity be released and made available for the use to the Board, as well as future payments that may be received from China from time to time*”⁽³⁸⁾.” On July 16, 1925 the U.S. President instructed the U.S. Treasury to release the accumulated indemnity funds to the China Foundation. Thereby, the U.S. Treasurer promptly released the accumulated indemnity since Oct. 1st, 1917 by endorsing a check in the amount of US\$1,377,255.02 through the U.S. Minister at Shanghai and in turn through the U.S. Minister at Peking to the China Foundation. The Foundation based on its annual budget rented a residence at 42 Shih Fu Ma Boulevard, Peking as its office and started to operate on July 28, 1925.

IV. The Nationalist Government’s Interference and the Reorganization

The reason that the U.S. Government was not willing to return the funds directly to the Chinese Government and instead requested the Chinese to form a foundation to receive the funds was as H. C. Zen said: “*To be honest, this means the distrust of the then Chinese Government*”⁽⁴¹⁾.” Even though what the U.S. government and the Chinese educational societies hoped for is that the China Foundation was a legal entity not subjected to the political interference, however, under the circumstances at that time in China, the Foundation could not be unaffected by the political changes. The establishment of the China Foundation and the appointments of its trustees was a result of the negotiations among the Chinese and American civilians and the Peking Government. The latter also showed its willingness to respect the expectation of the educational societies.

But due to the fact that the board of trustees included officers associated with the Peking Government but excluded people related to the Nationalist Government in the south, it became a fuse to ignite the future reorganization of the China Foundation.

On the part of the Nationalist Government in the south, Yang Chuen, secretary of Dr. Sun Yat-Sen, Commissar of the KMT Shanghai Division, as early as at the time of the establishment of the China Foundation, openly questioned the legitimacy of the appointment of trustees by the Peking Government. He claimed Monroe did not adhere to the position of the U.S. Government. Monroe also did not understand “*the thoughts of the Chinese majority*” as he listened only to the voices of a minority. Monroe also did not recruit as trustees persons who enjoyed general popularity such as Tsai Yuan-Pei and Wang Ching-wei. This “*set a bad precedent of a board with trustees appointed by the government and some of the trustees are government officials.*” He proposed the following to correct the mistakes:

- (1) *To urge various educational societies to demand that Tsai Yuan-Pei and Wang Ching-wei be appointed as trustees.*
- (2) *Through the recommendations of the educational societies, only Chinese scholars from major academic fields be appointed to form an American Remission Usage Review Committee to (a) truly reflect the consensus, and (b) provide expertise to the custodial committee.*
- (3) *To urge various education societies to request in unison the American and Chinese Government to amend the constitution of the China Foundation so that 1/3 of the trustees be appointed annually by the educational societies⁽⁴²⁾.*

However, Yang Chuen’s proposals were ignored by educational societies and the China Foundation operated as usual.

In April, 1927, the Nationalist Government established the capital in Nanking. The China Foundation faced a new political situation and had to map out strategies to deal with the new development. Monroe had to make a trip to China to discuss policies toward the China Foundation with the Educational Administrative Commission of the Nationalist Government. What did they discuss was not ascertainable. However, according to the memory of Hu Shih, at a dinner party in the Great China Restaurant, he saw a list of candidates was given to Monroe by the Commissioner of the Educational Administrative Commission. Monroe said that it would be better to have more candidates on the list. Therefore, Commissioners Chung Ying-Kuan and King Cheng-Chen retreated to another room for discussion and gave Monroe afterward a new list with additional candidates. As a result, in June, 1927, at the third annual meeting, Huang Yen-Pei and V. K. Ting resigned and were replaced by Tsai Yuan-Pei and Hu Shih. This was the result of the negotiation between Monroe and the commissioners⁽⁴³⁾.

In 1928, the Nationalist Revolutionary Army closed in on Peking. Yang Chuen, now the Vice Minister of the Nationalist Government’s Ministry of the University Education, had a score to settle with P. W. Kuo, a trustee of the China Foundation. Consequently he vented his displeasure at the China Foundation by spearheading the

movement for the reorganization of the Foundation. P. W. Kuo was the founder of the South-eastern University. In order to maintain and develop the university, he not only had a close relationship with Chi Sie-Yuen, the military governor of the local province, but also cultivated a cozy relationship with the local gentry. The board of the South-eastern University was under the control of the members of the educational council of Kiangsu Province, such as Chang Chien and Huang Yen-Pei. Their political views tended to side with the so-called Research Clique. In 1925, Yang Chuen stirred up behind the scene the clamor for the replacement of the president of the South-eastern University⁽⁴⁴⁾. The reason for Yang's grudge against Kuo was that Yang's teaching positions had been changed three times within one year in the university. Furthermore, Kuo later closed down the engineering school and caused Yang to be out of job. As a result, Yang was forced to take a job as the commissar in KMT party at Shanghai. That was the reason why Yang was so unhappy with and vehemently against Kuo⁽⁴⁵⁾. To pour oil on fire, in 1928 Wang Cheng-Tin, Minister of Foreign Affairs, intended to appoint Kuo as director of the foreign affairs office in Peking to negotiate with the foreign diplomats. Yang wrote a letter to Wang Cheng-Tin publicly opposed Kuo's any future job either in the field of foreign affairs or cultural affairs. He said:

People such as Dr. P. W. Kuo, during the heyday of the Chihli warlords, organized the unholy triangular alliance of the Foreign Affairs Clique, Research Clique and the educational bigwigs of the Kiangsu Province. He praised former President Ts'ao Kun who was notorious for his vote-buying scandal. He supported Chi Sie-Yuen, the Military governor who has been ravaging the Kiangsu Province. He furthermore relied on Monroe, a foreigner, to control the board of the China Foundation by using the remission from the U.S. as a personal instrument to monopolize the field of Chinese culture by a small group of people⁽⁴⁶⁾.

C. T. Wang in reply said that Yang's comments published in a newspaper "even though not without a sense of humor, were not very convincing to everybody." He deemed Yang's remarks about Kuo's support to Chi who allegedly ravaged Kiangsu Province were a bit exaggerated⁽⁴⁷⁾. But Yang insisted that Kuo should never be appointed any job related to foreign affairs, and it was necessary to reorganize the China Foundation comprehensively. He told Wang harshly:

In my whole life, I have not created any enemy but I have always treated any wrong doer like a mortal foe. I only know how to eradicate bad guys for our country without fear of stirring up bad feelings against me. Since I have already devoted my whole life to the KMT Party and to our country, how can I be a hypocrite and shirk from animosities and troubles⁽⁴⁸⁾?

Thanks to Yang's insistence to "eradicate bad guys for our country", Kuo was eventually unable to be appointed by the Ministry of Foreign Affairs and the fate of the future reorganization of the China Foundation was somewhat sealed.

At the end of July, 1928, based on the request of the Ministry of the University Education, the Nationalist Government approved the abolishment of the China

Foundation which was organized under the presidency of Ts'ao Kun who was tainted with the scandal of vote-buying. The Government also focusing their attention on Article 3 of the Constitution of the China Foundation: *“The direction and management of the Board shall be rested in a Board of fifteen (15) Trustees to be appointed in the first instance by the Chinese Government. Thereafter vacancies concurring in the membership of the Board shall be filled by the remaining Trustees. The name of any person so elected shall be forthwith reported to the Government.”* The Government attempted to amend this Article to read: *“The direction and management of the Board shall be vested in a Board of fifteen Trustees appointed by the National Government. The term of the trustees is 3-year. On expiration, the Ministry of the University Education, based on the consensus of the people in the educational circles across the nation, recommends the candidates to the National Government for approval.”* The Nationalist Government appointed as trustees Hu Shih; Y. R. Chao; Sze Sao-ke; Wong Wen-Hao; Tsai Yuan-Pei; Wang Ching-wei; C. C. Wu; Chiang Monlin; Li Yu-Ying; Sun Fo; Paul Monroe; John Earl Baker; Roger S. Greene; Charles R. Bennett and John Leighton Stuart, fifteen trustees in all, by dropping V.K. Wellington Koo; W. W. Yen; Chang Po-ling; P. W. Kuo; Huang Yen-Pei; and Y. T. Tsur ⁽⁴⁹⁾.

Hu Shih was a new appointee but he did not participate beforehand in the reorganization plan. On August 13, when he learnt the news, he wrote a long letter of more than one thousand words to Tsai Yuan-Pei, the Minister of the Ministry of the University Education, focusing on two criticisms:

(1) To avoid political intervention, the trustees should be elected by the Board of Trustees. He said:

The basic principle of the board of a cultural foundation is to be freed from the political entanglements. Therefore the vacancy of the trustee should be filled by its board...Now, all of a sudden, this was changed into that vacancy to be filled by the Government based on the recommendations from the Ministry of the University Education. This action fundamentally overthrows the above basic principle. Would this implies that the former Government is a bad one so that we need to guard against its political influence; and we have no such need now since the National Government is holding the reins? This line of reasoning may sound plausible, but in fact nobody can guarantee that the future political conditions will be stable and satisfactory ⁽⁵⁰⁾.

(2) About the appointment of the new trustees, Hu Shih pointed out that in 1927 during a dinner party at the Great China Restaurant, the commissioner of the National Government's educational administration commission repeatedly asserted that the National Government agreed to the constitution of the China Foundation and they only objected to the election of V. K. Wellington Koo, Huang Yen-Pei, V. K. Ting and P. W. Kuo but not the other members of the board. Now, the Government not only completely threw out the existing constitution of the Foundation but also fired the trustees whom were not intended to be fired before by the Government, and it *“furthermore took the pleasure by firing in formal writing Huang Yen-Pei who has already resigned and was*

replaced a year ago. This is very perplexing to the outsiders.” He thought that since the founding of the China Foundation, Chang Po-ling, Y. T. Tsur and W. W. Yen were the most diligent and were most familiar with the administration of the Foundation. “*Now these three were fired. It is definitely not the best way to maintain the continuity.*” Therefore, Hu Shih insisted on keeping Tsur and Chang. His solution was that if Tsur was not to be a trustee, at least he should succeed as Director to maintain the on-going businesses. This would not be against the stipulation in the constitution that the trustee should not serve any office with pay. Additionally, this could avoid the *faux pas* due to the Government's inconsistency. As to Chang Po-ling, Hu Shih threatened resignation if Chang was not retained. He said:

Chang Po-ling had been the Treasurer for many years and he even refused to be Chairman of the Board at this annual meeting. He is trusted by both Chinese and American trustees. He should stay on the Board. After careful consideration, I think the only way is for me to resign and to be replaced by Chang. Please grant my request to resign no matter what happens ⁽⁵¹⁾.

Hu Shih later said the above criticisms were anchored on objective facts. His motive was “*on the one hand to protect the Foundation and on the other hand to fancy salvaging as much as possible of the international credibility of this nation from the total loss due to this event.*” He was not willing to continue to serve in the board one way or another.

Tsai Yuan-Pei replied to Hu two days later. He strongly requested Hu Shih to abandon the idea of resignation. He said:

As for the constitution concerning the election of trustees, it could be restored by the board if the original one is better than the revised one. There are other reasons that Tsur and Chang were not reappointed. So you need not resign for this. Furthermore even if you resign, these two gentlemen will not necessarily be reappointed ⁽⁵²⁾.

Fu Ssu-nien, a good friend of Hu Shih, after learning this, also strongly urged him not to resign. He said:

You could write letters expressing your views on the Foundation but you definitely should not resign. Because once you resign, you would paint yourself into a corner and your standpoints could be used by those out-and-out meddlers. Either for the public welfare or for our private friendship, I had to say this...I am extremely disappointed of the new appointments. The retention of Sze Sao-ke and the resignation of Chang Po-ling were not very convincing. The appointment of Sun Fo and C. C. Wu was also a disappointment. However, Chao and Wong, these two scholars, are one hundred times better than those in Kuo or Monroe's lists of candidates. As for Mr. Tsai and your appointment, I think it is solely due to the accomplishment of the Revolutionary Army, rather than the original wishes of the people like P. W. Kuo. Yang Chuen dared not exclude such people as Monroe from

the board. This is also unsatisfying ⁽⁵³⁾.

Even though Fu Ssu-nien was not satisfied with some new appointed trustees, still he thought that “*at the time of a dynastic change, we should treat some facts in the light of such a transition.*” So he advised Hu Shu not to be a perfectionist in this matter.

The present trustees did not resist strongly the Government’s order to reorganize the board. Their main concerns were about the technicalities of the reorganization. Director Tsur consulted with the three American trustees in China, Bennett, Greene and Stuart. They tended to accept the appointments by the Government. But before the U.S. ambassador accepted it, they did not wish to give a definite answer, in order not to create technical problems for the U.S. ambassador. Consequently to avoid diplomatic complications, Tsur presented a compromised proposal:

Naturally there is in no way that the Government would rescind its order. But since the matter has come to this point, we do not have to actively follow it through. We may convene the existing board and allow 5 trustees to resign and replace them with 5 new trustees. Then we let the new board revise the constitution to be presented to the Government for reference so that the new constitution is more or less similar to the old one. With this, the Government’s wishes will be fulfilled and furthermore there will be no ensuing diplomatic difficulties ⁽⁵⁴⁾.

This became the basis for Hu Shih and other trustees to negotiate with the Government later on.

In the United States, Monroe learnt the news in August, 1928, he cabled Wang Cheng-Ting and Tsai Yuan-Pei twice, stressing that this unilateral action by the Chinese Government would certainly damage the Sino-American friendship ⁽⁵⁵⁾. Again in September, from the American point of view, he wrote two long letters to them, explaining the nature of the China Foundation. He repeatedly stressed that provided the principle of the permanent independence of the China Foundation from the political interference was maintained, the reorganization of the China Foundation itself was not a problem. The sticking point was the process of the new appointments by the Government. After the discussion in the U.S. among Monroe, Sze Sao-ke and C. C. Wu, Special Envoy of the New Sino-American Treaties, they all agreed that Monroe had better make a trip to China at the next annual meeting of the board and discuss with the related parties for a solution ⁽⁵⁶⁾. In the meantime, in editorials, the *North China Leader* and the *North China Standard* both commented that the forced reorganization of the China Foundation by the Nationalist Government was blatantly against the original agreement with the U.S. The China Foundation should present this matter to the U.S. embassy for approval. Before the approval, all the grants made by the Foundation should be suspended. If the Nationalist Government abrogated the original Presidential order, the remissions should be stopped ⁽⁵⁷⁾. Separately, the Ministry of Foreign Affairs also received cable from the Chinese embassy in the U.S. stating that if the Chinese Government unilaterally revised the constitution of the China Foundation, the US Government might stop the future remissions. Furthermore, according to newspapers in London, “*this would also affect the*

remissions by U.K. because it was also interrelated to this matter ⁽⁵⁸⁾. *The matter on surface seems not a big deal, but it involves the Sino-American and Sino-British treaties.*”

Faced with the pressure from all sides, Yang Chuen, in the name of Tsai Yuan-Pei, on the one hand, asked Hu Shih and Chiang Monlin to explain to Monroe to disabuse him of his “*misunderstanding*” about the reasons for the reorganizations and told him about the salvage plan, i.e., restoration of the old constitution by the new board with subsequent approval by the Government. On the other hand, through newspapers, he gave the reasons for the reorganization and adamantly insisted that right from the beginning, the constitution and the trustees of the China Foundation were under the sole authority of the Chinese Government, “*without any need to ask the U.S. Government for prior approval*” ⁽⁶⁰⁾.

In August, 1928, Tsai Yuen-Pei resigned from the position as Minister of the Ministry of the University Education and on October 23, the National Government officially changed the Ministry of University Education to the Ministry of Education ⁽⁶¹⁾. Chiang Monlin was appointed Minister of Education. As soon as Chiang was appointed, he endeavored to find a solution to the problem. Based on the opinions of Monroe and H. C. Zen (1886-1961), Deputy Director of the China Foundation, Chiang drafted the following three measures:

- (1) The Ministry of Education was to write a letter requesting the original board of the China Foundation to convene a meeting to present a systematic report of its activities over the years to the Ministry.
- (2) At the end of the meeting, the board was to accept the resignations of the five trustees and to replace them with five new ones.
- (3) The new trustees then were to participate in the formal meeting and tackle matters such as the revision of the constitution ⁽⁶²⁾.

These measures were basically the same as Secretary Tsur’s proposal to Zen in August. The Ministry of Education accordingly on November 30 wrote to the China Foundation requesting it to convene a board meeting. The China Foundation decided to hold a meeting on Jan 4 to 5, next year. But Hu Shih thought that it was easy to ask some of the trustees to resign, but “*it is too embarrassing to ask the old board to elect the 5 new trustees appointed by the Government.*” To save the faces for both sides, Hu Shih wrote a letter to Sun Fo asking him either (1) to join with other new trustees such as C. C. Wu and Y. R. Chao to tender resignations to the Government and to ask the Government to respect the principle that vacancies be filled by the board itself and thereby to allow the board to have the discretion to elect its own members, or (2) the new trustees were to ask the old board to elect the new trustees at its own discretion. Hu Shih even drafted a letter of resignation and a letter from the new trustees to the old board for Sun Fo to use ⁽⁶³⁾. Sun Fo referred these two options to Tsai Yuen-Pei and Chiang Monlin for discussion. They agreed that the second option was better ⁽⁶⁴⁾.

On December 19, 1928, Monroe arrived at Shanghai. Hu Shih had a strong feeling toward Monroe's arduous back and forth trips. He noted in his diary:

His overseas trips back and forth were all because of matters related to the China Foundation. These from the start should be without any problem. But then just because of Yang Chuen, we are all topsy-turvy. This is really what the old saying referred to, "There should be peace under the heaven if only we do not have those useless fools to stir things up." (65).

Monroe had learnt in advance that the Ministry of Education would notify the board for holding a meeting. But to Monroe, it was still legally untenable because a sheet of paper from the Ministry of Education could not legally rescind the order of Government in July to "abolish" the China Foundation as the Foundation had been legally non-existent since then. Monroe then wrote a memorandum to review the whole incident from the U.S. Government's standpoint. The crucial points were Item 7 and Item 8 of the memorandum. Since the U.S. had acknowledged National Government as the legitimate Government of China, the latter's orders were legally effective. Exactly because the order was legally binding, the U.S. Government could not continue to return the Indemnity to the China Foundation due to the fact that the funds-receiving institution had already been abolished (66). On December 22, Sun Fo and Tsai Yuen-Pei read the memorandum and immediately realized the crucial point. Next day, Monroe told Hu Shih unless the Government issued another order (*i.e.* to rescind the former order) the China Foundation would be lack of legal status. That night, Hu Shih drafted a proposal for Chiang Monlin to the Executive Yuan instructing the China Foundation to convene a board meeting with the following main reasons:

If the original board is to be disbanded, a new U.S. Presidential order will be needed for future remissions. This takes time and will entail future red tape while educational and cultural operations of the foundation are bound to be suspended. Therefore the Ministry intends to order the original board of the China Foundation to convene a board meeting to deal with the reorganization so that it would not impede the normal flow of the remissions (67).

On 25th, the Executive Yuan of the Nationalist Government approved the proposal at the 9th Administrative Conference (68) and Sun Fo together with C. C. Wu and Y. R. Chao wrote a letter to the board expressing voluntary resignation and asking the board to elect new member at its discretion (69).

To Hu Shih, the whole thing was a disgrace and he said:

This solution was exactly what I drafted for Sun Fo last time and my original draft was based on much solid reasons than the present one. Alas, they did not follow mine until a foreigner said to their faces, "no monies without following my instructions." They did just what they were told to do. What a shame! (70)

One way or another, the Nationalist Government's order in July was officially rescinded and the board held its 3rd Annual Meeting on Jan 4, 1929. One day before the meeting, one by one the trustees checked in the Hsing-Hsing Hotel in Hangchow. The trustees were somewhat embarrassed when they met and Hu Shih complained about Yang Chuen, by saying: "*Yang Chuen rashly and effortlessly started a fire and we had to send a whole fire brigade to work hard to put it out*"⁽⁷¹⁾. The main two jobs of the "fire brigade" were to amend the constitution and to elect new trustees.

The original intent of Chiang Monlin and Y. T. Tsur was to ask the original board to elect the new trustees and then had the new board to amend the constitution. However, according to the constitution, the majority of the three-fourths of the board members were required to amend the constitution. The new board would be lack of a quorum for the required 12 trustees to pass the amendments of the constitution, as Wang Ching-wei, C. C. Wu and Sun Fo were abroad and were unable to attend the meeting. As to the original board, ten trustees plus the proxies from Sze Sao-ke and P. W. Kuo would make a quorum of 3/4. Therefore, the "fire brigade" of the original board was assigned the job to amend the constitution.

But Hu Shih felt this measure contained two difficulties: 1) American trustees were mostly against the appointment of Wang Ching-wei and 2) Even though it looked like voluntary resignation by the five trustees, it would feed the suspicion of being forced by the Government to resign. It would be all too embarrassing if all the candidates appointed by the Government were to be elected. For these two reasons, Monroe had cabled C. C. Wu. In his cable, Monroe asked Sun Fo to recommend to the board that since C.C. Wu and Wang Ching-wei were abroad, Koo and Tsur should be retained until next annual meeting. But Monroe did not receive any response. Hu Shih said, "Now we just have to swallow our pride and elected the five trustees appointed by the Government to safeguard the existence of the Foundation itself"⁽⁷²⁾.

On January 3rd Y. T. Tsur collected some of the resignation letters. He personally delivered the list of the candidates to all trustees. The list had a strict sequence to avoid any mistaken vote to cause the lack of quorum. At 11 p.m. that night, Hu Shih went to the room of Monroe and heard Monroe's words of comfort to Tsur. Hu Shih felt "stung in the heart" and was sorry for those resigned trustees by saying:

The reason they swallowed their pride and came from far away was to salvage the whole situation, to save the face of the Government, and to cover the lies of that ignorant fool. The people like Y. T. Tsur and W. W. Yen were the long-time trustees of the Foundation and they worked hard with great accomplishments. Yet, instead, those do-nothings wanted their heads with thin excuses. How can this be justified? I feel very sorry and sad⁽⁷³⁾.

Under this very awkward situation, Hu Shih was full of resentment. He was ashamed to remain in the board and decided to resign by proposing H. C. Zen to replace him.

Hu Shih was thinking hard on this matter and could not fall into sleep. It was not until 5 a.m. in the morning that he suddenly had a “*perfect solution*” as follows ⁽⁷⁴⁾:

<u>Resignation</u>	<u>Replacement</u>	<u>Term to Expire</u>
P. W. Kuo	Wang Ching-wei	6/1929
W. W. Yen	C. C. Wu	6/1930
Chang Po-ling	Li Yu-Ying	6/1930
V.K. Wellington Koo	Sun-Fo	6/1931
Y. T. Tsur	H. C. Zen	6/1931
Hu Shih	Y. R. Chao	6/1932

The number of resignations increased from five to six and Hu thought this had the following benefits:

- 1) *Wang Ching-wei will have only 6-month in tenure. He could be replaced by someone else if he is still abroad six months later.*
- 2) *I am both the past and present trustee appointed by the Government. I voluntarily resign and am succeeded by the new trustee elected by the board. This proves the stipulation of the constitution about the vacancy to be replaced by the board has been effectively restored.*
- 3) *H. C. Zen was not appointed by the Government. Now, if the board is to elect him, it means the independence of the Foundation is truly restored.*
- 4) *We are to elect six trustees in spite of the fact that the Government wants us to elect five.*
- 5) *My resignation may somewhat mollify the unhappiness of Tsur and Yen and lessen their embarrassment ⁽⁷⁵⁾.*

With this, Hu Shih was “*overjoyed and jumped out of bed, and I turned on the light and reached for a pen and paper. Crouching on the pillow, I wrote down a list. I examined it carefully and found nothing wrong. I was pleased with myself so I went to bed and woke up only until 7 a.m. in the morning ⁽⁷⁶⁾.*”

The meeting was held at 9 a.m., January 4th and the participants are: Tsai Yuan-Pei; Chiang Monlin; Hu Shih; Wong Wen-Hao; W. W. Yen; Y. T. Tsur; Greene; Bennett; Leighton; and Monroe. They elected Vice Chairman Tsai Yuan-Pei as the chairman of the meeting. They approved the proposal by Hu Shih to amend Article 5 from “*appointed in the first instance by the President of the Republic of China*” to “*appointed in the first instance by the Government of the Republic of China*”. Article 6, “*The principal office of the board shall be in the city of Peking*” was changed to “*The principal office of the board shall be in the capital city of China*”. The remaining amendments were only related to wording. As for the resignations and replacements, the board completely followed what Hu Shih suggested in his list. Tsai Yuan-Pei and Chiang Monlin were elected as Chairman and Vice Chairman respectively. Upon receiving V.K. Wellington Koo and Y. T. Tsur’s resignations, as a gesture, Tsai Yuan-Pei disingenuously asked them not to resign while praising their accomplishments. Hu Shih felt like “*sitting on a carpet of needles*” and he criticized Tsai harshly in private by saying:

Tsai did not understand how much personal loss he has suffered. Of course, his personal loss does not matter much, but China suffers a heavy loss due to his moral degeneration⁽⁷⁷⁾.

That afternoon the newly elected trustees, Li Yu-Ying and H. C. Zen began to participate in the meeting. There was no trace of the former and latter boards.

With wrenching twists and turns, the reorganization of the China Foundation finally came to a satisfactory conclusion. By splashing the headline, “*The China Foundation regains its Independence*”, Hu Shih wrote in several English papers detailing the story of the reorganization of the China Foundation. He felt that the greatest gain of the meeting in Hangchow was “*the principle of an educational foundation’s independence and freedom from political interference was reestablished with courtesy and good-will on every side*”⁽⁷⁸⁾.

Did China Foundation, as what Hu Shih wishfully claimed, regain its independence from political interference? From what have been described here, we can see that in the circles of educators and intellectuals, there was in no way to avoid influences by the political parties and factions. Examples are: the negotiation between Monroe and the bureaucrats in Peking; the disputes among Monroe and the educational societies about the usage of remission; the concessions made by Monroe to the Commission of the Educational Administration of the Nationalist Government before the reorganization of the China Foundation; and the forced reorganization of the foundation in 1928, due largely to personal grudges of Yang Chuan, etc. These all showed the unending disputes among factions in educational circle and the Foundation’s inextricably enmeshed relationships with politics. The reorganization of the China Foundation was after all a result of political interference. But it is worth pointing out that in the process of the reorganization, the trustees stood firm on the ideals of the academic independence. There were also other reasons for the success to maintain its independence. Among these, the most crucial one was the financial independence. Without the threat by the US Government to stop the remission, the negotiations by the people such as Hu Shih most probably would have come to naught. Even though later on the Nationalist Government had frequently interfered with the investment and administrative policies of the China Foundation⁽⁷⁹⁾, generally speaking the Foundation could maintain the independence of its budgets and administration and this made it easier to help the advancement of the educational and cultural enterprises in China.

Chapter 2: The Organization and Finance

I. The Personnel and Organization before 1941

The administration of the China Foundation was based on the constitution passed in September, 1924 by the Board of Trustees, supplemented by by-laws and other rules and regulations. The highest authority was vested in the Board of Trustees, consisting of fifteen trustees with ten Chinese and five Americans. Trustees were appointed in the first instance by the Government of the Republic of China. The terms of members should be determined by lot at the third annual meeting. Thereafter, it shall have three membership terms expired each year, and the board should elect new members for the next terms. The term of members should be for five years ⁽¹⁾. This principle played a key role in the reorganization in 1928 but was not followed strictly since then. Up to 1941 when the Pacific War started and the Foundation entered the phase of emergency, twenty-two Chinese and seven Americans served as trustees during this period, and since John Leighton Stuart joined the board, there were little changes of the American trustees. For the Chinese trustees, Sze Sao-ke, Y. T. Tsur, Hu Shih, Tsai Yuan-Pei, Sun Fo, Li Yu-Ying, and King Soh-Tsu G. all had served more than ten years. (See Table 2-1)

The board elected annually the Chairman of the Board, two Vice Chairmen (one Chinese and one American national), the Honorary Secretary and two Honorary Treasurers (one Chinese and one American). They all served without salary but they may be reimbursed of their expenses for attending the meetings of the board (See Table 2-2). The Chairman presided at all meetings of the Board at which he was present. He should have the right to attend and vote at any meeting of any standing or special committee. In his absence one of the Vice Chairmen should preside. Before the reorganization, the Chairmen were Fan Yuan-lien, W. W. Yen and Chang Po-ling; after the reorganization, Tsai Yuan-Pei continued to serve as Chairman until his death in 1940. The long-term service of Tsai Yuan-Pei who was close to the Nationalist Government naturally drew the Foundation closer to the government. Even though he had a major influence on the Foundation during his administration, he did not have absolute authority over the direction of the Foundation. There were two Vice Chairmen, one American and one Chinese. Monroe served as a vice chairman for a long time but his influence was not as profound as at the beginning when he was involved in the negotiation of the second remission and the establishment of the Foundation. The Chinese vice chairmen had no high visibility in the operations of the Foundation. Y. T. Tsur held various positions as Secretary, Treasurer, Vice Chairman and Director.

Table 2-1: Former Trustees (1924-1940)

Year (a)	W.	S.	W.	P.	Y.	Y.	P.	M.	Y.	V.					
	Koo	Sze	Yen	Chang	Fan	Huang	Kuo	Chiang	Tsur	Ting	Monroe	Greene	Dewey	Bennett	Baker
1924															
1925															
1926													Willoughby		
1927						Y. Tsai				S. Hu			Stuart		
1928					W. Wong										
1929	Sun (b) F		C. Wu	Y. Li			C. Wong		H. Zen	Y. Chao					
1929							S. Hu								
1930					S. King										
1931															
1932								S. Hsu		Y. Tsur					
1933															
1934			V. Ting												
1935															
1936			W. Wong												
1937															
1938															
1939								H. Sun							
1940				M, Chiang		W. Yen									

(a) From July to June, next year

(b) Reorganization in June 1929

Full Names of Trustees: W. Koo—V.K. Wellington Koo; S. Sze—Sze Sao-ke; W. Yen—W. W. Yen; P. Chang—Chang Po-ling; Y. Fan—Fan Yuan-lien; Y. Huang—Huang Yen-Pei; P. Kuo—P. W. Kuo; M. Chiang—Chiang Monling; Y. Tsur—Y.T. Tsur; V. Ting—V.K. Ting; Monroe—Paul Monroe; Greene—Roger S. Greene; Dewey—John Dewey; Bennett—Charles Bennett; Baker—John Earl Baker; Willoughby—Westel W. Willoughby; Y. Tsai—Tsai Yuan-Pei; S. Hu—Hu Shih; Stuart—John Leighton Stuart; W. Wong—Wong Wen-hao; Sun F—Sun Fo; C. Wu—C.C. Wu; Y. Li—Li Yu-Ying; C. Wong—Wong Ching-Wei; H. Zen—H.C. Zen; Y. Chao—Y.R. Chao; S. King—King Soh-Tsu G.; H. Hsu—Hsu Sing-loh; H. Sun—H.F. Sun

Table 2-2: Former Officers (1924-1941)

Year	Chairman	Vice Chairmen	Secretary	Treasurers
1924	Fan Yuan-lien	Monroe	Y. T. Tsur	
1925	W. W. Yen	Monroe; Chang Po-ling	V. K. Ting	Bennett; Y. T. Tsur
1926	W. W. Yen	Monroe; Chang Po-ling	Y. T. Tsur	Bennett; Y. T. Tsur
1927	W. W. Yen	Monroe; Chang Po-ling	Y. T. Tsur	Bennett; Y. T. Tsur
1928	Chang Po-ling	Monroe; Tsai Yuan-Pei	Hu Shih	Bennett, Wong Wen-hao
1929	Tsai Yuan-Pei	Monroe; Chiang Monlin	H. C. Zen	Bennett, Wong Wen-hao
1929	Tsai Yuan-Pei	Monroe; Chiang Monlin	Hu Shih	Bennett, Wong Wen-hao
1930	Tsai Yuan-Pei	Monroe; Chiang Monlin	Hu Shih	Bennett, King Soh-Tsu
1931	Tsai Yuan-Pei	Monroe; Chiang Monlin	Hu Shih	Greene; King Soh-Tsu
1932	Tsai Yuan-Pei	Monroe; Y. T. Tsur	Hu Shih	Greene; King Soh-Tsu
1933	Tsai Yuan-Pei	Monroe; Y. T. Tsur	Hu Shih	Bennett, King Soh-Tsu
1934	Tsai Yuan-Pei	Monroe; Y. T. Tsur	Hu Shih	Bennett, King Soh-Tsu
1935	Tsai Yuan-Pei	Monroe; Y. T. Tsur	Hu Shih	Bennett, King Soh-Tsu
1936	Tsai Yuan-Pei	Monroe; Y. T. Tsur	Hu Shih	Bennett, King Soh-Tsu
1937	Tsai Yuan-Pei	Monroe; Y. T. Tsur	Hu Shih	Bennett, King Soh-Tsu
1938	Tsai Yuan-Pei	Monroe; Y. T. Tsur	Hu Shih	Bennett, King Soh-Tsu
1939	Tsai Yuan-Pei	Monroe; Y. T. Tsur	H. F. Sun	Bennett, King Soh-Tsu
1940	W. W. Yen	Monroe; Y. T. Tsur	H. F. Sun	Bennett, King Soh-Tsu
1941	W. W. Yen	Monroe; Y. T. Tsur	H. F. Sun	Bennett, King Soh-Tsu

Tsur worked very hard at his jobs. The Secretary was to keep minutes of all meetings of the Board and its Executive Committee. He should issue announcements of election to be held both for members of the Board and its officers and of all board meetings and notify new members immediately upon their election. Y. T. Tsur and Hu Shih had held the position in turns. The two Treasurers were jointly in charge of safe-keeping the cash and investments. They made payments within the authority designated by the Board or the Executive Committee. They executed the investment decisions made by the Finance Committee and presented a written accounting report to the annual board meeting. *“Their accounts shall be audited annually by an auditor or auditors not connected with the Board, who shall be named by the Board⁽²⁾.”* Bennett and Tsur set up the accounting system of the Foundation. Bennett, by serving a long time as a Treasurer, had contributed greatly to the financial management of the China Foundation.

According to the By-Laws and rules of the China Foundation, the board meetings were originally stipulated to be held twice a year, that is, in January and June, with June meeting to be called the Annual Meeting. As a matter of fact, the dates for the board meeting varied in later days and if not necessary, the non-Annual meetings were skipped⁽³⁾. Besides, the Chairman of the Board, or any five members of the Board, may call a meeting by not less than 60 days’ written notice. The agenda, date and place of such meetings should be stated in the notice. According to the Constitution of the Foundation, the representatives of the Minister of Foreign Affairs, the Minister of Education of China, and the Minister (later Ambassador) of the United States to China should have the right to

attend the meetings of the Board of the Trustees to observe the proceedings. Even though the head office of the Foundation was located in the capital of the nation, the meeting places and offices were not necessarily located in the capital. As the fifteen trustees were resided over China and overseas, the venues of the meeting depended on the convenience of the trustees. Table 2-3 below shows the dates and places of the board meetings from 1925 to 1941:

Table 2-3: Board Meetings of the China Foundation (1925-1941)

Meetings	Dates	Venues
First Annual Meeting	May, 1925	Imperial Hotel, Tientsin
First Board Meeting	February, 1926	Hotel de Peking, Peking
Second Annual Meeting	June, 1926	Western Returned Students' Club, Peking
Second Board Meeting	March, 1927	Western Returned Students' Club, Peking
Third Annual Meeting	June, 1927	Imperial Hotel, Tientsin
Fourth Annual Meeting	June, 1928	Astor House, Tientsin
Third Board Meeting	January, 1929	Hsing-Hsing Hotel, Hangchow
Fifth Annual Meeting	June, 1929	Astor House, Tientsin
Fourth Board Meeting	February, 1930	Astor House Hotel, Shanghai
Sixth Annual Meeting	July, 1930	Ministry of Education, Nanking
Fifth Board Meeting	January, 1931	Burlington Hotel, Shanghai
Seventh Annual Meeting	June, 1931	China Foundation, Peking
Sixth Board Meeting	January, 1932	Astor House Hotel, Shanghai
Eighth Annual Meeting	July, 1932	China Foundation, Peking
Seventh Board Meeting	January, 1933	Astor House Hotel, Shanghai
Ninth Annual Meeting	July, 1933	Metropolis Hotel, Shanghai
Eighth Board Meeting	February, 1934	Academia Sinica, Nanking
Tenth Annual Meeting	June, 1934	China Foundation, Peking
Eleventh Annual Meeting	April, 1935	Park Hotel, Shanghai
Ninth Board Meeting	October, 1935	Burlington Hotel, Shanghai
Twelfth Annual Meeting	April, 1936	Burlington Hotel, Shanghai
Thirteenth Annual Meeting	April, 1937	Academia Sinica, Shanghai
Fourteenth Annual Meeting	April, 1938	The Peninsular Hotel, Hong Kong
Fifteenth Annual Meeting	April, 1939	The Peninsular Hotel, Hong Kong
Sixteenth Annual Meeting	April, 1940	The Peninsular Hotel, Hong Kong
Seventeenth Annual Meeting	April, 1941	The Peninsular Hotel, Hong Kong

Under the Board of Trustees, there were Executive Committee and Finance Committee. The members of Executive Committee were composed of the Chairman and 3 trustees elected by ballot. The Chairman of the Board was *ex officio* chairman of the Executive Committee. The Executive Committee executed the resolutions passed by the Board not otherwise specifically provided for. In the interim of the board meetings, the Executive Committee had wide discretionary power; however the authority of the Executive Committee was not unlimited. According to the first draft by-laws, there was following regulation:

With the approval of the Finance Committee, based on the guidelines provided by the resolutions of the Board, the Executive Committee may appropriate up to \$10,000 per project. However, during the interim between two Annual Meetings, the total amount is limited to \$30,000 for such appropriation ⁽⁴⁾. (Note: the amended by-laws increased the limit to \$60,000 according to the 3rd Report to the Board)

The regulation was later amended so that the appropriations for specific purposes every year should not exceed the amount of the Executive Committee discretionary budget approved by the Board. The intent was to limit the authority of the Executive Committee to make such appropriations without the Board's prior approval. Greene was the original member of the Executive Committee. As he was a long time member of the Executive Committee, his influence on the direction and policies of the Foundation gradually exceeded that of Monroe.

The members of the Finance Committee were composed of the two Treasurers and three members elected by the Board. The Finance Committee was in charge of the deposits and investment of funds. At the first Annual Meeting, the Board set up a Finance Committee with a 3-member team, composed of Y. T. Tsur, Bennett and Baker. The Finance Committee was in charge of "*drafting for the foundation the rules of the financial management; receipts and payments and the necessary forms for book-keeping*" ⁽⁵⁾. Tsur and Bennett both shouldered the important responsibilities in their capacity as both Treasurers and the members of the Finance Committee. However, since November 1925, the Executive Committee held meetings jointly with the Finance Committee and the two Committees made joint decisions on the financial planning and appropriations. At the beginning of 1932, to promote the efficiency of the financial management, a Special Financial Advisory Committee was set up in Shanghai with Hsu Sing-loh and others as the members. At the beginning of each meeting the Executive Committee consulted with the Special Financial Advisory Committee about its opinions of investments. Unfortunately for the Foundation, in 1932, the world economy was in deep depression. Furthermore, the Government suspended the payments of the Indemnity. These complicated the operations of investment and affected the liquidity of cash accounts. It took quite a lengthy time for the joint Committees to discuss the financial matters. Besides, there were overlapping responsibilities between the Special Finance Advisory Committee and the Finance Committee. This created many problems. Subsequently, at the 9th Annual Board Meeting in 1935 at Shanghai, the board amended the constitution and by-laws by stipulating that other than the Chairman and Vice Chairmen, the officers did not have to be the trustees. In addition to recruiting two Assistant Treasurers (also called Assistant Accountants), the Board reorganized the 3-member Finance Committee which was to station in Shanghai. The Special Financial Advisory Committee was disbanded ⁽⁶⁾. Next year, the Executive Committee and the Finance Committee held meetings in Peking and Shanghai respectively.

The Director was elected by the Board and was the chief executive officer of the Board. He did not necessarily have to be a trustee. The Director together with his staffs should be responsible for carrying out the Board's decisions. He should have the custody

of the official seal. He should sign with the Secretary, or a Treasurer, or a member of the Board designated for such purpose by the Board or its Executive Committee, all deeds, agreements and formal instruments except as otherwise ordered by the Board or specified in the by-laws. The Director should “*report on the activities of the Foundation including a review of the work and progress of the enterprises of the Foundation, and of grant-receiving institutions; the numbers of applications for grants-in-aid and the findings of merit of these applying institutions as a result of investigations; the appropriations granted during the preceding year and actual payments in the coming fiscal year as may be deemed necessary by the Director*”⁽⁷⁾. To have an over-all understanding of the operations of the Foundation, gradually the Director took part at the meetings of the Executive and the Finance Committees. As result, his authority gradually expanded. Under the Director, there were executive secretaries, special secretaries, accounting secretaries, secretaries, Chinese documents copyists and English typists, etc.

The first Director, Fan Yuan-lien, with the assistance of H. C. Zen, Special Secretary (later changed name to Executive Secretary), gradually defined the scope of the business and the principle of the grants. These became the future guiding principles for the Foundation. After Fan died in December 1927, Y. T. Tsur succeeded him as the Director. When the Foundation was reorganized and Tsur was no longer Director, H. C. Zen succeeded Tsur as Director. In the early years of the Republic of China, Zen pioneered the promotion of scientific education in China as he was the major organizer of the Science Society of China. As a long-term Chairman of the Science Society of China as well as the Director of the China Foundation, with influential institutions in his charge and with heavy influence on the grants, Zen had a major impact on science development in the Republic of China⁽⁸⁾. His ideals of scientific development also influenced the direction of the grants of the China Foundation. But his management style had incurred many criticisms, especially from the American trustees. Greene once said: “*We had lost all hopes of having a wise commander and leader. Zen is only fitted for small matters.*” V. K. Ting also said, “*Zen is too timid and he frequently goes through the motions without sincerity.*” In his letter to Hu Shih, he criticized Zen’s behavior by saying:

This time, Sze gave him a harsh dressing down and Zen did not even respond to Sze’s accusation and kept mum. This left a very bad impression on the meeting. Even Yong-Ni (Wong Wen-hao) complained that Zen is too soft. I am afraid that his colleagues and subordinates will not give him the proper respect. Since you are Honorary Secretary, you should do something about it⁽⁹⁾.

Several years later due to Zen’s insistence to merge the Social Research Institute, an institute managed solely by the Foundation, with the Institute of Social Science, Academia Sinica, V. K. Ting, L.K. Tao and others were extremely unhappy about Zen’s action, Hu Shih again stepped in and played the role as a mediator. He thought:

What the Foundation precisely needs are the independent-minded trustees. ... Such an organization like ours can never please everybody. Impartiality by definition will never win approval from all sides. But if we are confident that we are doing our best for the organization, we are in fact acting unselfishly and we

do not have to either care about or listen to all kinds of small talks. ...In a collective decision-making organization, there has to have an attitude of compromise and flexibility. Even if a decision is not satisfactory to ourselves, we sometimes have to abandon our own cherished opinion for the benefit of the overall organization. Even a majority decision by 8 or 9 trustees out of 15 sometimes can be criticized as skewed and partial, how could we expect everyone under the heaven concur that there is a transparent justification in any decision⁽¹⁰⁾ ?

As a collective decision-making organization such as the China Foundation, there were bound to have different opinions about any decision. But in general, there was no serious conflict or controversy among trustees. For example Wong Wen-hao in an even-handed way magnanimously commented about Greene: *“This gentleman is devoted to the Foundation and he is very experienced with what he is entrusted of. Even though some of his ideas are not necessarily appealing to one or two trustees, most of his ideas are in fact feasible. Occasionally if some of the ideas are questionable, they can be satisfactorily dealt with. Besides, the Foundation needs trustees like Greene who has many good ideas⁽¹¹⁾.”* The frank exchange of ideas and the tolerant attitude for compromise and accommodation by the trustees might be the major reason that the China Foundation with such kind of board for the collective decision-making could be so successful in its operations. Therefore Hu Shih concluded, *“With my unbiased eyes, I can vouch for the fact that it is extremely difficult to find the 15 trustees who are so non egoistic such as ours. China Foundation may not be impeccable, but the majority of its trustees are truly respectable and trustworthy⁽¹²⁾.”* This comment rings true in the case of the China Foundation.

II. The Crisis of the Survival: Improvisations during the Emergency and the Post-War Periods

The original address of the Foundation was located at No. 22 Nan-Chan Street, Peking. For better financial management, the Finance Committee was moved to Kiukiang Road, Shanghai in February 1936. After the Sino-Japanese War had broken out, the Head Office was also relocated to Shanghai. To maintain unimpeded communication, in July 1938 a liaison office in Hong Kong was set up. During the first few years of the Sino-Japanese War, the annual meetings also took place in Hong Kong. At the 17th Annual Meeting in April, 1941, the trustees anticipated that if there was an outbreak of the Pacific War, it would be difficult to have a majority of the Board to attend the meetings. Therefore, it was resolved to establish an Emergency Committee to deal with the special situation. The measures included the following main points:

- (1) Emergency is considered to exist when airplane communication between the coast and interior is interrupted or suspended or when American mail liners cease to call at Far Eastern ports*
- (2) In case of emergency, Trustees in China will constitute an Emergency Committee. 5 trustees will be considered a quorum to pass on business. (It is suggested that the Chairman or a Vice-chairman, the Secretary, the Director*

and one of the Treasurers should be included in the number). Other trustees may be reached by correspondence or telegram or radiogram.

- (3) The affairs of the Finance Committee in the U.S.A. shall be performed, when communications between China and U.S.A. are no longer possible, by trustees in the U.S., in conjunction with the Special Advisory Committee in U.S.A., with Mr. C. R. Bennett as the authorized person to convene the meeting.*
- (4) If due to the emergency situation the next Annual Meeting cannot be held; all the present trustees together with staffs should serve until the coming Annual Meeting.*
- (5) Authorize John E. Baker and the Director at the Chungking Office to sign on behalf of the Treasures checks and monthly borrowing receipts ⁽¹³⁾.*

At the end of 1941 when Japanese sneakily attacked the Pearl Harbor and the Pacific War started, the trustees in Free China held the first Emergency Committee meeting. Wong Wen-hao was elected Chairman; Y. T. Tsur, Secretary; Arthur N. Young, Treasurer, H. C. Zen, Director and Treasurer, Sun Fo, Chiang Monlin and Arthur N. Young, member of the Executive Committee; and H. C. Zen, Director and Treasurer of the Executive Office. In the same month, a Special Committee in America was organized in New York, with Paul Monroe as Chairman; Hu Shih, Secretary; Alfred Sze Sao-ke and C. R. Bennett, Treasurers; Roger Greene, Associate Director. Later in 1943, Monroe resigned on account of poor health, and Hu Shih succeeded him as Chairman of the Committee, with Meng Chih succeeding Hu Shih as its Secretary. In addition to protecting the China Foundation's interest in the U.S., the Special Committee shouldered the major responsibilities in safekeeping the securities; making investment decisions; preparing budgets and exercising treasury functions; supporting the Chinese researchers in the US from the endowment income; and purchasing books and subscribing magazines for the libraries and educational institutes in China by temporarily storing them in the U.S. until the time when unimpeded transportation made it possible for shipping them back to China. The Emergency Committee in Chungking was in charge of grants and other administrative works. During this period (1942-1945) the Emergency Committee held five meetings and the Special Committee in America held twelve meetings. Both Committees worked independently but they did coordinate their works. From Zen and Greene's frequent communication by letters, we can have a feel of the decision making process relating to administrative and financial matters during this period.

In this Emergency period, even though since 1939 the payments of the Remission had been stopped, with the investment income and loans from the Government, the Foundation could still afford to maintain its routine works. However the Foundation suddenly faced a life-and-death crisis when the Government began to consider abolishing the Boxer's Indemnity Administrations (BIA's). In January 1943, Chinese and American Government signed the Sino-American Treaty for the Relinquishment of Extraterritorial Rights in China and the Regulation of Related Matters. According to the treaty, U.S. Government abandoned its claim on the future Indemnity payments. Based on this treaty, certain officials in the Chinese Government proposed to abolish all BIA's, and have their operations taken over by the Ministry of Education (MOE) or other organization created for the purpose under the supervision of MOE. Among the proponents, the Minister of

Education, Chen Li-Fu was in the vanguard of this movement. During a discussion in the Executive Yuan, Premier H. H. Kung designated the MOE, Ministry of the Foreign Affairs (MOFA) and the Ministry of Finance (MOF) to work together to find a solution to this matter⁽¹⁴⁾.

In January, 1943, after learning the bad news, the trustees of the Foundation convened the 3rd Meeting of the Emergency Committee in Chungking. At this meeting, they broadly considered the opinions from all angles; the legal status of the Foundation and its future whereabouts. The Board asked Director Zen to make a detailed report to MOFA and MOF in order for the Government to understand the true value of the Foundation's continuing existence and its symbolic value to the Sino-American diplomatic relations. In his report, Zen detailed the establishment of the China Foundation; its organization and the scope of its authority; the outlines of its work; its war time works and its plans for the future. The conclusions of this report are as follows:

After the expected coming end of the Sino-Japanese War, the China Foundation should initiate a fund-raising drive from both Chinese and American sides for a substantial amount in order to accomplish the good will extended by our American friends 18 years ago with the remissions of the Indemnity. The accomplishment of this project not only will benefit the development of this country, but also will represent a permanent monument of the Sino-American friendship⁽¹⁵⁾.

In Zen's letter to Greene, he envisioned three possible fates of the Foundation: 1) the Government appreciated the past accomplishments of the Foundation and continued to support it; 2) the Foundation could only depend on its own resources and would be disbanded after the funds were exhausted; and 3) its immediate abolishment. From the position of the Foundation, the 3rd scenario was the worst one to face, while they would be happy to see the first scenario to be realized, they reckoned it had a very slim chance. As for the second scenario, the trustees had to shoulder an extremely heavy duty for the life-and-death of this organization. No matter what, they had to face the grim future⁽¹⁶⁾.

After the Meeting of the Emergency Committee, Wong Wen-hao and H.C. Zen cabled Hu Shin and Sze Sao-ke in the U. S. outlining the crisis of the existence of the Foundation and the reactions from all sides. In a separate letter to Hu, Zen analyzed government officials' attitudes to this matter:

Apparently, it can be divided into two camps: one camp wants to take this opportunity to eradicate anything which is tinged with the national disgrace; and the other camp is willing to retain this Sino-American cooperative cultural heritage as a basis for further cooperation. In reality, they also would like to take this opportunity to eliminate their opponents and to expand their own influence. ... The trustees of the Foundation of course belong to the second camp. Some people in the Government belong to the first camp and it was said that the MOE and MOF were in this camp. However some of them are straddling on the fence. For example, T. V. Soong proposed that the BIA's should keep the existing funds⁽¹⁷⁾.

Zen hoped that Hu and Sze should consult the American trustees about this matter.

In Hu and Sze's cable reply, they stated that during the negotiations for the Remission, the original intent of both Chinese and American Governments was to treat the China Foundation as a permanent organization. That was "*the reason that they named it as a foundation rather than a management committee.*" The American trustees being consulted about this believed that "*the American people also felt that the China Foundation should continue to exist and therefore the Foundation's basic organizational set-up and constitution should not be changed. The original conditions negotiated by the Sino-American Governments for the Remission should especially be adhered to, so that the legal continuity could be maintained and the Sino-American educational and cultural heritage could be preserved*"⁽¹⁸⁾. At the same time, Wong Wen-hao also lobbied H. H. Kung and T. V. Soong with a view that, as a matter of course, the Indemnity payments should be terminated after the Sino-American Treaty was signed, but for the unpaid installments, the Chinese Government still had the moral responsibility to continue repayments. Also the funds in the China Foundation's custody were not limited to their own funds. The Foundation had the option to receive funds from the Chinese or American sides to continue its operations⁽¹⁹⁾. Later on Gauss, U.S. Ambassador to China also expressed his concerns about this matter. He hoped that the Chinese Government would support the continuing existence of the China Foundation. In his October 18th, 1943 memorandum to the Chinese Ministry of Foreign Affairs, he said:

When the Board of the China Foundation was first established, the American Government understood that the Board was an independent self-perpetuating organization not to be interfered by either American or Chinese Governments. From then on, the American Government had always taken care not to interfere or influence the Board of the China Foundation's legal authority and its independent management of the funds in its custody. We believe that the Chinese Government will also give it the same necessary freedom so that the Foundation can independently manage the funds under its custody and exercise its authority based on the stipulations of its constitution⁽²⁰⁾.

People like Wong and Zen tried to bring MOFA and MOF by lobbying efforts to their side in order to counter the MOE's determined efforts to abolish the BIA's. It was the time for various institutions to send their subsidy budgets to the Financial Special Committee for review while unfortunately Minister of Education, Chen Li-Fu sat on the Committee. After review, the Committee decided to abolish all BIA's. In August, 1944, the Supreme National Defense Council approved the decision. The Office of the Secretary General of the Executive Yuan thereby in September ordered all BIA's to close down at the yearend. The operations of the China Foundation were to be taken over by the MOE. Wong and Zen cabled H. H. Kung for help. They also asked Hu Shih to persuade Kung, who was attending a meeting of the IMF, and to enlist Kung's help to urge the Chinese Government to reconsider. Under lobbying forces from all sides, Kung cabled Wang Chong-hwei, the Secretary of the Supreme National Defense Council, Chang Li-Sen, the Secretary General of the Executive Yuan and Wong Wen-hao. In the cable, Kung suggested that before the end of the Sino-Japanese War, the Chinese Government should

temporarily allow the existence of the BIA's. After the war was over, the Government would find other ways to deal with them. Wong felt that Kung's proposal could only delay the inevitable because after the war the problem would raise its ugly head again. To solve the problem once and for all, Wong decided to write to Chiang Kai-shek. In his memo to Chiang, he stressed the serious impact of the matter on the Chinese foreign relationships by saying: "*Whether the Government could unilaterally abolish the BIA's is a serious matter and we have to consider it very carefully in order to avoid unnecessary misunderstanding by other nations.*" He emphasized the reasons for maintaining the permanent status of the China Foundation by saying: "*Since in its constitution, the China Foundation does not claim that it depends solely on the remission of the Indemnity, and since it is especially respectful of the rights of China, it should be preserved to avoid further complications.*" However the memo was returned by the Chiang's Aides Office. Wong said: "*There were very few precedents that the memos were rejected out of hand for presentation. This shows that there are lots of people who are hostile to the China Foundation* ⁽²¹⁾."

As the fate of the Foundation was hanged in the balance, what should it do? In Zen's letter to Greene, he was perplexed. Proactively, should the China Foundation expand its business, stabilize its position and organization, and boost up its financial resources? Or, reactively, should it gradually close its accounts and within two or three years, give out grants as much as possible to exhaust the funds and close down the Foundation ⁽²²⁾? In fact, when he received the notice of abolishment of the BIA's from the Government on September 15, Zen had already begun to draft plans for ending the business and finance. However, the Chinese as well as the American trustees in U.S. all believed the Government's order was legally untenable. Unless the Government officially gave the order of abolishment, the Foundation should operate as usual. They drafted a memorandum in which they asked the Government to reconsider the decision. At the same time, they asked the trustees in Chungking to continue negotiation with the Government. Hu Shih wrote to Wong Wen-hao asking him to plead directly with the Supreme Commander, Chiang Kai-shek, by telling him the improprieties of the abolishment and the legal difficulties on the transfer of funds ⁽²³⁾.

At this unsettling moment, T. V. Soong was appointed Premier while Chen Li-Fu, the Minister of Education was replaced. The prospects for the China Foundation were at once brightened somewhat. Even though the new Minister of Education, Chu Chia-Hua's position on the abolishment was not known, at least his attitude was very different from that of Chen Li-Fu. Chu was willing to maintain and even improve the conditions that the Foundation was in. At the end of 1944, the Secretary General of the Executive Yuan, Chang Li-Sen informed the BIA's to maintain their current status ⁽²⁴⁾. Anyway, the crisis of the Foundation's survival was temporarily lifted to the trustees' great relief.

However there were questions concerning the future status and dispositions of the Foundation as well as how to maintain its operations without the loans provided by the Government. Knowing the Foundation's intractable problems, Fu Ssu-Nien stepped forward again as an intermediary. To assuage the hostilities of certain KMT and Government's important officials toward the Foundation, he made three proposals: 1) To

elect new trustees to replace those who were trapped in the Japanese occupied areas and were unable to fulfill their duties; 2) To appoint the Minister of Education, the President of Academia Sinica and the President of Tsing Hua University as *ex-officio members of the Board*; and 3) To raise funds from the public and private sources to boost up the resources and to distance its relation from the Indemnity. Minister Chu naturally agreed to these proposals. But Wong Wen-hao felt that to appoint *ex-officio* members of the Board would entail the amendments of the constitution and the change of the Foundation's current status. To strengthen the function of the present board, he presented the ideas of the trustees in Chungking, to amend the constitution and to propose the election of the new trustees, including Tsiang Ting-Fu, Fan Zue, Fu Ssu-Nien and Arthur Young. H. C. Zen especially pointed out that this was a gesture of compromise under the current political atmosphere and this was by no means to be construed as a result of the disliked political interference. The China Foundation should avoid at all costs involvements with politics and identification with the influential politicians ⁽²⁵⁾. The trustees in the U.S. agreed to the proposed new trustees but were against amendments of the constitution. They did not think it was necessary to add the new *ex-officio* members of the Board to the Board. The Minister of Education could be invited to observe the Board meeting but not to be elected as trustees ⁽²⁶⁾.

After repeated negotiations, the trustees decided to hold a special election meeting in the US on June 2, 1945. As for those trustees in China who were unable to attend the meeting, they gave proxies to the trustees in America on their behalf. The attendants were Hu Shih; Chiang Monlin; Sze Sao-ke; Greene; Bennett and Donald M. Brodie ⁽²⁷⁾. The board elected the above mentioned 4 new trustees to replace those in the Japanese occupied areas. The board also elected the following officers: Chiang Monlin, Chairman; Wong Wen-hao and Greene, Vice Chairmen; Y. T. Tsur, Secretary; and Bennett and Sze Sao-ke, Treasurers.

In the autumn, 1945 when the war ended, the China Foundation held its 18th Annual Meeting on December 1. The board abolished the Emergency Committee and Special Committee in America and made plans for postwar operations. In 1946, the China Foundation reestablished its office in Shanghai. The Directorate and the Department of Funds shared the same building. Next year, Bennett, Baker and Young resigned and Greene died. The China Foundation held 19th and 20th board meetings in March and December and elected Leighton J. Stuart, C. B. Hutchison, J.T.S. Reed, Paul S. Hopkins to succeed them. As for the Chinese trustees, Fan Zue died and Sze Sao-ke resigned and they were replaced by Lee Ming and Ho Pao-Hsu. As for the officers, there were no changes. Chiang Monlin was Chairman; Wong Wen-hao, Vice Chairman; and H. C. Zen, Director ⁽²⁸⁾. Due to the deteriorating political situation, in 1949 the Foundation moved from Shanghai to Hong Kong. It also moved the securities and cash from First National City Bank, Hong Kong to its New York office. After the transfer of the assets, Zen returned to Mainland China and Hu Shih took over his duty in the U.S.

III. The Second Remission and Assets

According to the auditor's report of the Senate Foreign Affairs Committee in 1924,

the total payment of the Second Remission amounted to \$6,137,552 in principal payments and \$6,407,885 in interest payment to be repaid in 20-year installments. In reality, the China Foundation did not receive the promised full payment and the payment period was less than 14 years.

According to the original arrangement, every month, the Maritime Custom Service of the Chinese Government remitted the payment by a check to the U. S. Legation (later, U. S. Embassy). In turn, the latter forwarded to the Foundation the payment by endorsement on the check with vouchers⁽²⁹⁾. A lump sum of US\$1,377,255 was received by the Foundation in 1925 from the American Treasury, representing the accumulated balance of the Indemnity payments from October 1917 to the present. In the next few years, the Foundation received the monthly installments as scheduled. When Japan invaded China during 1931, because of budget shortage the Chinese Government suspended the payments of the Indemnity to the U.S. Embassy from March 1932 for a period of one year. In 1937 when the Sino-Japanese War broke out, the financial conditions of the Chinese Government became even more constrained. From January 1939 the payments were ceased indefinitely. In 1943, when the New Sino-American Treaty was signed, the unpaid portion was stopped eventually. In all, the payments received by the Foundation were less than 14-year installments. See Table 2-4 for yearly income.

Table 2-4: Annual Income of the China Foundation

Year	Payment of Indemnity		Other Income(a)			Total		
	S\$	US\$	S\$	US\$	£	S\$	US\$	£
1925	982,295	1,377,255	171,267			1,153,562	1,377,255	
1926	1,329,191		299,402			1,628,593		
1927	1,155,337		406,563			1,561,900		
1928	1,171,903		416,599			1,588,502		
1929	1,432,809		486,903			1,919,712		
1930	2,153,112		628,194			2,781,306		
1931(b)	1,518,057		77,197	121,486		1,595,254	121,486	
1932(c)	744,524		102,013	84,260		846,537	84,260	
1933(d)	1,655,378		213,785	39,748	4,829	1,869,163	39,748	4,829
1934	1,446,107		282,322	43,846	3,533	1,728,29	43,846	3,533
1935	1,336,698		334,597	47,362	3,020	1,671,295	47,362	3,020
1936	1,778,402		359,727	55,306	2,322	2,138,129	55,306	2,322
1937		530,471	262,245	48,243	1,202	262,245	578,714	1,202
1938(e)		262,730	425,718	51,202	1,764	425,718	313,932	1,764
Total	16,703,813	2,170,456	4,466,532	491,453	16,670	21,170,345	2,661,909	16,670

(a) Other income includes: Interests, dividends, foreign exchange gains and miscellaneous income

(b) From this year, Gold and Silver Dollars were recorded separately. From Mar., 1932, payments of indemnity stopped. This year only 8 monthly payments were received (Jul., 1931-Feb., 1932)

(c) From Mar. 1933, payments continued. 4 monthly payments were received this year (Mar-June, 1933)

(d) Due to unstable foreign exchange rates, from this year, U.S. Dollars, Pounds Sterling and Silver Dollars were recorded separately

(e) From Jan., 1939, the payments stopped. This year only 6 monthly payments were received (Jul.-Dec. 1938)

In addition to the lump sum payment in 1925, the China Foundation on average received S\$1.4 million per month before the outbreak of the Sino-Japanese War. The reason for the large increase of the revenue in 1930 was because of the rapid rise of gold price and when gold dollars were converted into silver dollars the foreign exchange gains for this year were far higher than those of other years⁽³⁰⁾. The large drop of revenue in 1932 was due to the Government's delayed payment to be repaid in 1946. To maintain the Foundation's routine operations, the MOF lend the Foundation S\$1 million in 8 installments with monthly payment of S\$125,000 from July 1932 to February 1933 to cover the shortfall⁽³¹⁾. The Government loan was booked by the Foundation as its liability to be set off after it had received the delayed payment. In reality this loan was treated as its revenue from the Remission. The budgets appropriated for the self-conducted and grant-receiving institutions were executed as usual that year. For all these years, the total incomes of the Foundation included the total revenue from the Remissions, interest income, dividends and miscellaneous incomes amounted to approximately 21 million Silver Dollars plus 2.6 million U.S. dollars and ten thousand Pounds Sterling⁽³³⁾. There was a gap between the actual remissions and the original promised remissions of twelve million U.S. dollars.

Table 2-5: Annual Expenditures of the China Foundation

Unit S\$ (CN\$)

Year	Administrative Expenses	Grants-in-Aid	Others(a)	Total
1925	51,307	82,682	5,264	139,253
1926	56,449	646,450	143,697	846,596
1927	50,834	477,107	19,998	547,939
1928	76,303	737,708	13,715	827,726
1929	66,052	1,931,948	3,849	2,001,849
1930	83,852	1,740,701	4,206	1,828,759
1931(b)	89,621	2,064,215	6,690	2,160,526
1932(c)	89,446	1,681,832	19,205	1,790,483
1933(d)	81,456	1,586,029	2,673	1,670,158
1934	96,697	1,288,163	3,249	1,388,109
1935	93,783	1,180,628	190,438(e)	1,464,849
1936	104,764	1,314,872	154,686(f)	1,574,322
1937(g)	144,211	1,250,628	102,705(h)	1,497,544
1938(i)	199,228	1,536,875	52	1,736,155
Total	1,284,003	17,519,838	670,427	19,474,268

(a) Others included interests on bank overdrafts and borrowing, losses on sales of the securities, currency exchange losses and miscellaneous expenses.

(b) From this year S\$ and G\$ (US\$) were recorded separately. US\$ were converted @ US\$ 1 = CN\$4.80

(c) The exchange rate for this year was US\$1 = CN\$3.60

(d) The exchange rate for this year was US\$1 = CN\$2.87

(e) Included payment of compulsory education programs contribution to MOE, CN\$150,000

(f) –ditto–

(g) The exchange rate for this year was unstable. It varied from US\$1 = CN\$.3.40 to 5.30 and the medium rate of CN\$4.35 was used.

(h) This included payment of CN\$100,000 to MOE as contribution to the compulsory education programs.

(i) The exchange rates for this year varied from US\$1 = 5.50 – 7.69 and the average rate of 6.60 was used

Over 90% of the Foundation's incomes were used to subsidize educational and cultural enterprises, and only 6.6% of income was used for office administration. (See table 2-5) The business of the Foundation expanded rapidly after it reorganized in 1929. The annual payment for grants action increased from CN\$737,708 to CN\$1,931,948, a 2.6 times increase. Since then the payment for grants action was over 1 million CN dollar every year. But in 1931 the Foundation encountered the crises of shortage of income to make ends meet. It was due to the impact of the domestic politics that the payment of Indemnity was suspended for one year. And the global recession also caused the Foundation's foreign currency securities to lose interest income and to depreciate in exchange rate value. This caused the Foundation to have deficits in 1931 and 1932. In order to face its financial difficulties, the Foundation not only signed overdraft facilities with banks but also used the payment which should be ploughed back into the endowment funds. However, in general before Sino-Japanese War began, the Foundation mostly had annual surpluses.

One way or another, payment of remissions would be ended. At the establishment of the China Foundation, the trustees planed to set up an endowment fund for future income. At the 1st Annual Meeting, Y. T. Tsur and Bennett proposed that the first lump sum payment of US\$1,377,255 (equal to local currency 2,470,000 at the exchange rate of US\$1 = CN\$1.7934) plus 1/3 of the future annual payment (about US\$180,000 per year) were to be put into an endowment fund. The accumulated funds would come to US\$6,578,393 after 20 years. With this estimated amount in the endowment account, the Foundation could from then on generate about US\$500,000 or CN\$1,000,000 of annual income at an estimated interest income of 7% p.a. ⁽³⁴⁾. This proposal by Tsur was approved by the board and it had insured the preservation of the funds. This became a major factor for the stability of the financial condition in the coming years.

In July 1925 the China Foundation transferred the first lump sum payment in July 1925 plus monthly installment payment to the National City Bank of New York, London to purchase Chinese Reorganization bonds ⁽³⁵⁾. From then on, the Foundation ploughed back 1/3 of the installment every year to the endowment fund for deposit and investments. The annual plough-backs up to June, 1931 were follows:

1925-26	CN\$ 348,712
1926-27	390,000
1927-28	402,229
1928-29	450,000
1929-30	560,000
1930-31	760,000

It was until 1932 when the Government delayed the payments of the Remission, to maintain the grants to the existing receiving organizations; the Foundation had to use up most of the revenue and stopped the plan of plough-backs to the endowment account.

Since the Foundation's assets began to increase from 1929, the Finance Committee decided to change the practice from concentrated deposit to diversified investments. In

1930, because of the steep rise of the gold price, the accumulated balance in the endowment account increased significantly as follows:

1925 (yearend)	CN\$2,479,059
1925-26	2,827,771
1926-27	3,217,771
1927-28	3,620,000
1928-29	4,070,000
1929-30	4,630,000
1930-31	9,450,883
1931-32	9,661,689
1932-33	7,270,624
1933-34	7,440,749
1934-35	7,682,723
1935-36	9,193,353
1936-37	9,839,964
1937-38	13,003,471
1938-39	16,676,195
1939-40	27,282,747

The reasons for the reduction of the value for the fiscal year 1932 were 2 folds: (1) due to the global recession, certain U.S. currency bonds stopped paying interest. Also the value of the Pounds Sterling had been depreciated. (2) The Foundation could only increase its principal by the existing endowment plus whatever revenue from the investment income when the Government suspended the payment for one year. Consequently, H. C. Zen, Director proposed at the 6th Board Meeting on Jan. 8, 1932 the amendment of the plough-back of income to the endowment account. If necessary, the amount of plough-back could be flexible. At the 8th Annual Meeting on July 1, 1932, the Board decided to delay the plough-back in the amount of US\$248,864 ⁽³⁶⁾. During 1933, the value of the U.S. Dollars continued to depreciate and thus reduced the growth of its investments. In 1935, the Foundation moved the Finance Committee and the Endowment Funds Department to Shanghai in order to strengthen the management and investment of the funds. The endowment and income accounts were separated. This year the exchanged values of the U.S. Dollars and Pounds Sterling both rose rapidly and this caused the large increased of the assets valued in the local currency ⁽³⁷⁾. On the eve of the Sino-Japanese War, the total book value of the assets reached CN\$9,839,964 while the market value reached CN\$11,076,835. Even at the early stage of the war, the trend of the growth of the asset value could still be maintained.

The major source of the Foundation's revenue came from the income of the investments in securities. The Finance Committee of the Foundation laid down only the guidelines for investment. As for the actual transaction of the securities and other detailed works, they have to entrust the banks or investment trusts with expertise for management. In October, 1930 the Joint Meeting of the Executive and Finance Committees decided to entrust the City Bank Farmers Trust Company and its London Office for investment management. In June, 1931 the Board appointed Greene, King Soh-Tsu and H. C. Zen to

form an *ad-hoc* Committee for Increasing Efficiency of the Financial Management to draft a plan to increase the efficiency of investment and financial management⁽³⁸⁾.

The investment policy of the Foundation emphasized diversification in order to reduce risks. As for its composition of the investment, the portfolios included central and local government bonds; bonds and shares of the public utilities, commercial and industrial enterprises, banks and transportation companies. For the convenience of book-keeping, different currencies were booked separately. These included: 1) Chinese Reorganization bonds in pounds sterling; 2) Bonds in U.S. dollars; and 3) Chinese Government bonds in silver dollars⁽³⁹⁾. From the beginning, the investment policy was in favor of the foreign currency securities. The Finance Committee felt it was rather difficult to pick silver dollars securities. However, the relative exchange values of silver versus gold fluctuated widely and created exchanges gains or losses. Besides, due to the global great recession, the market values of the foreign currency denominated securities sometimes had dropped precipitously and interest payments and dividends had even been stopped. Faced with violent fluctuations in foreign investments, and to keep a proper balance of the gold and silver dollars investments, from 1930 on the Foundation gradually switched its investment to silver dollars bonds. Starting from next year, they entrusted City Bank in Shanghai as the transfer agent of the silver dollars securities⁽⁴⁰⁾. In 1932, the exchange value of U.S. dollars weakened and the Special Financial Advisory Committee, at the beginning of the year, taking the advantage when the exchange value of U.S. dollars was still relatively high, sold large sum of U.S. dollar securities and converted the proceeds into silver dollars at the exchange value of U.S. Dollar 1 = Silver Dollars 4.60. This increased rapidly the silver dollar while reduced the gold dollar (US\$) investment⁽⁴¹⁾. Faced with the new situation, the Foundation was forced to adjust its investment policy. In February, 1934 the Board not only confirmed the action but also fully authorize the Special Financial Advisory Committee to decide the proportion of the gold versus silver investment when the world market made it necessary⁽⁴³⁾. In 1936, the Board disbanded the Special Financial Advisory Committee in Shanghai and enhanced the functions of the Finance Committee. The Finance Committee drafted the allocation of domestic and foreign currency investments. Furthermore, the Foundation was under pressure from the Chinese Government to invest more in Chinese enterprises. For example, in 1926 at the 4th Joint Conference of the Boxer Indemnity Administrations, the Government asked the Foundation to purchase more of Railway Construction Bonds, and the shares of the sulfur acid factory, etc. They were all issued by state-owned companies⁽⁴⁴⁾. The Finance Committee had to comply but not fully. The member who attended the meeting reported to the Board that he commented in the meeting: "*However, according to our Finance Committee, the purchases of the newly organized company's bonds are against our existing investment policy*"⁽⁴⁵⁾. For these two reasons, the proportion of the Chinese currency denominated investments increased rapidly from less than 10% to 30-60%. Later on the exchange value of U.S. dollars stabilized and silver dropped. To reduce the foreign exchange losses, the Foundation not only increase the percentage of the foreign currency denominated investments, but also asked the payments of the Remission to be effected by the Custom Service in U.S. dollars. Table 2-6 show the changes of the foreign currency and domestic currency denominated investments.

Even though the major investment was in bonds, the assets of the Foundation also included: bank deposits and accrued interest income; real estates and equipments; and deferred assets (special deposits, prepaid expenses; donations and other miscellaneous income, etc.). Up to June of 1937, the total assets reached CN\$12,874,902. At the beginning of the Sino-Japanese War, the interest payments of the domestic bonds were almost stopped but due to the increased foreign exchange value of U.S. dollars, the total assets kept on growing every year. (See Table 2-7).

When the payments of the Remission were stopped in 1939, the Foundation was short of revenue to pay for the expenditures. But according to the constitution, they could not use endowment fund for expenditures. Other than using the investment income, the Foundation was forced to resort to borrowing from the Government. Every year, the Ministry of Finance used the payments of the Remission owed by the Government as collateral for loans from the banks with proportions as follows: Central Bank of China, 35%; Bank of China, 35%; Bank of Communication, 20%; and the Farmers Bank of China, 10% ⁽⁴⁶⁾. The yearly amounts of loan are as follows ⁽⁴⁷⁾:

1939	CN\$ 1,540,000
1940	660,000
1941	1,800,000
1942	3,000,000
1943	4,050,000
1944	<u>5,265,000</u>
Total	<u>CN\$16, 315,000</u>

Table 2-6: Security Investments of the China Foundation

Year	Silver Dollar Securities		Foreign Currency Securities		Total
		%		%	
1925(a)			2,565,063	100	2,565,063
1925	?		?		3,247,676
1926	284,286	7.4	3,555,514	92.6	3,839,800
1927	416,575	8.2	4,652,546	91.8	5,069,121
1928	514,641	8.4	5,585,737	91.6	6,100,378
1929	603,019	7.5	7,460,124	92.5	8,063,143
1930	835,238	7.7	10,013,369	92.3	10,848,607
1931	909,230	9.7	8,427,270	90.3	9,336,500
1932	2,220,854	34.4	4,233,367	65.6	6,454,221
1933	2,442,722	46.1	2,854,645	53.9	5,297,367
1934	3,759,953	60.5	2,458,205	39.5	6,218,158
1935	4,033,994	50.3	3,978,071	49.7	8,012,065
1936	4,131,406	49.6	4,202,248	50.4	8,333,654
1937	5,219,046	43.0	6,930,486	57.0	12,149,532
1938	5,829,610	36.7	10,046,673	63.3	15,876,283
1939	5,781,442	21.8	20,738,116	78.2	26,519,558

(a) Year End

Table 2-7: Assets of the China Foundation

Unit: Silver \$ (CNS\$)

Year	Securities	Other Assets	Payments Owed by Government	Total
1925	3,247,674	478,950		3,726,624
1926	3,839,800	1,176,618		5,016,418
1927	5,069,121	601,876		5,670,997
1928	6,100,378	685,311		6,785,689
1929	8,063,143	445,909		8,509,052
1930	10,848,607	1,103,296		11,951,903
1931	9,336,500	787,160		10,123,660
1932	6,454,221	2,170,491	2,944,462	11,569,174
1933	5,297,367	2,264,189	2,549,984	10,111,540
1934	6,218,158	1,629,916	2,442,209	10,290,283
1935	8,012,065	1,277,712	2,880,042	12,169,819
1936	8,333,654	1,727,528	2,813,720	12,874,902
1937	12,149,532	1,631,678	3,616,407	17,397,617
1938	15,867,283	1,106,539	3,616,407	20,590,229
1939	26,519,558	2,418,774	3,616,407	32,554,739

At the end of the Sino-Japanese War, the Foundation did not incur investment losses, but due to hyper-inflation, the investment values suffered heavy losses⁽⁴⁸⁾. As a result, its financial conditions were even worse off than those during the war time. After the loss of the Mainland China, all the investments in the domestic currency had gone down the drain. At the end of 1949, the Foundation could only manage to transship from Hong Kong to New York securities in U.S. Dollars, and to a much smaller amount in pounds sterling, totaling US\$1,166,582 in book value and US\$1,276,078 in market value⁽⁴⁹⁾.

IV. The Tsing Hua University Endowment Fund and other Funds under the Permanent Custody of the China Foundation

The origin of the China Foundation was to receive and manage the Second Remission from the U.S. Due to good management, it was entrusted for management with other endowments, such as the Fan Memorial Institute of Biology Endowment Fund and the Chinese Social and Political Science Association Library Endowment Fund; and the Tsing Hua University Endowment Fund (referred to hereinafter as the Tsing Hua Fund). Among these, the Tsing Hua Fund was the largest.

1. The Tsing Hua University Endowment Fund

The source of the Tsing Hua Fund was the First Remission by the U.S. government of the overpaid Boxer Indemnity, in the amount of more than 28 million U.S. dollars, to be repaid by monthly installments over thirty-two years, from 1909 to 1940. The major purposes for the fund were to provide funding for setting up Tsing Hua School and sending students to study in the U.S. At the earlier period, there was neither budget for the expenditure, nor management office specifically in charge. Only until 1917, the U.S. Minister to China, Minister and Vice Minister of the Chinese Ministry of Foreign Affairs

formed a 3-man Tsing Hua Fund Committee to appoint members; to draft constitution and to organize a board of the Endowment Fund. The duty of the board was to review the usage of the funds in order to safeguard the assets of the Endowment ⁽⁵⁰⁾. In 1928, the U.S. Ambassador in Peking instructed its Counselor in Nanking to convene a meeting of the Board of Trustees of the Tsing Hua University Endowment Fund with the Minister of Education and Minister of Foreign Affairs of the Nanking Government. The board decided to entrust the Tsing Hua Fund to the China Foundation for permanent custody. Later, Minister Chiang Monlin of the Ministry of Education formally wrote a letter to the China Foundation to propose the entrustment. The board of the China Foundation at its 5th Meeting in 1929 agreed to the proposal and consented to be the custodian of the Tsing Hua Fund.

In August, 1929, the China Foundation laid down “*the Rules for Custody of the Monthly Remissions of the Tsing Hua University*”, and “*Rules relating to the Permanent Custody of the Tsing Hua University Endowment Fund*”. These would put the income and endowment into separate accounts. The former was relating to the management of the payments of the Remission. The China Foundation made monthly payments according to the budgets of the Tsing Hua University approved by the MOE for the expenditures of the Tsing Hua University and of the students who were sent to study in the U.S. From 1929 to 1931, the monthly remission payments were used to remit funds to support the students in the U.S., while the balances were paid to the Tsing Hua University. From 1932 to 1940, after paying for the upkeep of the students in the U.S. plus the budget of the Tsing Hua University in the amount of CN\$1,200,000, the balance of the payments of the Remission were to be used first to pay the principle and interest owed by the Tsing Hua University to the Tsing Hua Fund and if there was any leftover, it was to be ploughed back to the Endowment ⁽⁵¹⁾. For the years before payments were stopped in 1939, the annual income is listed in Table 2-8. The average annual income was CN\$3,8 millions and the payments for expenditures of the Tsing Hua University and students in the U.S. were between one to three million CN dollars (see Table 2-9 below). The balances were used to repay the loan owed by the university to the Tsing Hua Fund. The loan was paid up in 1933-1934 two-year period. From 1934, a surplus of about one million CN Dollars was added to the endowment every year, increasing the total amount of the endowment.

The major difference between the Tsing Hua Fund and the China Foundation Fund was the stipulation that the principal and income of the former could not be used during the period of the indemnity payments ⁽⁵²⁾. At the expiration of the said payments, income was only available for the maintenance of the National Tsing Hua University. With the investment income ploughed back to the Endowment, more monies could be used for investments. When in August, 1929 the China Foundation formally accepted the custody duty for the Tsing Hua Fund; its assets were classified into three categories:

- 1) The available funds, including fixed deposits with banks and marketable securities.
- 2) The receivable funds. This represents the loans to the Tsing Hua University by the Board of the Trustees of the Tsing Hua Endowment Fund, to be repaid in future.

- 3) Reserve funds of undetermined value, including all fixed deposits which were overdue and not repaid, and securities having no market value.

The amounts were ⁽⁵³⁾:

	<u>Book Value</u>	<u>Estimated Value</u>
1)	6,177,621.61	5,899,735.05
2)	-	1,847,962.97
3)	1,043,233.13	858,664.70
Total		8,606,362.72

Table 2-8: Current Income of the Tsing Hua Endowment Fund

Unit: Silver Dollars (CN\$)

Year	Income from the Remission	Other Income(a)	Total
1929	1,984,940	49,501	2,034,441
1930	3,176,517	6,582	3,183,099
1931	2,957,258	195,241	3,152,499
1932	(b) 553,302	140,876	694,178
1933	5,289,271	67,376	5,356,647
1934	3,806,972	192,466	3,999,438
1935	4,613,952	15,310	4,629,262
1936	4,634,327	20,085	4,654,412
1937(c)	6,004,644	699	6,005,343
1938(d)	4,555,247	280	4,555,527
Total	37,576,430	688,416	38,264,846

(a) Other income included surplus from past years, interest incomes, foreign exchange gains and miscellaneous income

(b) The payment of the Remission was delayed for one year in 1932

(c) Silver dollars and U.S. dollars were booked separately. Income from the payment of the Remission was US\$1,380,378, converted into Silver Dollars at the average rate for the year (US\$1 = CN \$4.35). This amounted to about CN\$6,004,644.

(d) Payment of the Remission was stopped in Jan., 1938. There were only 6-month installments of US\$690,189. The average rate of 6.60 was used for conversion. The converted amount was CN\$4,555,247.

Table 2-9: Major Expenditures of the Tsing Hua University

Year	Tsing Hua Budget	Students in US Budget (a)	Payment of Tsing Hua Loan	Plough Back to Endowment	Total
1929	909,076	1,120,176			2,029,252
1930	1,654,800	1,335,904			2,990,704
1931	1,843,737	1,171,575			3,015,312
1932	(b) 1,064,134	573,096			1,638,230
1933	(c) 2,888,578	502,065	1,775,128		5,165,771
1934	(d) 1,594,360	248,505	911,887	1,232,069	3,986,821
1935	1,300,000	616,224		2,511,095	4,427,319
1936	1,200,000	580,800		2,856,527	4,637,327
1937 (e)	1,200,000	516,080		3,803,945	5,520,025
1938 (f)	600,000	400,396		3,797,996	4,798,392

(a) Before 1932, the payment for students in U.S. was given to Supervising Dept. for the Students Studied in the U.S. From 1933 this budget included the remittances to China Institute in America for supporting the students in the U.S.; and the travel expenses and living expense allowance for the Tsing Hua's professors on sabbatical leave.

(b) Payment of the Remission was delayed in this year and the Government gave a loan of CN\$1 million

(c) This represented the total of current budget \$2,322,478 and delayed payment of \$566,100 last year.

(d) This represented the total of current budget \$1,300,000 and delayed payment of \$294,360 for last year.

- (e) The CN\$ and US\$ were booked separately. Budget for students in U.S. was \$118,639 (US\$1=CN\$4.35), Tsing Hua University budget US\$330,644 (indicated in the book as CN\$1,200,000). The plough-back to the Endowment was US\$874,470 with an average exchange rate of US1 = CN\$4.35
- (f) Budget for Tsing Hua Univ. US\$99,719, budget for students in the U.S. US\$60,666 and plough-back US\$575,454. Except the first item, the latter two items were converted at the average rate of US\$1 = CN\$6.60

Table 2-10: Main Assets of the Tsing Hua Endowment Fund

Unit: Silver Dollars (CN\$)

Year	Securities	Deposit & Others (a)	Loan to Tsing Hua University	Assets of Undetermined Value
1929	3,837,487	2,611,459	1,995,433	858,665
1930	6,072,657	1,903,281	2,155,068	7,000
1931	6,689,663	1,466,777	2,327,437	7,000
1932	6,000,901	1,755,087	2,513,671	7,000
1933	7,572,942	2,016,216	889,194	7,000
1934	8,990,514	3,490,264		5,000
1935	13,467,000	3,172,131		7
1936	17,215,308	3,712,703		2,007
1937	28,240,266	3,144,766		2,007
1938	42,299,157	2,738,089		7
1939	73,663,800	5,452,844		7

(a) Included bank deposits and cash, real estate trust deposits, mortgaged loans, loans to Tsing Hua University and the China Foundation.

Among the available funds, bank deposits took the largest share, 68% of the total. The China Foundation did not consider it a prudent financial management. At maturity, the Foundation converted half of the deposits into domestic and international blue-chips with special emphasis on the gold dollars, i.e. U.S. dollars, investments. To the other half deposits with extended maturities, the Foundation also negotiated for better interest rates. Consequently, the Tsing Hua Fund's assets value had increased over the years (see Table 2-10 above.). In June, 1940, the total assets reached CN\$79,116,651, a nine-fold increase over the value at the time when it was entrusted to the China Foundation in 1929.

The Tsing Hua Fund adopted a "silver 3, gold 1" strategy in investment to diversify risk at its early stage of management. As a result, it suffered less loss than the China Foundation Fund during 1932-33 when U.S. dollars depreciation⁽⁵⁴⁾. But due to the domestic unstable conditions, the Tsing Hua Fund again gradually increased its U.S. dollar investments. In June, 1940, its foreign investments amounted to over 80% of the total investments (see Table 2-11). Its investment in securities was 10 times of the bank deposits. As for the receivable funds, i.e., loans to the Tsing Hua University, the China Foundation adroitly used the surplus from the payments of the Remission to pay off the outstanding loans.

Finally in 1934 it paid up the loans owed by the Tsing Hua University. The assets of the undetermined value were also cleaned up. This proves that the diversification policy adopted by the China Foundation for the Tsing Hua Fund was better than the concentration policy adopted earlier by the Board of the Tsing Hua Endowment.

The trend of the increase in assets was interrupted at the later stage of the Sino-Japanese War due to the cancellation of the payment of the Remission and losses of the domestic investment. At the end of 1947, the remaining assets were as follows ⁽⁵⁵⁾:

	<u>CN\$</u>	<u>US\$</u>	<u>Pounds Sterling</u>
Securities	19,127,091	4,030,286	5,938-14-6
Loan to Tsing Hua	2,981,978	243,705	
Bank Deposits	5,780,985	50,095	380-16-8
Undetermined Value	<u>5</u>		
Total	27,890,059	4,324,086	6,319-11-2

At the end of 1949 when the Mainland China was lost by the Nationalists, the assets with value dwindled to US\$4,098,646 in book value and US\$4,553,868 in market value ⁽⁵⁶⁾.

Table 2-11: The Major Investments of the Tsing Hua Endowment Fund

Year	Local Currency		Foreign Currency		Total
	Securities	%	Securities	%	
1929	1,886,909	49.2%	1,950,578	50.8%	3,837,487
1930	2,625,747	43.2%	3,446,910	56.8%	6,072,657
1931	3,637,989	54.4%	3,051,674	45.6%	6,689,663
1932	3,944,039	65.7%	2,056,862	34.3%	6,000,901
1933	5,972,930	78.9%	1,600,012	21.1%	7,572,942
1934	7,166,597	79.7%	1,823,917	20.3%	8,990,514
1935	8,039,350	59.7%	5,427,650	40.3%	13,467,000
1936	8,562,831	49.7%	8,652,477	50.3%	17,215,308
1937	10,832,803	38.4%	17,407,463	61.6%	28,240,266
1938	13,051,922	30.9%	29,247,235	69.1%	42,299,157
1939	13,562,680	18.4%	60,101,120	81.6%	73,663,800

Unit: Silver \$ (CN\$)

2. The Fan Memorial Institute of Biology Endowment Fund

Fan Yuan-lien, also called Fan Ching-Sen, was born in Hsiang-yin, Hunan Province. He studied biology in Japan when he was young. When he returned to China, he was appointed Deputy Administrator of the Tsing Hua School. Later on, he was appointed Minister of the Ministry of Education and President of the National Normal University, Peking. He was the first Director and a trustee of the China Foundation. He was also a member of Hsiang Chih Hsueh Hui (Hsiang Chih Research Society). He enjoyed research in natural science at his leisure hours. When he died in December, 1927, he left a number of books and plants specimens in his home. In order to memorize him as the promoter of biology, his friends provided monies from the Hsiang Chih Research Society in the amount of CN\$150,000 to be entrusted to the China Foundation for setting up Fan Memorial Institute of Biology. The Board of the China Foundation decided at the 4th Annual Meeting in June, 1928 to accept the proposal, and on October 1st established the Institute by appointing Ping Chih as the director of the Institute with six researchers such as H. H. Hu and Shou Cheng-Huan ⁽⁵⁷⁾.

For the management of the Fan Memorial Institute of Biology Endowment Fund (referred hereinafter as the Fan Memorial Fund), the China Foundation invested mainly in the Silver Dollar denominated securities, mostly in China Unification Bonds.

In the later period, it also invested in some foreign currency securities. The investment income was used for the payment of the interest to Hsiang Chih Research Society in the amount of CN\$15,500 for the first 4 years, and for the payments of the investment custody fees, commissions and other miscellaneous expenses such as foreign exchange losses, etc.⁽⁵⁸⁾ The surpluses were to be ploughed back into the Endowment Fund. At the beginning when the China Foundation accepted the Fan Memorial Fund from the Hsiang Chih Research Society, there was a stipulation that before the accumulated surpluses reached CN\$300,000, the expenditures of the Fan Memorial Institute had to be borne fully by the China Foundation. After the goal of CN\$300,000 was reached, the expenditure of the Institute was to be paid by the income from the Fan Memorial Endowment Fund⁽⁵⁹⁾. The income and expenses of the Fund before the war were as follows⁽⁶⁰⁾:

<u>Year</u>	<u>Income</u>	<u>Expenses</u>	<u>Assets</u>
1929	CN\$25,408	CN\$13,773	CN\$180,374
1930	25,431	13,741	192,048
1931	14,651	13,787	202,745
1932	15,078	231	212,204
1933	16,422	280	230,455
1934	18,354	380	250,550
1935	19,965	361	270,845
1936	21,260	352	284,499

Because the annual incomes varied between 10 to 20 thousand dollars, the Endowment never reached CN\$300,000 as stipulated. So the China Foundation had to shoulder all the budgets of the Institute as follows:

1930	CN\$30,000
1931	40,000
1932	54,000
1933	54,000
1934	66,000
1935	82,000
1936	89,000
1937	94,000

These budgets did not even include the budgets of the Lushan Botanical Garden and Arboretum jointly operated by the Fan Memorial Institute and Kiangsi Agricultural College, and other miscellaneous research grants. With the small amount of the funds, it was hard to maintain a research institute.

After the victory over Japan, the China Foundation still had to maintain the Institute, but the value of the Endowment's silver dollar investments increased significantly due to inflation. At the end of 1947, the assets were as follows⁽⁶¹⁾:

	<u>US\$</u>	<u>Silver \$</u>
Securities	22,935	132,109
Fixed Deposits		20,000
Bank Deposits	<u>692</u>	<u>1,454,447</u>
Total	<u>23,627</u>	<u>1,606,556</u>

After the loss of the Mainland China, all the local currency investments disappear in thin air and only US dollar investments with the market value of US\$24,539 remained at the end of 1949⁽⁶²⁾.

3. The Chinese Social and Political Science Association Library Endowment Fund

The Chinese Social and Political Science Association were founded in 1916. Its purposes were: (1) *the encouragement of the scientific study of law, politics, sociology, economics and administration, and (2) the promotion of fellowship among people with similar interests.* Honorary Chairman Lu Cheng-hsiang, a former Minister of Foreign Affairs, proposed to the then U.S. Minister to China, Paul S. Reinsch to repatriate Tls.100,000 (taels of silver) from the Boxer's Indemnity to the U.S. for setting up a fund. The interest income from the fund would be used to maintain the expenditure of a library. With Reinsch's approval, the fund was established on June 17th, 1918⁽⁶³⁾.

In 1931, the Association proposed to entrust the fund to the China Foundation for management. At the 7th Annual Meeting, the China Foundation accepted the proposal and stipulated a Plan for Cooperation. The Plan specified, "*the proceeds from the investment of the said Endowment Fund, viz., the original sum of Tls.100,000 and the accrued balance as per statement of account attached, which Fund shall remain the permanent property of the Library, shall be used entirely for the benefit of the Library, the Association and its publications.*" It further specified, "*The annual budget of expenses (which) must not exceed the annual income of the Endowment*⁽⁶⁴⁾."

After September 1930 when the Endowment was handed over to the China Foundation, the mostly foreign currency investments began to suffer heavily during the year due to the global great recession. For example, in 1931, the book value of the U.S. dollars investment was US\$53,468, while the market value was US\$42,899, a drop of 10%, while the CN Dollar book value was CN\$82,854, and market value was CN\$71,762, a drop of 11%⁽⁶⁵⁾. The annual income was fully paid to the Association and therefore there was no plough-back to the Endowment. The annual changes of income, expenses and assets values were not significant. The following is a brief list:

<u>Year</u>	<u>Income</u>	<u>Expenses</u>	<u>Assets</u>
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	US\$	CN\$	US\$	CN\$	CN\$
1931	2,240	7,627	1,854	6,940	368,251
1932	4,512	6,926	3,700	8,140	304,099
1933	4,320	6,654	3,066	6,465	263,157
1934	5,205	7,284	3,904	6,994	250,074
1935	4,168	6,898	2,987	5,730	303,253
1936	7,154	11,780	5,037	8,847	312,016

During the war time years its operations were not clear. At the end of 1947, its total assets amounted to US\$76,463, CN\$3,066,150 and Pounds Sterling 78 with market value at US\$80,325 which was higher than the book value⁽⁶⁶⁾. The market value of its U.S. dollar investments was US\$83,275 at the end of 1949⁽⁶⁷⁾.

4. Mrs. Fan Biological Fellowship Endowment Fund & Ting Ven Kiang Memorial Endowment Fund

Ray Fan, a brother of Fan Yuan-lien, entrusted China Foundation for management in 1929 the Mrs. Fan Biological Fellowship Endowment Fund by delivering the shares of King Chen Bank at the face value of CN\$10,000 to the Foundation. Approximately \$900 of its annual income was for granting two candidates of prizes that were recommended by the Science Society of China and the Fan Memorial Institute of Biology. Since the fall of the Mainland China, the Fund no longer produced income.

When V. K. Ting passed away in January, 1936, his friends contributed funds to set up a memorial fund. In 1937, the China Foundation received the donation totaling \$45,745 with \$43,935 in principal and \$1,810 in interest. The term of the custody was that from July 1st, 1938 onward the net income should be given to the Geological Society of China⁽⁶⁸⁾. During the war time, due to inflation and the China Foundation's own survival crisis, the Foundation returned the proceeds to the Geological Society in 1946 for its own management.

From an overall perspective, the funds entrusted to the China Foundation were well managed. With conservative investment policies, the assets of those funds grew steadily. Some of the funds still had small income to support the educational organizations in Taiwan. For example, the incomes of the Fan Memorial Fund were used to subsidize the Institute of Botany, Academia Sinica. The income from the endowment of the Chinese Social and Political Science Association Library has been used to support the publications and other research activities of the Institute of the International Relations. Among these funds, the Tsing Hua Fund has been very successful. The assets and incomes of the fund are far larger than the endowment fund owned by China Foundation. Even with heavy losses suffered in 1949, the remaining income-producing U.S. dollar assets are about three times larger than that of the China Foundation Endowment Fund. The fruition of the reactivation of the Tsing Hua University in Taiwan was due mostly to the efficient management of the Tsing Hua Fund by the China Foundation

Chapter 3: The Policies and Activities of the China Foundation

I. Policies and Guidelines

The usage of the First Remission from the U.S. was under the guiding principle of focusing its support on one or two projects rather than spreading thinly over a wide area of activities. The funds were used solely for the purposes of setting up Tsing Hua School and sending students to study in the U.S.A. What should it be done with the Second Remission? Should it be concentration or diversification in grants? What should be included as the cultural activities? Should the promotion of education be bottom-up (supporting middle schools and rural education) or top-down (supporting universities and research institutes)? Should the emphasis be on “pure science” or “applied sciences”? These questions were repeatedly raised in discussions by the Chinese and American trustees at the beginning of the Foundation.

On Sept. 18th, 1924 when the Foundation held its inaugural meeting, trustees asked Monroe for his opinions. Monroe first stressed that the administrative policies and usage of the funds from the Second Remission should be decided solely by the Board for the U.S. Government had no string attached to it. Since the Second Remission came from the Chinese people, it should also be used for the Chinese people. He thought that the funds should *not* be used for: 1) maintaining educational activities presently being handled by the Government; 2) subsidizing those short-lived organizations with no prospects of long-term survival; 3) establishing educational institutes in competition with the existing ones and 4) expanding the size of the existing schools. Faced with the urgent needs of the rapid industrialization in China, the Foundation should not, as a priority, pour monies on abstract research in pure science. It would be more important to promote applied knowledge in agriculture, industry and health unique in China than to study Einstein's theory of relativity or the structure of atoms. Therefore, he proposed to use the Second Remission for promoting the following activities: 1) experiment on the rural education; 2) improvement to science education by developing the capacity of the teachers to advance science education in middle schools indirectly; and 3) establishing a first-rate institute of technology as a role model for science education across the nation⁽¹⁾.

Monroe's ideas of what should not be undertaken by the Foundation were the consensus of all trustees. However, his ideas of what should be done did create a lot of disagreements. Although the American trustees fully agreed to the needs of the rural education, they had different ideas on how to approach it. For example, Greene believed that it could only be done on a small scale based on the existing schools. Any large undertaking by the Foundation would quickly exhaust its resources. Baker, Bennett and Dewey believed that the vocational or craftsman education was as important as the rural education⁽²⁾. As for the improvements of the science education, they had no doubt about its importance but disagreed on the question of “*which one is more important, pure*

science or applied science?”

Dewey adopted a more “*moderate*” view. Other than the bottom-up innovative approaches such as rural and vocational education, he did not support the promotion of either pure or applied sciences. He did not support the promotion of science education or science research in Chinese universities. Greene was especially against Monroe’s proposal to establish a technological institute. He had personally asked for information relating to expenditures and administrative matters from such schools as MIT; Engineering School of the Washington University; Engineering School of the Cornell University; and the engineering department of the University of Pennsylvania, etc. His conclusion was that the expenditures for a high-quality technological institute were far beyond the resources of the China Foundation. He agreed with Monroe to the importance of reforming science education. But other than science teaching, scientific research should not be ignored neither. He acknowledged that China was not ready for research institutes, but at least the professors should be encouraged to do research besides teaching. His reasons are twofold: 1) unless the faculties had developed the spirit of research, the development of science could not be dynamic; and 2) before they could utilize efficiently the universal knowledge in the world, China first had to research its own unique ones⁽³⁾.

The Chinese trustees seemly paid no attention to Monroe's proposals. At the request of Monroe, Secretary Tsur wrote to all trustees for advices. Disappointedly except the reports from the 5 American trustees, the Chinese trustees did not present any written report. However, before the establishment of the Foundation, V. K. Ting had written to Hu Shih, Chiang Monlin and Greene expressing his views about the usage of the Remission. He believed that the monies should not only be used in improving science education, but also be used in supporting science research. This would not only promote the development of science research but also enhance the efficiency of science education. To economize, it should not use the funds to establish new institutes but should use them to tide the present institutes over their difficulties. It is obvious to see since the Geological Society of China had engaged in both theoretical and practical researches; it was precisely the one to be supported⁽⁴⁾.

Because the establishment of the China Foundation was a pioneering project in China, there were no other similar educational endowments in China to emulate. The experience of the similar foundations in the U.S. was not necessarily applicable to the China Foundation. Consequently the trustees were reluctant to lay down rigid rules at this early stage to hamper the future adjustments through experiences. Therefore at the 1st Annual Meeting in June, 1925 there were not much of discussions about the detailed grant policies. They only spelt out the mission of the China Foundation in general terms as follows:

Resolved that the funds from remitted portion of the Indemnity due to the U.S.A. to be entrusted to the China Foundation for the Promotion of Education and Culture should be devoted to the development of scientific knowledge and to the application of such knowledge to the conditions in China, through the promotion of technical

training, of scientific research, experimentation and demonstration and training in science teaching, and to the advancement of cultural enterprises of a permanent character, such as libraries and the like ⁽⁵⁾.

At the meeting a set of six grant principles were approved. Other than: (1) in evaluating enterprises to be given grants no distinction should be drawn between Government and private institutions, and (2) the stress of geographical universality by providing grants to institutes which have a wide distribution of their student body throughout the country or through their contribution of knowledge that will be beneficial to the whole people, the most important principles were the first and second ones as follows:

- (1) That in general the Board will grant to existing institutions with a record of efficient service and administration rather than to newly founded institutions which base their applications solely on future projects.*
- (2) That preference will be given to those enterprises which may be stimulated to additional efforts by grants from the Board, and which may be helped to secure additional support from other sources* ⁽⁶⁾.

Therefore, the Foundation's overarching policy was to develop scientific knowledge and its applications, and to promote cultural enterprises which could last long, mainly, library. The emphasis was on the "subsidy", not "full support", of the educational and cultural enterprises.

Even before the establishment of the China Foundation, the requests for grant had poured in from all sides. From its beginning till February, 1926, the Foundation received 107 requests for grant. By category, the requests came from universities; middle schools; research societies; and cultural institutions with a permanent character such as museums and libraries. By nature, the requests came from academic research institutes of all kinds; and educational institutes in the field of agriculture, industry, commerce, medicine, religion and arts. By region, they came from 10 provinces including Peking, Kiangsu and Hunan. There was even one case from abroad. The total requested amount excluding those without mentioning the specific amount came to \$21,700,201. One even asked for the total amount of the Indemnity fund ⁽⁷⁾. After receiving the requests, the Foundation, in consideration of the nature of every requesting organization, sent experts along with one staff each of the Secretariat for on-the-spot investigation. They submitted their reports for the Secretariat office to present to the Board meeting for discussion.

When Fan Yuan-lien took the job as the first Director of the Foundation, H. C. Zen was Special Secretary to assist him in handling the grant applications and formulating the subsidy plans. They hired 27 experts as follows ⁽⁸⁾:

Chemistry: W. H. Adolph, Professor of Chemistry, Shantung Christian University,
 Tientsin
 C. L. Wu, Professor, Technical University, Peking
 S. D. Wilson, Professor of Chemistry, Yenching University, Peking

- Physics: John Y. Lee, formerly Instructor, University of Chicago
Y. C. Mei, Professor of Physics, Tsing Hua College, Peking
C. T. Kwei, Professor of Physics, Hsiang-Ya Medical College
- Biology: N. Gist Gee, Advisor, Pre-medical Education, China Medical Board,
Peking
Alice M. Boring, Professor of Biology, Yenching University, Peking
C. S. Chien, Professor, Tsing Hua College, Peking
- Geology: George Barbour, Professor of Geology, Yenching University, Peking
- Engineering: H. H. Arnold, General Manager, Arnold-White Corporation, formerly
Chief Engineer, Anderson, Meyer & Co.
Roy L. Creighton, Mission Architects Bureau
W. T. Cheng, Chief Engineer, Lung Yen Iron Mining Administration,
Peking
- Agriculture: H. H. Love, Professor, College of Agriculture, Cornell University
R. Feng, formerly Professor of Agriculture, National South-eastern
University, Nanking
- Medicine: R. S. Greene, Director, China Medical Board, the Rockefeller
Foundation
K. S. Lim, Head of the Department of Physiology, Peking Union
Medical College, Peking
- Fine Arts: C. Cheng, formerly President, Fine Arts College, Peking.
- Vocational Education: S. M. Dean, formerly Head of Manual Training Department,
Higher Normal School, Peking
- Psychology: Y. Tang, formerly Professor, National University of Peking.
- Education: King Chu, formerly Professor of History and Education, National
University of Peking.
C. H. Li, formerly President, Higher Normal School, Peking
L. C. Cha, Professor of Education, National Normal University, Peking
Ling Ping, former Dean, Nankai University, Tientsin
C. P. Chen, Professor of Education, South-eastern University
C. E. Liu, Educational Secretary, Y.M.C.A., National Committee,
Shanghai
Chu Mao Chen, Educational Secretary, Y.M.C.A., National Committee,
Shanghai

Once recruited, the experts spread over the nation and visited schools and organizations which asked for grants. Due to short of hands and general political unrest which caused the partial paralysis of communication, their inspection sites were limited to twelve cities such as Peking, Shanghai, Changsha, Tientsin and Nanking, with only seventy-eight schools and organizations visited. Major cities, such as Canton, Chengdu or Mukden were bypassed. Faced with the large numbers of requests with wide variety and different natures of institutions, the grant principles decided by the June, 1925 board meeting proved too vague for application. The office of the Director, in addition to presenting the expert's assessment reports, had to draft specific grant principles and plans.

The fields of education and culture covered a wide spectrum. Even if these were

limited to science, the scope was still too wide. The Director and the Secretariat therefore drafted six supplementary principles to focus the scope of the educational activities on:

- 1) Scientific research: This covered physics; chemistry; biology; geology; astronomy; and meteorology.
- 2) Applied sciences: These covered agriculture; engineering; and medicine.
- 3) Scientific education: This covered science teaching and the scientific study of education

As for the cultural enterprises, for the time being they would be confined to the libraries. Projects of national significance having both educational and cultural values might be included. The major grant criterion was that *“the ability of that institution to secure a part of total funds required for the proposed improvement will be regarded as a factor of prime importance, in addition to its past accomplishment and its ability to maintain its present working conditions.”* Each grant was limited for three years. There was no consideration to using the grant for establishing an endowment ⁽⁹⁾. With these explicit guidelines, the office of the Director was able to map out plans to operate.

As to science education, the Science Education Advisory Committee of the China Foundation reported, *“According to our investigation, we firmly believe that the development of science teachers should be the major focus for the plans to promote science education ⁽¹⁰⁾.”* Since this was the major emphasis, the Secretariat drafted a plan to establish Science Professorships in the normal colleges designated by the Ministry of Education. The Foundation recruited 35 suitable professors with salaries paid by it. The professors would teach in the following 5 fields: physics, chemistry, zoology, biology and educational psychology, among the universities with departments training high school teachers, and normal colleges at Peking, Nanking, Canton, Chengdu, Wuchang and Liaoyang. The schools that accepted the professorships should use the salaries saved by the grants to purchase apparatus and to improve equipment. In addition, these schools should shoulder the responsibility to improve the science teaching of the high schools and normal college affiliated middle and primary practice schools in their school districts. The China Foundation also intended to subsidize the Science Teachers Summer Research Seminar operated by the Science Society of China and other societies to encourage science teachers to improve their knowledge. In addition to the measures for improving the teaching techniques at the middle schools, the Foundation intended to improve directly science teaching in the middle schools by selecting well-run middle schools to subsidize specifically the improvement of science equipment.

About scientific research, the Foundation intended to select universities with capable faculties and equipment for setting up science professorships. The Foundation would recruit prominent scientists as chair professors to plan and guide the research projects, and Foundation also provided grants for the acquisition of equipment. To train and encourage the researchers, the Foundation intended to provide annual research grants and prizes to the college graduates with research potentials. The grants were given annually to help them for further research under the guidance of the research professors. The prizes were given to those graduate students with research accomplishments. The

Foundation also considered extending its support to those long standing and sizeable institutions with promising future.

For the applied science, due to its wide scope and its needs of large resources, the grants were limited to agriculture, industry and medicine, based on the principle of concentration to avoid spreading too thin in grants. The Foundation also emphasized grants to on-the-job trainings. It also had subsidized the Chinese engineering students to receive practical training in the American factories. Domestically, the Foundation promoted apprentice education in Shanghai and supported the establishment of the apprentice extension schools.

As for the cultural enterprises, at the 1st Annual Meeting, the board decided to start with establishing libraries. The trustees believed that Peking as the nation's capital with large population of students and academics needed a large-scale library for efficient dissemination of the knowledge. The Metropolitan Library being operated by the Ministry of Education (MOE) had a rich collection of Chinese books, especially the precious out-of-print ones, but its site was too far to visit as it was not near city center. In addition, the building was dilapidated. If the Ministry of Education and the China Foundation could jointly manage the library, it would improve the attractiveness of the library. The proposed cooperation plan was approved by the Executive Committee of the China Foundation in September, 1925. The National Library of Peiping was to be reorganized from the former Metropolitan Library, with joint management by the MOE and the China Foundation. The agreement signed by both parties stipulated that they organized a Library Management Committee composed of the people from MOE and the China Foundation. The Chief and the Deputy Chief of the Library were recommended by the Committee and approved by the MOE. The budgets were classified into two categories. 1) A total appropriation of one million dollars for building, equipment, and books was to be paid by the China Foundation in 4 years. 2) A monthly maintenance expense of five thousand dollars was to be equally shared by the MOE and the China Foundation. However, due to vicissitudes of the political situation, the MOE was unable to fulfill the obligations on its part. The Foundation therefore approached the MOE for takeover by the Foundation. The Foundation selected for building site a 40-*Mu* (about 6.6 acres) vacant lot at the racecourse west of the Pei-hai Park. The original plan for payments of all expenses was fully borne by the Foundation. To further develop librarians the Foundation intended to set up a librarian professorship at the Boone Library School, Boone University, Wuchang. This was the only school of library in China and the department head was none other than Ms. M. E. Wood as mentioned before. They also recruited specialists to teach cataloguing in Chinese books. The Directorate of the Foundation entrusted the Boone University to develop the librarians for the nation, with grants to support Chinese students across the nation.

When the grant policies and grant-receiving schools and organizations were announced, unexpectedly there was a storm of criticisms from the educational circle. In April 1926; the Joint Committee of the National Education Societies Monitoring the Usage of the Remission of the Boxer Indemnity wrote a letter to the China Foundation harshly criticized its operations. They said, “*so-called inspections by the experts from the*

China Foundation; so-called selection of the accomplished ones for grants, so-called closed-door meetings in order to avoid undue influences, and so-called limited resources to meet huge requests, these are nothing but excuses. It doesn't smell right!" They raised many questions concerning the nature of the grant-receiving schools, compliance to the grant policies and the distribution of the regions that received the grants, etc. Their main points were:

The present board meeting made decisions concerning the subsidized schools and societies were not in agreement to the grant requirements laid down by you. You gave grants to some schools that do not fully meet your policies, while rejected the similar ones at the same time. Therefore, there were rumors outside that all the grant-receiving organizations are related directly or indirectly to your trustees. For example, Peking University is related to Chiang Monlin; Nankai University and Nankai Middle Schools to Chang Po-ling; Hsiang-Ya Medical College, Minteh Middle School and Tso Yee School to Fan Yuan-lien; Datung University and Datung Women's University to Hu Dun-Fu; Science Society of China and Geological Research Institute to V. K. Ting; Futan University, South-eastern University and Vocational Education Society of China to Huang Yen-Pei. ... Are these rumors true or not? With above discrepancies, how can the trustees of your Foundation clarify these suspicions⁽¹¹⁾?

Additionally, the Board of the Boxer Indemnity Remission, Joint Committee of the Provincial Council of China also criticized the grant policies. They thought that the China Foundation tailored the rules for the preferred grant-receiving candidates to fit them. Furthermore, they said:

From the stand point of the principles, what the so-called achievements and effectiveness were based on is not clear to us. Contrary to your name, the China Foundation for the Promotion of Education and Culture, you only supported those well developed regions, but not the whole nation. Furthermore, the grants are based merely on the trustees' whims. This is only a thin excuse for the trustees or the staffs of the foundation to have power over the grants at will. This is not justified. ... You care only about particular regions but not about the needs across the nation. You used only empty excuses to hide your selfish wishes. This fact cannot be covered up⁽¹²⁾.

Faced with such doubts and criticisms, the Foundation replied by letters to mollify those doubters, explaining the policy and the standards of the grants. To those organizations that did not receive support, the Foundation promised that since it is a permanent fund, they would be taken into consideration for future grant actions. "Given time, they would have chances to receive grants." As to the outside criticism of the conflict of interests among the trustees and the grant-receiving organizations, the Foundation replied as follows:

The grants given by the Foundation are unprecedented. So that before the truth is revealed, baseless rumors are unavoidable. But the so-called indirect relationship is

easy to label subjectively. As for the applying organizations which are directly related to our trustees, according to our regulations they have to withdraw from the meeting while such application is being discussed and voted upon. The decisions were based purely on the evaluation of the organizations. This Foundation neither gives special favors to the organizations directly related to our trustees, nor rejects their requests for the sole reason of the relatedness⁽¹³⁾.

Anyhow, the Foundation asserted that because of the restrictions imposed by the constitution and because of other practical considerations, its status was different from the ordinary educational societies. Due to people's different expectations, it is quite natural that it could not please everybody. As the national territory was vast and regions were diverse while the academic field in China was in its infancy, the way for progress was to *"determine the policy first and percolate down the progress step by step."*

With the insistence of the Board, the above policies and principles became the direction for the Foundation to follow in the future. But in actual operations the scope of the activities by the Foundation has grown wider gradually. For example, the cultural enterprises were not limited to the libraries as originally intended and were expanded to include Institute of Social Research, China Institute in America and Palace Museum, etc. The policy had been adjusted and supplemented from time to time due to different requirements at different periods. For example at the 4th Annual Meeting in June, 1928, the Acting Director, Y. T. Tsur proposed to the Board that the policy should concentrate its resources to a limited number of enterprises in order to gain better results. He proposed the following three principles:

- (1) Subsidies can be granted only to educational institutions above the middle school grade.*
- (2) The making of a grant for a specific purpose to any given institution shall not prevent the consideration of other purposes to the same institution even before the expiration of the term of the first grant.*
- (3) For the present, no subsidy will be granted for building purposes*⁽¹⁴⁾.

For another example, in 1932 when the payment of the Remission was suspended and the revenue was reduced, Director H. C. Zen drafted the following three supplementary grant principles as follows:

- (1) All new applications should be declined.*
- (2) A renewal grant should not exceed the original amount.*
- (3) All grants should be made for one year only*⁽¹⁵⁾.

To improve the efficiency of its grants policy, the Board in 1933 asked the Executive Committee to look into its grant activities. *"If there were other organizations engaging in the same activities, the Foundation should work with them to bring about better cooperation and co-relation to avoid duplication*⁽¹⁶⁾." The Executive Committee therefore invited prominent educators and scientists in China for a series of meetings to discuss the Foundation's status of its current activities and the future improvements. In

addition to the prominent persons closely associated with the Foundation such as Chiang Monlin, Wong Wen-hao and V. K. Ting, the list of experts included Fu Ssu-Nien, head of the Institute of History and Philology, Academia Sinica; Wu Sien and Lin Ko-Shen, Professors of the Peking Union Medical School; Ping Chi and H. H. Hu, leaders in biology; and science and engineering professors from Peking University and Tsing Hua University—S.T. Leo, Cheng Chao-lun, Chang Ching-Yue, Y.T. Yao, Ku Yu-Hsiu, Ny Tsi-Ze, and Chang Chun. The list included 17 experts in all. Based on their suggestions, the Executive Committee reevaluated its activities and proposed the following principles which were approved at 10th Annual Meeting in 1934⁽¹⁷⁾:

- 1) *Concerning activities of the Foundation (self-conducted projects):*
 - a) *The scope of the activities of the Foundation should be limited, as far as possible, to scientific research, applications of science and scientific education, the terms “science” and “scientific” being herein understood in their broader senses so as not to exclude the social and historical sciences.*
 - b) *Whenever possible, the Foundation should concentrate its limited resources on the development of only a few projects.*
- 2) *Concerning appropriations to other institutions (grants and subsidies):*
 - a) *Grants to educational institutions should be limited to well-planned cooperative programs capable of raising the standard of the recipients. Grants towards ordinary equipment and maintenance are to be gradually stopped.*
 - b) *For specific projects, preference should be given to those capable of producing practical results and requiring continued support on a comparatively large scale. Sundry grants frittering away the Foundation’s funds should be avoided.*
 - c) *For special institutions, preference should be given to a few deserving ones for which a program of support for a comparatively long period should be adopted. Grants to the less deserving ones should be gradually stopped.*

It should be noted that the China Foundation’s support of science was limited to natural science. It rarely ventured into the field of social sciences. The only exception was that the Foundation accepted a grant from the Institute of Social and Religious Research of New York to set up the Social Research Department (latter the name changed to the Institute of the Social Research). With the limited resources, why did the Foundation in 1934 expand its business scope to include social science and histological science? The reason was not clear. However, from the Foundation’s editing and translation projects and from the director’s correspondences, we could assume that the change of the policy was due to the following two factors⁽¹⁸⁾:

- (1) In 1930, under the influence from Hu Shih and Fu Ssu-Nien, the Foundation reorganized the Science Education Advisory Committee into Committee on Editing and Translation. Hu Shih was appointed as Chairman of the Committee. Under his leadership, the committee members recruited was classified into categories of humanities and science. The major business of the Committee was changed from the translation of the science textbooks into translation of books

in history and philosophy⁽¹⁹⁾. In reviewing the efficiency of the Foundation's projects, Sze Sao-ke believed the translation works relating to the humanities should be excluded from the works of the Foundation⁽²⁰⁾. But his opinion was ignored. Even though Fu Ssu-Nien was not a trustee of the China Foundation, he had close relationship with the trustees such as Hu Shih, Tsai Yuan-Pei, Chiang Monlin and Greene, etc. From the reorganization of the Foundation to its later developments (he had attended the Board Meetings as a representative of the Ministry of Education), from recruiting member of the Committee on Editing and Translation and hiring the experts to improving the operations of the China Foundation, he had always a hand either in front or behind the scene. Therefore the change of policy for expansion to humanities must have some connections with these two persons.

- (2) In 1930, the Rockefeller Foundation changed its grant policies. In 1931, Vice Chairman Selskar Gunn of the Rockefeller Foundation visited China to inspect his foundation's progress in China. He was not happy with his foundation's policies in focusing on pure research and on cultivating a few elites. After he went back to New York, he proposed that Rockefeller Foundation in China from then on should pay more attention to the overall socioeconomic problems in China. The Rockefeller Foundation should work with the scholars participated the movements of public health and rural reconstructions. His proposals had become the backbone of the future *China Program* of the Rockefeller Foundation.⁽²¹⁾ In Jan., 1934, Gunn wrote to H. C. Zen asking about the China Foundation's policy toward the grants to social science.⁽²²⁾ Zen's reply was that the China Foundation's grants were limited to natural sciences. But since July the China Foundation started to include the humanities in its scope of grants. Maybe this was in response to the change of policy by the Rockefeller Foundation.

The adjusted policy and rules became the guiding principle for the Foundation to promote its business. But there were many exceptions. For example, at the 5th Annual Meeting after the reorganization, the Board resolved to grant \$500,000 to Academia Sinica for building its institute of physics, chemistry and engineering⁽²³⁾. Maybe this decision was under the influence of Chairman Tsai Yuan-Pei who was also the President of Academia Sinica. Anyhow, the supplementary principle of no grant to construction expenses approved at the 4th Annual Meeting was breached. Other than close personal relationship, the pressure from the Ministry of Education might also be one factor for this decision.

In 1931, Ministry of Education (MOE) wrote to the Foundation requesting to purchase antiques and rare books. Since this request did not meet the requirements of the grant policy, the Board asked Director Zen to turn it down by explaining to MOE that how much the China Foundation had done for supporting the cultural enterprises in China over the years⁽²⁴⁾. In March, 1934, the Executive Yuan convened the Second Joint Meeting of the Boxer Indemnity Administrations (BIA's). At the meeting, Executive Yuan asked these institutions to contribute for establishing 2 vocational schools. To enhance the efficiency for higher education for women, it also asked the BIA's to pay \$300,000 in

installments for construction and equipment for institutions of higher education of women in the capital. In the meantime, “to raise the academic standards and to promote the academic independence and development”, the Executive Yuan selected several accomplished national universities with solid foundation to set up research institutes, with the organization expenses to be paid by the BIA’s⁽²⁵⁾. V. K. Ting and H. C. Zen who participated in the meeting reported the proceedings to the Board. The Board at the June annual meeting resolved to reply to the Executive Yuan as follows:

The China Foundation takes this opportunity to express its full support of the projects referred to it by the Second Joint Conference of the Boxer Indemnity Administrations concerning the establishment of a Mausoleum Museum, the founding of a Women’s University in Nanking and the establishment of graduate schools at some of the national universities; but, owing to the greatly reduced income of the Foundation in recent years, the Board much regrets its inability to render financial aids to all new applications including the above proposals. The Foundation will be given due consideration when its finances are materially improved⁽²⁶⁾.

Even though the Foundation turned down the requests, in December, 1934, the Executive Yuan at the 3rd Joint Meeting of the BIA’s fixed the quota of each institution. Furthermore, it was decided at the 3rd Joint Meeting that the Sino-American, Sino-British, Sino-French and Sino-Belgium boxer indemnity administrations should jointly share the annual cost of \$1,100,000 over three years to pay for promoting compulsory education program, establishing vocational schools and setting up graduate schools. The China Foundation was singled out to share \$400,000 per year the expenses of the compulsory education program out of its income⁽²⁷⁾. The trustees of the Board had different views. Some of the trustees felt that this is against the basic principles of the Foundation. Bennett even strongly objected to this by saying, “We must face the fact that the Ministry is obviously trying through these means to wrest control of our funds from our Board and dictate the spending. We shall have to take a firm stand if we are to protect our direct enterprises and the integrity of the Board in general⁽²⁸⁾.” But Tsai Yuan-Pei and V. K. Ting, etc. wished to cooperate with the Government by speedy payment in support of these educational plans. At April, 1935 Annual Meeting of the Board, even though it did not reject the requests out of hand, the Board resort to the delaying tactic by politely replying, “The Board authorizes the Executive Committee to meet with the Ministry of Education and the BIA’s to form a concrete plan. If necessary, the Board may convene a special Board Meeting to deal with this⁽²⁹⁾.” Hu Shih in his letter to Tsai Yuan-Pei explained their reasons as follows:

The compulsory education program is a huge long-term project and we cannot treat it as an emergency. We, as trustees, have a duty of trust which should not be easily modified by any stimulation of a particular time. ... Therefore; the resolution of the April meeting in its basic policy of not spending the Endowment Fund was only to reaffirm our duties of the trusteeship. In this reaffirmation, there is also a self-guard against any possible similar approaches and a fundamental desire to preserve the notion of a few useful enterprises to the future. ... Therefore, when the state

undertakes huge projects, it cannot depend on these independent funds as its resources. Such independent funds should be allowed to flourish for the purpose of supporting or maintaining useful and necessary undertaking which the state may not be able to take care of. In the past 10 years a number of scientific institutions would have never been able to carry on their works, if there had not been aids from the China Foundation⁽³⁰⁾.

However, faced with the mounting pressure from the Government, the Executive Committee was forced to abandon its insistence on the Foundation's principles. The details were not certain. But at the 9th Annual Meeting on Sept. 10, the Board approved the proposal from the Executive Committee. They made a payment of CN\$300,000 over two-year period to subsidize the Government for the compulsory education program⁽³¹⁾. From then on the MOE and the Joint Meeting of the BIA's had a number of subsidy requests, and the China Foundation found it even harder to stick to its principles.

Nevertheless, these were only a few exceptional cases with compromise acceded after repeated discussions among the board members of the China Foundation. It still could stand firm on its basic principles in most cases. In review of the past 10-year activities of the Foundation, when H.C. Zen resigned as the Director after he had been reassigned as the President of the Szechuan University, he said that the principle for the Foundation was "*doing without owing*". The purpose was to marshal the limited resource for the best results. To attain this purpose, the only route was to devote its resources in support of the well established organizations. He explained the reasons as follows:

This principle in a negative sense is to keep off those speculators seeking for only the money. In a positive sense, the principle can help those well established and reputable organizations to have better opportunities for development. Strictly speaking, this is like icing on the cake. But generally speaking, it can be thought of as favoring only the capable ones. The Foundation is not a charitable organization and this principle is not only necessary but also justified⁽³²⁾.

Generally speaking, before the war, the educational and cultural activities were based on the above principles. But during the war time, the Foundation had to adapt under the difficult circumstances.

II. The Educational and Cultural Activities of the China Foundation

According to the above policy and principles, the China Foundation generally abided by the following guidelines: 1) grants were given to those established organizations with activities in agreement to the principles of the Foundation; 2) to cooperate with institutions, both government and private, in organizing new projects for the purpose of accomplishing certain objects which the Foundation deemed important and 3) when no proper cooperating agency seemed available, the Foundation would initiate new projects by itself⁽³³⁾. Following this direction, the Foundation engaged in the following 3 types of activities:

1. Self-conducted projects (or Direct Enterprises): These included the science professorships in normal colleges, science research prizes and the fellowships programs, science research professorships, Committee on Editing and Translation (reorganized from the Science Education Advisory Committee), Institute of Social Research, and Soil Survey.
2. Projects in cooperation with other institutes and organizations (or Cooperative Enterprises): These included the National Library of Peiping, the Fan Memorial Institute of Biology, and the Research Fund in cooperation with the National Peking University.
3. Grants and other miscellaneous subsidies to the educational and cultural institutions (also called Grants to the Subsidized Institutions).

Before the war, the total expenses of the China Foundation spent on the activities were CN\$15,630,663, with average annual expenses in the amount of CN\$1,302,555. Of these, the grants and subsidies took the lion share, with 41% of the total. The cooperative projects ranked second, with 36.8% and the self-conducted ranked the last, with 22.2% of the total (see Table 3-1).

Table 3-1: Expenditure of the Activities of the China Foundation

	Unit: CN\$			
<u>Year</u>	<u>Direct Enterprises</u>	<u>Cooperative Enterprise</u>	<u>Subsidized Institutions</u>	<u>Subtotal</u>
1925		72,600	10,082	82,682
1926	116,044	313,993	489,406	919,443
1927	98,757	290,000	338,350	727,107
1928	162,758	324,000	495,950	982,708
1929	338,832	622,090	971,025	1,931,947
1930	447,096	706,070	587,534	1,740,700
1931	503,414	720,100	838,700	2,062,214
1932	540,712	632,200	596,450	1,769,362
1933	402,088	635,900	558,600	1,596,588
1934	262,049	483,781	561,583	1,307,413
1935	284,223	466,177	445,229	1,195,629
1936	<u>321,436</u>	<u>477,584</u>	<u>515,850</u>	<u>1,314,870</u>
Total	<u>3,477,409</u>	<u>5,744,495</u>	<u>6,408,759</u>	<u>15,630,663</u>

There were no fixed proportions for the three categories of the Foundation's activities. At early stage, the major spending was on grants, about 45% of the total expenditure. But due to political situations, from 1926 to 1928, out of 26 subsidized institutions, 11 ones were closed. Therefore after the reorganization of the China Foundation its grants policies were reevaluated. They believed that since the establishment of the National Government, the educational and cultural institutions had gradually returned to their normal operations. Besides, the financial resources of the national universities were increasing. Therefore, "*the grants which once considered vital might be shifted to other projects.*" Besides, the projects undertaken by the Foundation such as the plans to supply science textbooks and equipment, and science research fellowships and prizes, etc., "*were all belonged to promotion rather than direct participation by the Foundation.*" To adapt to the new environment for science

development, the Foundation was prepared to increase the proportion of its self-conducted enterprises. If the grants and subsidies could be limited to 25% of the total expenditure, the additional \$200,000 per year could be shifted to support the self-conducted enterprises⁽³⁴⁾. But this idea had never been fully implemented. The expenditure for grants and subsidies had always accounted for 35% to 45% of the total expenditure. Besides, there was no clear demarcation among the three categories. For example, the National Library of Peiping and the China Institute in America were classified as self-conducted enterprises. But after the reorganization, they were classified into the category of cooperative projects.

The focus of the self-conducted projects was on science education and science research. The expenditures on the Science Research Professorship and the Science Education Advisory Committee (later reorganized as the Committee on Editing and Translation) amounted to over 40% of the total self-conducted projects, while Science Research Prizes and Fellowship program shared another 30% (see Table 3-2). As for other grants to individuals and institutions, such as Soil Survey were all related to science research. These will be described in detail in the later chapters. A special case worthy for mentioning is Institute of Social Research.

In February, 1926, the China Foundation received a grant of about US\$90,000 to be paid in 3 years by the Institute of the Social and Religious Research of New York. The grant was for setting up a social research department under, and with some expenses defrayed by, the China Foundation to engage in the social and economic surveys. Its survey projects were classified into 7 categories⁽³⁵⁾:

- (1) *A survey of Handcraft Workers in Peking.*
- (2) *The Family Budget Inquiry.*
- (3) *The Family Budget of the Elementary School Teachers of Peking.*
- (4) *Family Budget Studies of Shanghai Factory Workers.*
- (5) *A Survey of Factory Workers at Tangku.*
- (6) *The Marketing of Farm Products.*
- (7) *The Rural Survey.*

The department in a short time published “*An Introduction to the Methods of Social Survey*”, “*The Position of Women in Chinese Law*”; “*Livelihood in Peiping*”; “*Tangku Workers Survey*”; “*Marketing of Cotton in Chihli*”; “*Village Families in the Vicinity of Peiping*”; “*China Labor Yearbook*”; “*Social Research Monthly Bulletin*”; and “*Monthly Report of the Cost of Living Index in Peiping*” in English edition. Because of its success, after the completion of the 3-year project, the China Foundation saw it fit to continue. Therefore, in June, 1929 it reorganized the department into the Institute of Social Research. The Foundation spent over CN\$200,000 to build an office building near the National Library of Peiping to be shared by the Institute and the Fan Memorial Institute of Biology. The budget of the Social Research was funded by the China Foundation. According to the reorganization plan, the Institute formed an organizing committee in July, 1929. L.K. Tao was appointed President, H. C. Zen, Director Chairman, with Ho Lien, Fan Zue, Liu Hong-Sen, Chen Dah, V. K. Ting, Dai Lo-Zen and Chang Yuan-Shan

as the Committee members. They not only developed a work plan but also cooperated with the Institute of Social Science, Academia Sinica, Committee of Library and the Chinese Social and Political Science Association. They planned to survey and research in the fields of economics, economic history, agricultural economics, population, industry and labor, wages, taxes and other social projects, such as the editing of the bibliography of the summary of the research papers on Chinese agricultural economy; compiling of the international labor organizations, editing of the index of the Chinese population problems; researching the Sino-Japanese trade in recent 30 years; researching the fluctuations of the silver price in the recent 100 years; and surveying the drugstores in certain cities or villages, etc. It also published periodicals and magazines such as *Social Science Magazine*, *Research on Economic History in Ching Dynasty*, and *Peiping Living Costs Monthly Index*, etc.

As the Institute's works were roughly the similar to that of the Institute of Social Science, Academia Sinica, and as social sciences were not the focus of the China Foundation, in 1934 the Executive Committee proposed to merge the Institute with that of Academia Sinica. The reasons were as follows:

At the time when we accepted the grant from the Institute of Social and Religious Research of New York to establish the Institute of Social Research, social survey in China had just begun. Therefore, its establishment served the function as a pioneering project. The circumstance is somewhat changed. In addition to the economic survey departments by various provinces and banks, there are institutes with the specific purpose of researching the social issues. In the south, there is the Institute of Social Research of Academia Sinica, and in the north, there is the Economic Department in Nankai University. These two institutions together with our Institute of Social Research form a solid tripod of social survey. Even though they all have different specialties and are not easy to be replaced, it might be a good way to reduce the overlapped works and gain more efficiency, if we could combined them into one institute in the north and another one in the south for cooperation with the economic survey departments of the finance bureaus in the provinces⁽³⁶⁾.

Even with strong opposition from L.K. Tao and frictions between him and Zen, with the needs for “*gaining more efficiency and reducing the overlapped works*,” the Institute was eventually taken over by the Academia Sinica, with portion of its expenditure defrayed by the China Foundation. In an 8-year period, the Institute published 40 research monographs in Chinese and English. They also published many research papers in their own or others' magazines. “*They were more than enough for reference to the social and economic issues in China.*” The comments on the Institute by the China Foundation were “*Its accomplishments are very much gratifying indeed⁽³⁷⁾.*”

The most important one among the China Foundation's cooperated enterprises was the National Library of Peiping with a lion share, almost about 3/4, of the total spending on the cooperated enterprises. Its annual budget, excluding construction costs, was about CN\$200,000 to CN\$300,000 (see Table 3-3). As early as at the 1st Annual Meeting, the Board decided to start with libraries as the cultural enterprises to promote.

Therefore in September, 1928 the Foundation broke ground near Peihai Park to set up the Peihai Library and started to purchase books and magazine for the Library. After the Foundation's reorganization, with the consideration that "*the old Metropolitan Library had collected very large amount of the Chinese books, while the Peihai Library had the largest collection of the scientific books and periodicals in China,*" it would be a perfect marriage in merging the two into one large library for academic research. Therefore the Foundation approached the Ministry of Education (MOE) to jointly establish the Metropolitan Library. MOE and the Foundation handed over the books and equipments of National Peking Library and Peihai Library to the Committee of the National Library of Peiping. The Committee had 9 members including Tsai Yuan-Pei, Director and Yuan Tong-Li, Associate Director of the Library as *ex-officio* members. Other members were H.C. Zen, H. F. Sun, Ma Shu-Lun, Chen Yuan, Liu Fu, Y.T. Tsur and Fu Ssu-Nien.

Table 3-2: Expenditure of the Direct Enterprises of the China Foundation

Unit: CN\$

Year	Science Prof. in Normal Colleges	CET (a)	Science Research Fellowship & Prizes	Science Research Professorships	Inst of Social Research	Soil Survey	Misc.	Grant to Individual	Subtotal
1926	52,200				60,000		3,844		116,044
1927	68,300	12,943	2,809				908	13,797	98,757
1928	99,917	16,327	46,514						162,758
1929	150,859	10,471	61,942		107,418			8,142	338,832
1930	172,678	17,672	96,245	18,200	96,000	20,000		26,301	447,096
1931	149,307	40,798	135,549	28,200	65,000	50,000		34,560	503,414
1932	217,969	49,146	137,197	24,200	65,000	47,200			540,712
1933	88,114	50,380	91,552	18,600	80,000	50,000	11,682	11,760	402,088
1934	27,290	46,000	96,084	30,200		50,000		12,475	262,049
1935	40,821	42,000	111,959	30,000		50,000		9,443	284,223
1936	60,230	42,000	111,689	32,000		50,000	15,400	10,117	321,436
Total	1,127,685	327,737	891,540	181,400	473,418	317,200	31,834	126,595	3,477,409

(a) CET—Committee on Editing and Translation

Table 3-3: Expenditure of the Cooperative Enterprises of the China Foundation

Unit: CN\$

Year	National Library of Peiping	Fan Memorial Institute of Biology	Research Fund with Peking University	Subtotal
1925	72,600			72,600
1926	313,993			313,993
1927	290,000			290,000
1928	300,000	24,000		324,000
1929	589,390	32,700		622,090
1930	665,544	40,526		706,070
1931	465,900	54,200	200,000	720,100
1932	378,000	54,200	200,000	632,200
1933	366,900	69,000	200,000	635,900
1934	301,781	82,000	100,000	483,781
1935	279,177	87,000	100,000	466,177
1936	286,584	91,000	100,000	477,584

Total	4,309,869	534,626	900,000	5,744,495
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The expenditures of the Library were paid by the Foundation. The activities of this library, except for usual activities of a library such as purchases and collection of books, included cataloguing and indexing the collection and reader advisory services, also included compiling and publishing⁽³⁸⁾. In May, 1930, the building of the Library was completed with a construction cost of CN\$1,374,000. Under the management of Yuan Tong-Li, the Library had been proceeding on schedule. Both its architecture and its collection were the most magnificent among the major libraries in China.

For the China Foundation, the foremost subsidized institutions are schools with a percentage of 39.8% out of the total expenditure for the grants and subsidies, while grants to the research institutes ranked second with a share of 36.6%. The grants to the cultural institutions ranked the last with that of 23.6% (see Table 3-4). Before 1946, the accumulated cases of grants to the institutions were more than 500 (see Table 3-5), but because some of institutions received continuous grants, the total grant receiving institutions were less than 100. The academic institutions that received the grants will be described later. Over 20 cultural institutions had received grants and subsidies. These included the National Anti-Opium Association; the Institute of Chinese Architecture; the Association for the Unification of the National Language (*Kuo Yu*); the Chinese Association of the Sea Products and Geological Society, etc. Among them the Palace Museum and China Institute in America claimed the lion shares of the grants and subsidies.

The first payment of grant to the Palace Museum was CN\$30,000. At the 6th Meeting in July 1930, the Board granted subsidy for construction of a fire-proof safe in the amount of CN\$150,000 payable in 3-year installments. From 1927 to 1933, the Foundation provided subsidies totaling CN\$320,000 to the Palace Museum in 6 years. This accounted for 1/5 of the total grants to the cultural institutions.

China Institute in America was a self-conducted enterprise of the Foundation. To promote the Sino-American educational and cultural mutual understanding, in April 1925, the Foundation established this Institute in New York City and appointed P. W. Kuo as the Director. Its major businesses included the information exchanges of the Sino-American education and culture; promotion of mutual relationship such as mutual exchange of professors, guidance to the Chinese students in America and encouragement of the American scholars' interest in Chinese study. P. W. Kuo intended to establish the institute as an independent entity but his reorganization plan did not receive the approval from the Board. After the reorganization of the China Foundation, the institute was closed down at the end of 1929. However, not long after, the institute took its own initiative to reorganize with American and Chinese forming the Board and the Advisory Committee. Paul Monroe was elected Chairman, Wu Chao-Chu as Honorary President, P. W. Kuo, Honorary Chief, and Meng Chih, Honorary Deputy Chief. Due to the institute's importance, the China Foundation decided at the meeting on July, 1930 to continue to support it, with annual payments ranging from CN\$10,000 to CN\$30,000⁽³⁹⁾. During the Sino-Japanese War, the institute made great contributions in dissemination of the

Sino-American news and caring for the Chinese students in America. Henry Luce Foundation donated to the institute a building at the center of the New York City and named it the China House. The institute actively raised funds in America in the hope of becoming an independent institute, like the China Foundation, to promote the Sino-American cultural exchanges.

As to the educational institutions, the grant policy of the China Foundation was to “give grants first to those with sound bases and solid accomplishments.” The National Association for the Advancement of Education, the National Association of Vocational Education and the Chinese National Association for Mass Education Movement were the main receivers of the grants. These three associations devoted their works to the education of the mass and rural folks. The National Association for the Advancement of Education was established in December, 1921 by the merger of the Practical Educational Research Society, New Education Magazine Society and Chinese New Education Advancement Society. Its mission was to “investigate the educational conditions, to study the educational science and to strive for educational advancement⁽⁴⁰⁾.” Since receiving the subsidy from the Foundation, the Association focused their attention on rural education. Starting in March, 1927, the Association at Hsiao-Chuang near Nanking set up the Normal School for Rural Education as an on-the-site experiment. This was followed by Hsiao-Chuang kindergartens, central primary schools, public night schools, community tea houses, central carpenter shop and lithograph printing press, cooperative store, village hospital, inter-village fire brigades and information bureau for the improvement of agricultural arts, etc. Led by Tao Hsing-Chih, the proactive members tried to instill the spirit of social changes among various villages in order to reform the withering farms through educational approach. But in April, 1930, it was ordered to close by the Nationalist Government because the students of the Hsiao-Chuang’s Normal School of Rural Education participated in the protests of the workers in the foreign trading companies and the anti-imperialism rallies⁽⁴¹⁾. The China Foundation therefore diverted the support to the Rural Normal School for Kindergartners at Shiangshan (Fragment Hill in the suburb of Peking).

Table 3-4: Expenditure on Grants to the Subsidized Institutions of the China Foundation
Unit: CN\$

Year	Schools	Research Institutes	Educational and Cultural Group	Subtotal
1925		500	9,582	10,082
1926	288,250	59,000	142,156	489,406
1927	136,000	50,000	152,350	338,350
1928	262,750	50,000	183,200	495,950
1929	180,500	610,000	180,525	971,025
1930	237,088	130,000	220,446	587,534
1931	396,600	222,200	219,900	838,700
1932	267,350	156,000	173,100	596,450
1933	255,000	207,000	96,600	558,600
1934	199,000	308,000	54,583	561,583
1935	126,000	274,000	45,229	445,229

1936	199,250	281,350	35,250	515,850
Total	2,547,788	2,348,050	1,512,921	6,408,759

Table 3-5: Classification of the Institution Receiving Grants from the China Foundation

Year	Universities & Junior Colleges	Research Institutes	Cultural & Educational Group	Others	Subtotal
1926	13	3	5	1	22
1927	6	2	6	1	15
1928	11	5	6	1	23
1929	7	4	7	1	19
1930	14	7	7	0	28
1931	21	11	7	1	40
1932	12	8	6	0	26
1933	11	9	7	1	28
1934	9	9	3	1	22
1935	11	7	4	2	24
1936	12	9	3	3	27
1937	24	11	7	6	48
1938	15	6	6	6	33
1939	15	9	6	6	36
1940	11	8	4	1	24
1941	15	9	7	1	32
1943(a)	10	9	6	2	27
1944	10	7	5	2	24
1945	6	6	7	2	21
Total	233	139	109	38	519

(a) Accounting year changed to calendar year, that is, from 1/1 to 12/31

The National Association of Vocational Education was established in May, 1917 by educators and industrialists, and Huang Yen-Pei was in charge. The major activities of the association were occupational survey in the provinces, research in communication and vocational guidance and placements. It established the Chinese Vocational School in Shanghai. After they received grants from the China Foundation, they focused their activities on (1) recruitment of experts to research the theories and methods of the vocational education and the experiments of the job counseling; (2) rural education: at Hsu Kung Chao in Quinsan County, Kiangsu Province, they guided the agricultural improvement; promoted the rural cooperation; and conducted the farmers' livelihood survey; and (3) education for mechanics. In the Chung Hwa Vocational School, the Society tried the new method of "on-the-job learning first and theories later⁽⁴²⁾."

The Chinese National Association of Mass Education Movement was established in August, 1923 with the major purpose to instill the uneducated with the necessary

knowledge and civism within the shortest period and with the minimum expenses. Most members of the Council belonged to the Chinese National Association for the Advancement of Education. Its major work was at Tinghsien, a suburb near Peking. For the first 3 years, the grants from the China Foundation were limited to mass literature, focusing on mass textbooks and reading materials. Later it expanded to the research on the rural livelihood and the mass education, paying special attention to agricultural economy, farmers' training and rural handicrafts. The association had a ten-year plan in three stages. However, in 1932 due to coming national military calamity caused by the Japanese invasion, to accelerate the work, they shortened the plan to a six-year period. They devoted fully in the research of county-based infrastructure and experiments. By using school, society and family as units, they engaged in experiments of rural arts, livelihood, public health and civic education⁽⁴³⁾.

Generally speaking, among the above-mentioned educational and cultural projects, only the National Library of Peiping had been supported fully by the Foundation for all these years. Other institutions were not the Foundation's main focuses. Therefore, the merger of the Institute of Social Research, the deviance with the China Institute in America and the meager amounts of grant to the educational institutions, these all were concrete examples of the Foundation's policy of partial support but not full ownership of the projects. The grant policy of the China Foundation since its establishment had been focusing on supporting science education, research and application.

III. The Changes before and after the War

Under the double-whammy of the outbreak of the Sino-Japanese War and the cancellation of the payments of the Remission several years later, the trustees were forced to reorient the future activities of the China Foundation. Therefore, in May 1936, a resolution was moved as follows:

The Director is to propose to this Board with special consideration of what kinds of activities to engage within the scope of the Foundation for grants so that even without grant request, the Director can take its own initiatives to draft proposals for the Foundation to proceed with⁽⁴⁴⁾.

Director H. F. Sun⁽⁴⁵⁾ thereby presented to the Board Meeting next year with the following proposals: (1) for applied sciences, they had been the objects of the Foundation's grants. But for the last 10 more years, even though the Foundation had provided partial support to applied sciences such as agriculture, engineering and medicine with subsidies in teaching and equipment, its major focus was still on the researches of pure science. Faced with the rapid industrialization of the nation, the shortages of material and machinery were the most serious matters "*especially in the matter of lack of technicians with rich knowledge in science.*" Since the people in and out of the Government felt strongly to tackle the metallurgical and fuel needs of the nation, the China Foundation had to provide funding for the research in these fields and as a result to set up gradually the research centers studying the engineering materials which were indigenous to China. The centers in turn would train the youths in these fields. H. F. Sun

cited certain projects worthy for launch, such as domestic production of alloys, the design and production of the internal combustion machines suitable for domestic fuels, well-salt production in Szechuan Province, and sugar production in Kwangtung Province, etc. (2) About the cultural enterprises of a permanent character, since Changsha had become the then national defense center, the China Foundation should set up a library specialized in the reference books of the natural science and engineering. This would facilitate the studies of all kinds of problems. In the future, if needed, the Foundation could set up libraries with such a nature at the industrial or political centers of China. Based on the Sun's proposals, the Board appointed Hu Shih, H. C. Zen, Y. T. Tsur, Leighton Stuart and H. F. Sun to form a special committee with Hu Shih as Chairman. The committee was to study the possibilities of closing down some self-conducted projects and launching some new enterprises⁽⁴⁷⁾.

About the problem of which was more important -- pure science or applied sciences, from the start of the Foundation, it had always been a hot debating topic among the trustees and educators in China. Faced with the war situation, this topic became even hotter. From the correspondences between Wong Wen-hao and Hu Shih, it is easy to find the different viewpoints on this topic. Wong thought that China sorely lacked the personnel in industries. China especially lacked specialists in making steel and copper. He said:

If educational organizations cannot provide what the nation needs, these organizations are rather useless. It is even more regrettable if they furthermore create a number of worthless students who are led astray and become a threat to the public security. The China Foundation should be partly responsible for this and should have a suitable policy in its grants to students studying in the U.S.A. to guide them along the right path⁽⁴⁸⁾.

But Hu Shih thought “*what the nation needs*” should not be defined too narrowly. For the nation's long-term development, the national educational institutions should consider the long-term basic needs of the nation, not the pressing needs here and now. He said:

What we should promote for seems to be the pure science and leadership developments which are not deemed important by the present society at large. ... As for the pure science, even though there had been some progress, we still sorely lack enough talents, let alone accomplishments in the pure science. So I think institutions such as Academia Sinica, Peita (National Peking University) and the China Foundation should continue to develop the basic talents for the nation, rather than race to the front of “practicality” camp. It is a rare people who know the real value of the “useless”. If we do not plan well beforehand, our nation will be bound to suffer from it⁽⁴⁹⁾.

These two opposing ideas in education had been bandied about in the minds of the promoters of science in China in 1930's and 1940's. Hu Shih's belief became his blue print for him in developing the science in the early stage of Taiwan.

The special committee set up at the 13th Meeting for ending some and starting other enterprises was interrupted by the war because the Board meetings were suspended. The proposal made by H. F. Sun was therefore held in abeyance. At 14th Annual Meeting at Hong Kong in 1938, in his memorandum, H. C. Zen stated that in the period of the national crisis, the China Foundation could only choose one from the following two policies: “1) *wait-and-see policy, that is, without engaging actively any projects by hoarding the resources for future opportunities, and 2) proactive policy, that is, no matter what happened, pushing for the projects that could be of some helps to the nation.*” The former was safe as there were no financial risks but it was also too passive. The latter was venturesome and aggressive, but in the long-run it might be beneficial to the nation’s development. Zen was in favor of the latter one. As for the financing of the second one, he suggested to follow the Sino-British fund’s policy of “killing three geese with one arrow”. That was to use the funds to provide loans to help the transportation and industries in China, by purchase of materiel from the U.K. This was also a safe way for the fund’s investments. Therefore, he proposed to pull back a portion of investments for purchase of machineries to help the south-western provinces such Kwangsi, Yunnan Provinces to launch new industrial companies. The machineries could be considered as loans to the provincial and local governments or the private companies. As for the Foundation’s policy toward the educational institutions, Zen thought that the Foundation in the past focused only in North China. In the future, the Foundation should concentrate its efforts in South-West China. In addition, the Foundation should adopt a “*proactive policy toward grants.*” In other words, the Foundation not only should provide grants to the grant-requesting institutions and individuals based on the nature of the institutions and the fields of the individual applicants, but also should train and promote those who were most needed by the nation. The Annual meeting that year did not take practical action concerning Zen's memorandum. The Board nominated Wong Wen-hao (Chairman), Hu Shih, H. C. Zen, Y. T. Tsur and H. F. Sun as members of 5-men Special Committee of the Educational Needs and Projects. The Special Committee was directed to “*evaluate and make plans for educational activities to meet the new situations during the national calamity of the war. They were also asked to amend the grant policy of the Research Fellowship*”⁽⁵¹⁾.

However, in 1939 due to the Government’s tight financial conditions, the payments of the Remission were stopped. The Foundation faced funding difficulties. In addition to the use of the investment income to pay current expenditure, the Foundation had to resort to loan from the banks by using the payments of the Remission in arrears as the collateral. Under such tight conditions, Zen’s proposed “*proactive policy*” was naturally not followed. Even the existing projects could only be maintained at the minimum level. Next year at the 16th Annual Meeting the Chairman Wong of the 5-men Special Committee presented a “proposal for the new direction of the Foundation’s activities”. In the proposal, he reaffirmed the principle of focusing on the more established lines of activities. The scope was still limited to science education, science research and science applications. Under this principle, from then on the grants to the compulsory education program and middle schools, etc. which was not related to the above principle should be stopped. Besides, the grants to the field of humanities such as translation of the literature

should also be stopped. About the Foundation's principles, Wong had two emphases: (1) Science applications should be treated as equally important as science research. Even though this was the long-standing principle of the Foundation, it was in fact not strictly followed. The grants were concentrated in the theoretical researches of the natural science. From then on, anything which could help the national reconstruction should be a priority. Therefore the spending ceiling on the science applications should account for 50% to 60% of the budget. (2) There should have year-by-year grant projects. The Board should specify the grants to certain fields for certain periods. At the expiration of the specified periods, the grants would be given to the other fields specified for the next period. "*Thereby, the Foundation had a solid plan and also could gain easy efficiency in concentration.*" In the proposal Wong also pushed for a number of improvements such as helping the education in the universities, subsidizing the major science publications, encouraging the science research and training the specialist. For examples, he proposed to change the rules for the application of the Research Prizes and Fellowships; to add technical trainings to the Research Fellowships; to increase the amount of grants to the domestic Research Fellowships; and to cooperate with the domestic schools, research institutes and companies so that the students who received grants could have on-the-job training opportunities. Most of his proposals were specific and feasible⁽⁵²⁾. But some of them were debatable. For example, it was difficult during the war to recruit American professors for teaching and guiding research in China. Furthermore, his emphases did not receive full agreement. Therefore his proposal was not accepted in the meeting. The board resolved to forward his proposal to the trustees who could not participate the meeting as reference. The proposal was reserved for the next Annual meeting⁽⁵³⁾.

At the April, 1941 Annual Meeting, H. C. Zen presented his "*Opinions about the Proposal of the New Direction of the Foundation's Activities.*" If the Foundation was to follow Wong's proposal, it had first to close some of the existing projects, "*for the annual income of the Foundation had already allocated to the existing projects, without much maneuverable room for new projects.*" For practical reasons, Zen wished to maintain the *status quo* and he was unwilling to make bold moves at that time. Especially, after the break-out of the Pacific War, to promote the educational and cultural activities, the Foundation should take this emergency period into consideration. He felt even though Wong's proposal was important, it was only feasible in peace time. Therefore, he proposed the following to meet the war time needs:

Due to the difficulties of transportation, books and equipments are impossible to import. This makes the research and teaching almost impossible. If the Foundation could shoulder either by itself or in cooperation with other institutions the responsibilities of overcoming the difficulties, it would be a great help to the current situation. For example, the Foundation could establish a special convoy for transporting the educational and cultural books and equipments. For another example, the Foundation could provide a small sum of monies to establish printing shops and equipment manufacturers at suitable sites for replenishment of publications and equipments. This definitely will encourage greatly the scientists for scientific developments⁽⁵⁴⁾.

After discussions, the Board approved the proposal that became the general direction during the war time emergency period.

Because of the war, the trustees were spread wide, and it was hard to maintain the organization's cohesiveness. In its operations, the Foundation *“made little contacts with the educational institutions. If anything came up, it had to report to Shanghai office for approval. As a result, Academia Sinica and Ministry of Education complained quite a lot about it.”* In Wong Wen-hao's letter to Hu Shih, he clearly stated: *“It is vitally important for this organization to have new blood. Otherwise, it would be most regrettable if it drifts down gradually”* ⁽⁵⁵⁾. To adapt to the war situation, the Emergency Committee for the war time was established in January, 1942 and the Directorate was at the same time moved to Chungking. Consequently, the usual operations of the Foundation could function in a more workable way. In this period, as a principle, *“all grants were kept at the minimum required. Except for the self-conducted and joint-operated enterprises to which the Foundation had obligations to maintain, other institutions with grant requests would only be supported to a limited extent depending on the Foundation's financial conditions.”* The following is a list of expenditure of the activities during 1942 to 1944 ⁽⁵⁶⁾:

Items	Currency	1942(a)	1943	1944	Subtotal(b)
Self-Conducted Enterprises	CN\$	377,397	785,216	1,299,800	2,462,413
	US\$	900	900	900	2,700
Cooperated Enterprises	CN\$	495,000	712,000	978,000	2,185,000
	US\$	3,000	5,000		8,000
Subsidized Enterprises	CN\$	1,599,000	1,380,000	1,680,000	4,659,000
Administrative and Temporary Expenses	CN\$	861,945	743,503	1,307,000	2,912,448
Total	CN\$	3,333,342	3,620,719	5,264,800	12,218,861
	US\$	3,900	5,900	900	10,700

(a) Some expenditure paid in Shanghai were not included here

(b) U.S. dollars expenditure was listed with only those expensed in China (e.g. expenses for purchase of books for the libraries in China and payments in U.S.A. were not included)

Among the self-conducted enterprises, due to the policy of tightened purse-string, the Committee on Editing and Translation was disbanded in 1943. The remaining ones were: Science Research Professorships, Fellowship Program and Soil Survey. As for the enterprises in cooperation with other organizations such as National Library of Peiping, and Fan Memorial Institute of Biology, the Foundation maintained those sections which were moved from Peiping. The one additional cooperative enterprise was the Sino-American Cultural Service. During the war period, due to the enemy's blockade the international cultural exchanges were cut off, the Foundation was the first one to suggest importing microfilms of the newly published foreign books and magazines for research use. This proposal received the nod from the Ministry of Education and the Science College of the Nanking University. Thereby, the Foundation formed a committee in the U.S. in charge of selecting books and newspapers for microfilming. At the same time the Bureau of the Foreign Cultural Affairs, the State Department of the U.S. also exported microfilms and books to China. Therefore, the Foundation worked jointly with the MOE

and US Embassy in 1942 by forming the Sino-American Cultural Service. Its major work was to import the microfilms and books donated by the US Embassy and to produce the film projectors for distribution to the educational and cultural centers of various provinces such as those in Kunming, Chungking and Chengdu. Three years after the start, there were over 30 reading rooms, over eighty projectors produced and more than two thousand rolls of the microfilms received. Later on the Sino-British Science Cooperated House also joined the Committee as a member. They donated a number of the microfilmed periodicals. These microfilms were mainly new publications in natural science and engineering with great help to the academic communication between China and the outside world during the war ⁽⁵⁷⁾.

As for the grants to the institutions, in this emergency period, the China Foundation still maintained grants to more than ten to twenty research institutes and universities. Even though the total amounts of grants exceeded those to self-conducted and cooperated enterprises, as the grants were spread too wide and grants were too small, their impacts were not as big as before. One thing worthy to mention is that other than using its own budgets, the China Foundation was subsidized and entrusted by the United China Relief of the U.S.A. in 1944 for forming a Committee on the Awarding of Research and Teaching Grants to support the key men in the universities and research institutes in order to keep those key men and to enhance their efficiency. The United China Relief appropriated CN\$1,000,000 to be distributed by the Foundation to the universities and research institutes in Kunming with eighty “*key men*” who were recommended to receive the grants with CN\$12,000 per person. In 1945, the program was expanded with total amount of 70 million dollars to be granted. The Committee members increased to seven and the whole nation was divided into ten regions with advisory committee in each region in charge of recommending candidates for its region ⁽⁵⁸⁾. In 1946 the amount again increased to 100 million dollars and the persons received the grants increased from 936 in 1945 to 1,082 in 1946. During the war period, with high inflation and depreciated value of the local currency, these supports indeed provided some material and spiritual encouragements to the scholars in the government controlled regions ⁽⁵⁹⁾. After the war, the institutions returned to their home and the grants were stopped.

In 1943, when the China Foundation faced its life-and-death crisis, with its future hang in the balance, they had considered gradual closure of some of its enterprises. After negotiation with all sides, the Foundation was allowed to continue its operations. During the process of negotiations, the Foundation enlisted help from Ministry of Education and Ministry of Finance. The Foundation especially emphasized that after the victory over Japan, “*the exchanges of science and technology between our nation and American will be needed more than ever. As a result, there are even more needs to expand the Foundation’s activities.*” The Foundation’s proposed outlines of the activities are as follows:

- 1) The Foundation’s enterprises with solid foundation and accomplishments should be maintained.
- 2) The subsidized institutions should be provided with reasonable amount of subsidies if they are well-accomplished and are indeed in need of the grants.

- 3) The Science Research Professorship should be expanded. It needed to recruit prominent American professors to teach in China. It also needed to recruit the American technical specialists to China for assistance in the development of sciences, national defense and other industries.
- 4) The Foundation should continue to send specialists to American for advanced academic research and technological training to promote the construction of the nation.
- 5) It was imperative to import a great volume of the American books and equipments in assistance to the progress of the science and technology developments.
- 6) It should send the Chinese specialists to the U.S.A. to make speeches about the current conditions of our nation, its history and culture for the American people to understand more about this nation ⁽⁶⁰⁾.

The outlines are obviously too optimistic or too ambitious. Even though the Foundation avoided the fate of being abolished, after the war, its resources were much reduced as the Foundation did not borrow from the banks and its source of revenue came only from the income of the endowment. The local currency investments produced next to no income, while the investments in U.S. dollars only produced a little more than 40,000 dollars. This was only 1/10 of the expenditure before the war ⁽⁶¹⁾. Furthermore out of this meager income only 60% could be expended for its business. With full-scale inflation, it became more and more difficult to maintain its usual business. It had to shrink its scope of business. For examples, the Foundation stopped the microfilms service; asked the MOE to take over the management of the National Library of Peiping; asked the Ministry of Economic Affairs to take over the management of the Soil Survey; and combined the Fan Memorial Institute of Biology with the Institute of Biology, the Science Society of China ⁽⁶²⁾. This gradually shrank the Foundation's businesses. The Foundation by now could only provide a few Science Research Professorships and Fellowships.

To raise the funds, H. C. Zen in Sept. 1946, made a special trip to the U.S. On the one hand, he contacted the American trustees and asked them to enlist the U.S. Government's help to put pressure on the Chinese Government to pay the installment of the Remission in arrears. On the other hand, he tried to receive the approval to be an agent of the Fulbright Bill and asked Surplus Property Fund in the U.S. to entrust the China Foundation as an agency for operating the Sino-American Cultural Special Fund. But the American trustees showed little interest in and were even downright hostile to these proposals. In the correspondences between Greene and Bennett, they criticized Zen by saying his "*personality is not appealing.*" Besides, Zen always tried to dodge the issues. Especially when he dealt with the Chinese Government, he always resorted to using the Americans as a shield. Greene felt that Zen became even more difficult to understand than before. It took quite an effort several years ago to get rid of him as director, and at present Zen let Chinese trustees carry his baggage and this was really regrettable ⁽⁶³⁾. The incidence that next year the American trustees resigned together was an indication of their attitude toward this. Due to lack of support from the American trustees, Zen's efforts to push for the payments of the Remission and to raise more funds fell flat. Zen believed, "*If there were no solutions to increasing the budget of the*

Foundation's projects, the only thing that the Foundation can do is to stay dormant by hoarding the existing cash. This is definitely not the original purpose of the Foundation." Therefore he suggested:

The last resort is to use the endowment of this Foundation to cover the budget. The Foundation will be closed after the endowment is exhausted. The proposal has been agreed to by the majority of the American trustees but it needs to amend the constitution⁽⁶⁴⁾.

At this stage, the trustees were prepared for the worst. They were prepared to assist the universities in replenishing their losses during the war and in promoting science development in China to the exhaustion of the Foundation's remaining resources in a final act of self-immolation.

Therefore at the 20th Annual Meeting in December, 1947, the Foundation resolved to use up to US\$250,000 from its endowment account to lend to no more than 4 national universities for purchasing research and teaching equipments of the natural science departments. Consequently, the Finance Committee contacted the City Bank Farmer Trust Company for liquidating the investments for cash. The Director's office also contacted the universities approved by the Board for the plans to purchase equipments, and signing the agreements for the loans. At 21st Annual Meeting, the board approved the distribution of the loans were as follows⁽⁶⁵⁾:

National Peking University	US\$100,000
National Central University	50,000
National Chekiang University	50,000
National Wu-Han University	50,000

The repayment period of the loans was limited to 15 years with a payment grace period of 5 years. The total length of the loan was therefore twenty years with the Ministry of Education as guarantor. With the fall of Mainland China, except for the repayment of US\$100,000 from the National Peking University, the remaining US\$150,000 was never recovered⁽⁶⁶⁾.

Anyway, since the war, the Foundation's educational and cultural activities had been shrinking rapidly. After the war, the Foundation even contemplated the unthinkable, that is, the closing-down of the Foundation. The Government also expressed the wishes to take over the Boxer's Indemnity Administrations (BIA's). On January 20, 1948, the Executive Yuan Meeting decided that, after the closure of the Remission receiving organizations, if their enterprises could not continued and yet the Government deemed it necessary to continue their existence, the Government would take them over. The Ministry of Finance drafted and notified the Foundation a "Six Lists of the Mergers and Continuing Existence of the Self-Conducted, Cooperated and Subsidized Enterprises of the Boxer Indemnity Remission Administrations⁽⁶⁷⁾." The China Foundation complied with the order and handed over its major enterprises for the Government to take over. Even though it still had a few enterprises under its wings, the China Foundation had lost

its previous influences and importance.

Chapter 4: Scientific Education

The modern educational system in China started at the end of the 19th Century. China had been emulating the Japanese educational system since the Republic was established. Modern science courses were taught in the schools of various levels, but their qualities were far inferior⁽¹⁾. The then educators also had many criticisms on the contents of scientific education. They felt that the low quality of the teachers, crude science equipment and unsuitable science textbooks were the common problems of science education in China⁽²⁾. In 1920's the students who had returned from study in the U.S. had been introducing the American teaching philosophy and methods to the schools in China. They also had asked the American educational specialists for “*diagnosis*” and guidance. In 1921, Paul Monroe took a field trip of education in China. He pointed out that the most serious problem was science education in the middle schools. He thought the teachers depended too much on textbooks and emphasized mostly on lectures instead of inspiration and discussions. There were no adequate lab equipments for students. As a result, other than studying the terms and theorems by rote, the students were unable to grasp the true nature of science⁽³⁾.

The Chinese educators took the Monroe's suggestions to heart by not only discussing on how to improve science teaching methods in middle schools⁽⁴⁾ but also, through the National Association for the Advancement of Education, recruited an American specialist George R. Twiss, Professor of Education, Ohio State University, to survey Chinese education. From 1922 to 1924, Twiss visited 190 schools and came up with a list of the problems of the then science education. The list generally was in agreement with the criticisms from the Chinese and foreign scholars. In 1923, at the Summer Seminar for the Middle School Science Teachers, South-eastern University, he taught principles of science teaching. In addition, whenever he visited a school he discussed with the local teachers and educational societies about science education. Afterward, he would give his proposals to those schools as a gift. In the proposals, he enumerated a number of needs for improvements in pedagogy, teachers' training, science courses, classrooms, laboratory equipment and furniture, etc. His general conclusion was that the advancement of the science in China should start by upgrading the qualities of the science teachers⁽⁵⁾. His report received enthusiastic response from Chinese scientists⁽⁶⁾. Most importantly, his proposals became the blueprint of the China Foundation's strategies to improve science education in China.

I. Develop Science Teachers in Order to Improve the Science Education

Soon after the establishment, the China Foundation recruited specialists to visit the grant-requesting organizations and to inspect science education over China. The specialists' reports further confirmed what Monroe and Twiss had already found.

However, due to huge number of middle schools it would overburden the staff as well as impractical for the Foundation to improve them one by one. Therefore, the best way to go to the bottom of it was to develop the teachers as an indirect way to improve science education in the middle schools. The Executive Secretary, Tao Hsing-Chih suggested a general principle, i.e. “*subsidy given only to those universities and normal colleges that could develop the science teachers, rather than subsidy given to the middle schools directly*”⁽⁷⁾.”

1. Science Professorship in the Normal Colleges

The China Foundation decided for a 7-year period to establish 35 Science Professorships in the normal colleges and the women’s universities designated by the Ministry of Education in Peking, Nanking, Mukden, Canton, Chengdu, and Wuchang, etc., in order to develop science teachers, to improve science teaching methods and to upgrade the science education in their school regions. Due to the tenure and the renewal of the agreements, some of the professorships lasted more than seven years. The total professorships and their distribution during the 10 years were listed as follows:

Year	Peiping Normal University	Central University	North-eastern University	Chun Shan University	Szechuan University	Wu-han University	Sub-total
1926	4	4	3	3	3		17
1927	5	4	3	4	3		19
1928	3	5	3	4	3		18
1929	4	5	4	4	4	3	24
1930	5	5	5	4	5	4	28
1931	5	5	3	4	5	4	26
1932	2	1		2	3	4	12
1933	1	1		1	2	4	9
1934					2	4	6
1935					1	1	2
Total	29	30	21	26	31	24	161

The maximum number of the professorships was only twenty-eight, less than that of thirty-five as originally planned. The reason was that the China Foundation, in order to encourage women’s education, originally included Peking Women’s University and the National Peking Women’s Normal University in the list. However, these two universities abolished the schools of science and as a result their quotas of professorships were also eliminated. Each university in the list annually had three to five professorships. In addition to the salaries (about CN\$3,000 per year for each professor) of the professors fully paid by the Foundation, each school also received \$10,000 to \$30,000 as the subsidy for equipment. According to the China Foundation’s regulations on the professorships, the grant-receiving schools had 3 responsibilities: (1) the salaries saved should be used for purchasing additional science apparatus and equipment; (2) there should be full cooperation between the science departments and the department of education for promotion of the science education, and proper adaption of the practice schools with science teaching (3) they should be responsible for the improvement of the science education in the secondary schools within its districts⁽⁸⁾. Therefore the establishment of

the science professorships enabled the grant-receiving schools to save their expenditures and to purchase equipment instead. This was indeed a shot in the arm in ameliorating the problem of the shortage of funds at that time.

The tenure of the professorships lasted from one to three years with renewable option. After six-year service, the professors would receive a one-year leave-of-absence or sabbatical with salary plus travel expense allowances for research or survey abroad. The academic degrees received by the professors were high. During the 10-year period, out of 161 total professorships, there were 44 science professors. Among them, more than half (23) had PhD degrees, and 1/4 (10) received master degrees. Out of the forty-four professors, except three professors with unknown degrees, the rest all studied abroad and about twenty-five of them studied in the U.S. which accounted for more than half⁽⁹⁾. This tells us the importance of the American education system to the then science education in China.

The major task of the science professors was to “*develop science teachers in their own fields.*” They needed to “*cooperate among themselves to search for the ways to improve the science education. For example, they had to participate and take charge without pay at the Summer Institute for Science Teachers operated by the China Foundation. They were not allowed to take other jobs with pay.*” Their works included teaching, research, guiding the experiments and leading science inspection and collection of samples. Due to different environments of schools, the works also varied. For example, for the professor of educational psychology in the Northeastern University, due to additional responsibility as administrator of their affiliated practice middle school, his job focused on supervision of practice teaching, while the professor of the educational psychology in the Central University devoted his time in testing the understanding of the middle school students in Chinese language and literature, and the professors in Chung-Shan University mainly researched the galvanic skin reflexes⁽¹⁰⁾.

The purpose of the professorships was to improve the teaching of physics, chemistry, zoology, botany and educational psychology. For the 10-year period, the distribution is as follows:

Year	Physics	Chemistry	Botany	Zoology	Educational Psychology	Subtotal
1926	4	5	2	2	4	17
1927	5	5	2	3	4	19
1928	5	5	3	2	3	18
1929	6	6	5	3	4	24
1930	6	6	6	5	5	28
1931	6	6	5	4	5	26
1932	2	1	3	3	3	12
1933	1	1	3	3	1	9
1934	1	1	1	2	1	6
1935				2		2
Total	36	36	30	29	30	161

Out of the forty-four professors, ten were in physics, ten in chemistry, eight in

zoology, eight in botany and eight in educational psychology. Among these, the field of biology (zoology and botany) accounted for most. This somewhat reflected the main focus of the China Foundation's promotion of science education. The China Foundation's "Visiting Professor" program also started in the field of biology. In 1927, the Foundation invited the famous entomologist Professor J. G. Needham from the Cornell University to visit China to organize course and research work in biology. In addition to his work in the National Normal University in Peking teaching biology and improving its laboratories, he also held a number of conferences with biological teachers at Peking, Tientsin, Tung-Hsien, Nanking and Hangchow. Besides, he made contributions to the organization and management of the Bureau of Entomology of Kiangsu Province and the Fan Memorial Institute of Biology⁽¹¹⁾. This somewhat stimulated the Chinese interest in studying biology.

The purpose of the professorships was to upgrade the qualities of the teachers in the middle schools. Had the qualities indeed been upgraded? Had the program contributed to the improvement of the science teaching in the middle school? Due to lack of statistical data and survey, it is hard to make an objective assessment. Six years after the program had started, the China Foundation made the following evaluation:

For the last six years, the Foundation in addition to provide salary subsidies to the grant-receiving schools for six years also provided \$10,000 of subsidy for each professorship to purchase equipment. They should have some helps in enhancing their science equipment. Even though during the past six years when our Government was short of funds, the professors who received the grants were able to build up the foundation of science experiment equipments, to keep on teaching without worry about their salaries and to find spare energy for researches. Now the program has ended but its infrastructure in place and spirit of science teaching developed will no doubt have a lasting impact on the future of the science education in our country⁽¹²⁾.

Professor Lee Shun-ching of the National Normal University, Peiping used his school as an example and gave the program very high marks. He thought that as far as his school was concerned, the program produced the following results:

- (1) Equipment — Six years ago the biological department of this institution hardly possessed a single piece of equipment. But at present it has more than thirty high-power microscopes, besides other apparatus such as epidiascope, batteries, delineascopes, drawing and enlarging apparatus, microtomes, incubators, fine balances, etc. Though not completely and fully equipped, our laboratories are now good enough for ordinary teaching purposes.*
- (2) Books — There were only less than a hundred Japanese and Chinese books in our department six years ago, but we have now more than a thousand reference books in western languages.*
- (3) Number of students — Formerly there were about twenty students in this department as against over seventy this year. New enrolment in next semester will increase the number to one hundred. For the past six years we have had*

some fifty graduates, all of whom are now teaching in middle schools.

(4) *Professor — Owing to the frequent arrears in the payment of professor's salaries, many of our colleagues have from time to time left this institution and joined others where salary is more regularly paid. In spite of such losses, the work of the University has not been at a standstill, simply because of the Foundation professors who have continuously exerted a healthy influence on the whole faculty and inspired their colleagues to overcome many difficulties⁽¹³⁾.*

The program did not have the full effect as anticipated. Nevertheless, during the period before the Nationalists' Northern Expedition when the education was in dire straits, it made major contributions to maintaining the standard of the schools, to encouraging teachers to devote themselves in teaching and to retaining scholars' interest in science. After the success of the Northern Expedition and the unification of the whole China, the Nationalist Government was established and the schools returned to its normal operations. The program was phased out gradually.

2. Summer Institute & Seminars for Science Teachers

The idea and plan for the Summer Institute for Science Teachers was not initiated by the China Foundation. It was pushed by the American science education advisors in the beginning years of the Republic. In 1923, Twiss was invited by the Education Commission of the Kiangsu Province to take charge of a 2-week summer seminar in the South-eastern University. The professors in physics, chemistry and biology of the University acted as instructors to seventy-eight middle school teachers and university students (only 58 were formally registered). Even though the preparation time and equipment were not adequate, Twiss felt it was a success⁽¹⁴⁾. The most important thing about this was that it set an example of training the teachers of the middle schools. This provided them opportunities for short-term training and set a good example for future activities.

The China Medical Board of Rockefeller Foundation, in order to improve the qualities of their medical students, had already engaged in the assistance and upgrade of the pre-medical schools. In 1923, the China Medical Board recruited N. Gist Gee, who had been the biological professor in Soochow University, to be the advisor to the pre-medical school education. He was asked to survey the present conditions of the science education in China, to select grant objects, and to draft project schedule. Based on Twiss' experience in the South-eastern University, the Board cooperated with the National Association for the Advance of Education and the Tsing Hua University to hold a summer research seminar in the Tsing Hua University. The duration of the seminar was extended to 4 weeks and the instructors were increased to 13 with 127 students registered. In the curriculums of physics, chemistry and biology, practical operations and classroom discussions were specially emphasized. The hope was that the students could bring back the new science teaching to the middle schools. According to Gee's report, the experiment received numerous praises from the educators across the nation. Many schools also wished to try the same experiment⁽¹⁵⁾. The National Association for the Advance of

Education published a report to broadcast the message to the educators across the nation. The Medical Board of the Rockefeller Foundation intended to support the South-eastern University to hold another seminar in the University next year to upgrade science teaching of the middle schools in the Yangtze River region. But due to unstable political situation after the May 30th Incidence as well as the troubles in the South-eastern University, the plan was not materialized. Through Gee's relationship with Greene (Gee was in the list of the Advisory Committee on Science Education of the China Foundation), the Medical Board reached an agreement with the China Foundation for the latter to take over the program without the further participation or support from the former⁽¹⁶⁾.

In the summer of 1926, China Foundation officially decided to take over the Summer Institute for Science Teachers. To promote the program, the Foundation planned to expand gradually the program in the north, the south and the central part of China. Consequently in 1927, it picked Nankai University in Tientsin and South-eastern University in Nanking for trial runs. In 1929, the Chekiang University in Hangzhou also joined the program. The participants included 18 universities professors, 130 middle school teachers and over 20 science professors and specialists recruited by the Foundation as instructors. The results of the research and discussions were published and distributed by the Summer Institute to the participating schools for reference⁽¹⁷⁾. In August, science professors, schools representatives and members of the Science Education Advisory Committee of the China Foundation, several dozens of them presented detailed reports of teaching conditions in the schools at the science education meeting held in Peking. They made a number of proposals for the improvement of the program. Among the proposals, the most important one was that the Summer Institute should be replaced by the Summer Schools for the Middle School Science Teacher⁽¹⁸⁾.

The subsidy for the Summer Schools was limited to an annual payment of \$10,000 for each school. The Summer Schools were operated by the schools that had received grants for the professorships. The Foundation requested the educational departments of the central and local governments to have the middle schools to send their teachers to study in the Summer Schools with pay and with guarantee of employment when they returned to their middle schools. The trustees of the Foundation believed, "*such an organization will cover the inadequacies of the Summer Institute as the teachers in the middle schools will receive continuing reeducation. This will be much effective in improving the science teaching*"⁽¹⁹⁾. With this faith, the Foundation contacted the schools with professorships to organize institutes of the middle school science teachers. In 1930 Chengdu University and North-Eastern University started the institutes. The former organized the institute in mathematics/physics and the latter organized the summer institute in physics/ chemistry. The courses were taught by the science professors of the Foundation. The students were selected by the education department of the various county governments. That year, Chengdu University graduated 7 students while the North-Eastern University graduated 22 students. Next year, Manchuria was occupied by the Japanese. As the North-Eastern University stopped operations, the science professorships and the institute could no longer operate. In the south, Amoy University organized a summer seminar of biological research. With grant from the China

Foundation, the seminar lasted 5 weeks from 7/15 to 8/19, 1930. Its nature was similar to the Summer Institutes but it was limited to biology. After the seminar, the Marine Biological Association of China was organized and the Association continued to operate the seminars.

Even though these summer institutes and summer schools/seminars did not solve the problems of the qualities of the middle school science teachers across the nation, they at least did upgrade the teaching technique of the science teachers somewhat. Regrettably, the China Foundation later turned its attention toward the education and research in the universities and its attention to the middle school education and teachers imperceptibly waned.

II. Edit and Translate Science Textbooks

Even though to train the middle school science teachers for promoting the science was a fundamental way to improve the science education, “*suitable textbooks and inexpensive apparatus were even the faster and sharper weapons in developing the science knowledge.*” Sun Shue-Wu, in his letter to H. C. Zen, said: “*for all these years, as our science cannot put down root, the crummy science textbooks should at least share some responsibilities.*” Therefore, he believed that it was necessary to pay attention to the science equipment and textbooks for improving the science education in the middle schools. He thought, “*If we can focus on these two objects, the science education will really take root. Once the root is holding fast, without any further cultivation, leaves will naturally grow lushly*⁽²⁰⁾.”

1. The Advisory Committee on Science Education

In the eyes of the trustees of the China Foundation, “*the improvement of the science textbooks and the adequate supply of the apparatus became an urgent matter that could not be delayed any longer.*” Therefore, the Foundation set up the Advisory Committee on Science Education. The Foundation recruited 10 experts to plan and to take charge of the editing and translating the textbooks of mathematics, physics, chemistry, geology and biology, etc. The Committee was established in February, 1929 at Shanghai. The list of the members of the Committee was as follows:

- 1) Mathematics: Chin Feng (Metropolitan University), Kiang Chiang Tso (Nankai University)
- 2) Physics: K. L. Yen (Kwang-Hua University), Y. T. Yao (Nankai University)
- 3) Chemistry: C. Wang (National Central University), T. Chang (University of Nanking)
- 4) Geology and Geography: J. S. Lee (Metropolitan University), C. C. Chu (National Central University)
- 5) Biology: C. F. Wu (Yenching University), H. H. Hu (Biological Laboratory, Science Society of China)

C. Wang and Chin Fen were elected Chairman and Vice Chairman respectively.

The planned works were as follows:

- 1) The mathematics section should edit and compile the intermediate combined (or mixed) and un-mixed textbooks to be published in a year.
- 2) The remaining 4 sections should edit and compile the third year middle school natural science mixed textbooks also to be published in a year.
- 3) Geology and Geography section should edit and compile a set of maps on China, both provincial and national.
- 4) Biology and Physics sections should edit and compile college textbooks.
- 5) The Committee should compile an outline of the teaching in experiment and entrust to the suitable organizations to manufacture the science equipment and to sell them to the schools at reasonable prices⁽²¹⁾.

The plan was to rectify the inadequacies of the then science textbooks. Since 1922 when the new school systems were decreed, the natural science curriculums in the middle schools followed the mixed mode in four units: the first unit in biology, the second in physics and the third in chemistry and the fourth in physics/chemistry. The contents also included biology, mineralogy, astronomy and meteorology. As a matter of practice, the science textbooks for the middle school were not unified. Some used the mixed textbooks and others used non-mixed ones. As a result, there were duplications and imbalances. In 1928, Wang Chin made a survey in the science textbooks of the middle schools in Kiangsu Province and made the following conclusions, *“The defects of the science teachings in the junior high schools of our nation are not in their contents or their levels, but are due to lack of uniformity in textbooks with contents not meeting the practical needs⁽²²⁾.”* He compared the trends of the European and American science teachings and found out that the American mixed mode was *“better than the European one”* and *“more suitable for China.”* Therefore China should adopt the former. So-called mixed mode was to teach mixed sciences at 1st and 2nd grades and to teach biology at the 3rd grade of the junior high school. For the senior high schools, geology, physics and chemistry were to be taught each for one year. Wang Chin’s view was basically in agreement to the policies of the educational authorities of the Nationalist Government. The Ministry of Education’s the Middle and Primary Schools Teaching Curriculum Drafting Committee approved a draft for the teaching hours of each course. The curriculum included biology, physics and chemistry with mixed textbooks as the standard. Therefore, the Nationalist Government and the educators all agreed that the American mixed textbooks should be the way to go.

As for the contents of the American natural science mixed textbooks, C. Wang analyzed more than ten of them used by the Americans and found out: *“The contents of the textbooks differ little. The only difference is in the way of presentation. Generally speaking, the major thrust of the books is to deal with the daily life of family and society and the science principles to be properly taught at appropriate occasions.”* The weights of the courses were in the following order: physics, geology, biology, physiology, chemistry, household economy and astronomy⁽²³⁾. Even though he did not give an affirmative answer as to how to compile the mixed science textbooks of the middle schools, from what he said it is not difficult to infer that the American textbooks were their models.

To correct the defects of the “*dictionary-style*” textbooks, Wang emphasized the importance of interesting, stimulating and lively books. Under his leadership, the Advisory Committee on the Science Education started to compile and edit separate (non-mixed) subjects and mixed textbooks. But due to the fact that the members of the Committee were all prominent professors in China, they were too busy to actively engage in the work. In August, 1929 at the science education conference held by the China Foundation, Tseng Chao-lun proposed to set up a special editing and translation office to improve the science education in the middle schools. He said even though the Foundation had set up the Advisory Committee on the Science Education, “*the members are all prominent scholars in China and they do not have time to do the job. The experts outside are afraid of the hard work with little profit and they also fear that the books are hard to sell. Therefore the outsiders also hesitate to do the job. Consequently, under the present set-up, it is difficult to see any progress. It is better to hire experts with salary to do the job so that the work will be done by the devoted writers and the results undoubtedly will be much better*”⁽²⁴⁾.” Consequently the Foundation started to think about the reorganization of the Committee.

2. Committee on Editing and Translation

Next year after its reorganization in July, 1930, the Foundation decided to replace the Advisory Committee with the Committee on Editing and Translation to supply the needs for the education and culture. Hu Shih succeeded Wang Chin as the Chairman of the new committee with Chang Tsun as his deputy. Other than the remaining senior members, it recruited V. K. Ting, S. L. Ting, Y. R. Chao, Chen Yuan, Wen Yiduo, Tchen Yin-koh, Fu Ssu-Nien and S. C. Liang. The 13 members were divided into two divisions in history/literature and natural science. The works were also divided into source materials of the history of thoughts, literature and science textbooks⁽²⁵⁾. Hu Shih described the past situation as “*It was disorganized. Of course we do not have to follow the bookshops’ mass production. But it is neither a thoughtful way to let the equally extremely busy scholars to entrust the jobs to the extremely busy students*”⁽²⁶⁾.” Under his leadership, the direction was changed to emphasize on translation while deemphasize editing; and to emphasize the translation of the humanities while deemphasize the science education of the middle schools.

As for natural sciences, even though its volume was less than the literature/history, the new Committee continued the works left by the old Advisory Committee and finished a number of translations. For mathematics, there were *General Mathematics for Junior Middle School* (compiled by Chang Hsin-Hong, Chang Chih-Chi); *Fundamental Concepts of Mathematics* (compiled by Liu Chen-Ching); *Theory of Integers* (compiled and translated by H. T. Hu); *The Theory of Functions* (compiled and translated by Hu Zue-Chi); *Pierpont’s Theory of Functions of a Real Variables* (translated by Koo Chen); and *Introduction to Integral Equations* (written by Ta Li and this was the first book in Chinese on this subject). As for other books of natural sciences, there were *General Science for Junior Middle School* (compiled by Chen Chao-Peng); *General Science Research for Junior Middle School* (compiled by Needham and Li Shun-ching);

Hand-outs on Basic Physics Experiments (compiled by Ting Sie-Lin); *English-Chinese Physics Terminology*; *College Physics*; and *Laboratory Manuals* (compiled by Sah Pen-tung); *The Research of the Atomic Nucleus* (written by Yang Chen-Pan); *Millikan's The Electron* (translated by Chung Hsien); *Lectures on Electronics* (translated by Hou Sho-Chih); *Chemistry for Senior High Schools* (compiled by Tsao Yuan-Yu); *Geography for Junior High Schools* (compiled by Chang Chi-Yun); and *A New Map of China by Province* (compiled by Liu Chih-Sheng & others). Other than these, there were more than 10 books in the process of translation.

This result did not meet the target set by the Advisory Committee. Pushed by Wang Chin, there were some works completed for the general science (mixed) textbooks. There were also some works on mathematics and physics. As for chemistry and geology, there were only one or two completed works. Regrettably there was no completed work on biology. Generally speaking, the Committee provided some science textbooks in Chinese for the middle schools. But for senior high schools and colleges, there was not much to show. The Committee later changed its stance and devoted itself to the translation of advanced works. The educators at that time were not very happy with the translated works because the books did not meet the needs of the Chinese society. For example, Chang Chiang-Shu criticized the translated works as follows:

Of course, translated works seem more useful to us than their originals. For even the advanced countries in science like Europe and the US cannot avoid using the translated works to supplement their insufficiency. As a matter of course, we should also promote the translated works for a under-developing country in science like ours. But translation is not an easy job. The existing translated works are either hard to read or not faithful to the originals. There may be only one out of ten works that is both faithful and fluent. Furthermore, it is a big question mark whether the original source has high quality and is suitable to the Chinese society ⁽²⁷⁾.

Furthermore, even these few translated works were not valued by the educators. In 1930's, the foreign language textbooks were preferred by the universities and even by the middle schools. Some schools even lectured in foreign languages. In 1933, H. C. Zen conducted a survey on the question of how many science courses were conducted in Chinese among the freshmen of the university and the students of the 2nd and 3rd grades of the senior high schools (the former prep school students). The method of his survey was to issue questionnaires to 30 public and private universities with sizable colleges of science and 200 accredited senior high schools across the nation. For the former, there were 20 responses and for the latter, 109 responses. His statistics were as follows ⁽²⁸⁾:

A. Statistics of the Junior Grade Students Science Textbooks in the Universities

Course	Number of Textbooks in English	Number of Textbooks in Chinese	Total
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Mathematics*	12 (100%)	0 (0%)	12
Basic Physics	19 (95%)	1 (5%)	20
Basic Chemistry	19 (95%)	1 (5%)	20
Basic Biology	11 (84%)	2 (16%)	13
Total	61 (93%)	4 (7%)	65

*Included: algebra, plane geometry, solid geometry, trigonometry, and analytical geometry.

B. Statistics of the Basic Physics in the Senior High Schools

Course	Number of Textbooks in English	Number of Textbooks in Chinese	Total
Mathematics	255 (80%)	62 (20%)	317
Physics	117 (70%)	50 (30%)	167
Chemistry	105 (64%)	61 (36%)	166
Biology	19 (21%)	71 (79%)	90
Total	496 (67%)	244 (33%)	740

From the above two tables, we can see that for the freshmen in the universities, 93% of their science textbooks were in English and for the senior high school students, 67% of the science textbooks were also in English. As a matter of fact out of 244 textbooks for the high schools, in reality there were only 57 different versions. Zen thought that the result of the statistics at least proved that “*for more than 10 years, we have trumpeted loudly in pushing for the science education and yet the schools have not even made the minimal effort to teach in Chinese which is the elemental instrument for science education*”⁽²⁹⁾. From his analysis, we can see that there were more of the Chinese biology textbooks and in the senior high schools they even predominated. The reason could be that since the early Republic, biology had developed ahead of other sciences⁽³⁰⁾. Because of the abundant Chinese biological textbooks, the translation efforts of the China Foundation shifted to other natural sciences.

Zen at same time pointed out that “*the textbooks in foreign languages for the senior high schools all were published by American, without a single European textbook in them.*” This situation was criticized by the Education Inspection Commission of the League of Nations for the very strong influence by Americans over the Chinese intellectuals. They further commented that the basic task of the Chinese education was “*not imitation but innovation and adaptation.*” Therefore, for the science teaching in the middle schools, the textbooks in foreign languages should all be banned⁽³¹⁾. The public opinions in China also loudly called for the improvement of education through the compilation of the textbooks. They said:

Unless we do not want to improve our education today, we should ask our people to compile the Chinese science textbooks, with Chinese style, and with adaptations to the Chinese needs. ... It is earnestly hoped that the Chinese scientists, besides researching and teaching, give some of their time to compile some general science textbooks as their obligation to the society. Otherwise, if we do not have science,

how could we have science education ⁽³²⁾?

The China Foundation as a matter of fact pushed the work of editing and translating the science textbook earlier than what the Chinese and foreign critics demanded. Unfortunately, after its reorganization with personnel changes, the Committee's works expanded to include the translations of the humanities, the works in science textbooks were affected and were not actively pushed for. In 1934, when the Executive Committee considered enhancing the efficiency of their enterprises, they compared the works of the Committee on Editing and Translation with those of the National Institute for Compilation and Translation, and Sun Yat-Sen Cultural and Educational House. The Foundation still believed that "*one of these two organizations focus on the modern issues and the other conducts screening of the publications as their major works. Therefore, there are no much of duplications among us*" ⁽³³⁾. Even though Sze Sao-ke wrote a letter to the China Foundation criticizing that the Foundation's involvement in the translation of humanities was not in agreement with the Foundation's major purpose, the Foundation still insisted on expanding its work. Its resources were therefore spread too thinly and this reduced the effectiveness of its works in this area. During the War period, facing the belt-tightening by the Foundation, the Committee eventually could not avoid the fate of being closed down.

III. Experiment Equipment to Promote Researches

When Paul Monroe was invited to China, he was surprised at the fact that the science education in China focused only on lectures but not experiments. The Chinese educators also discussed about the issue. Prof. Wu Chen-Lou of the Peking Normal University taught his students with science experiment equipment. In addition, he urged the schools to provide resources for the science experiment equipment. He said:

The science training cannot all depends on the textbooks. ... For from the standpoint of theories or applications, the experiments are the basis. There is no science without experiments. Without experiments, the science cannot be learnt ⁽³⁴⁾.

According to his statistics the number of the middle schools with the laboratory equipment was less than that of the universities. So he said, "*The crucial point of the science education is to develop the science education in the middle schools. For our long-term development in science, we should start with the science equipment which are sorely lacking in the middle schools*" ⁽³⁵⁾.

1. Middle Schools

In the early stage, the China Foundation planned to improve the science education through the middle schools. Because of the huge numbers of the middle schools, the Foundation could not provide help to every middle school. So the Foundation used the indirect method of developing the science teachers in order to improve the science education in the middle schools. However, the Foundation also found other direct ways to improve the science education in the middle schools. In addition to asking the science

professors to take charge to improve the science teaching of their affiliated practice middle schools or other middle schools in their school districts and to push for the compilation of the science textbooks, the China Foundation also in 1926 selected for grants to the grant-requesting middle schools that were established earlier and emphasized more on the science education. The three private schools, Nankai, Tso Yee and Minteh middle schools, were selected with one year grant to expand their science equipment, in the hope of improving their teaching effectiveness. Unfortunately after one year the project were stopped. From then on the Foundation only gave grants to the universities or junior colleges.

At the 4th Annual Meeting in June, 1928, Acting Director Y. T. Tsur proposed three supplementary regulations for grants. One of them was, “*only grant to the schools on the middle level*”. Would “the schools on the middle level” include middle schools? The phrase was vague but from its grants after the Foundation’s reorganization, there was every indication that middle schools were excluded. Why had its grant policies been changed so much? The reason may be due to the trustees such as Hu Shih and Greene who put greater emphasis on the college education. The trustees who were educators mostly came from universities. The Peking Union Medical College under the leadership of Greene also emphasized the development of the elites in the medical field as its educational purpose. As early as the establishment of the Foundation, Greene’s view on the grant policies was different from that of Monroe. Greene emphasized higher education and science research, while Monroe cared more about the middle school education and the popularization of education. Especially after the reorganization of the Foundation, Greene had been long-term member of the Executive Committee and actively involved in the Foundation’s decisions. Monroe stayed in the U.S. and besides of China Institute in America as a trustee, he lost touch with the Foundation’s operations. Therefore this drastic change of the Foundation’s policies might have some connections with the ebbs and flows of the influences of these two trustees.

Other than the difference views of the trustees toward education, the major reason was limited resources of the Foundation. As early as the establishment of the Foundation, the discussion on whether the Foundation should directly subsidize the middle schools had already become a hot topic. Based on the report of the Commission of Investigation of Science Teaching, the Foundation fixed the policy of developing the science teachers as an indirect way to support the schools, rather than providing direct grants to the middle schools. The reason was, “*there were more than 800 middle schools to be surveyed. It cannot be done at once. If we give grant to one school, others will follow suit and we would be hard put to deal with it*”⁽³⁶⁾. In 1935, Monroe again proposed to survey the present education conditions of the middle and primary schools. The Executive Committee drafted a plan for survey, with an estimated cost of CN\$66,000 for hiring experts and their travel expenses, printing expenses and other expenditures. The Executive Committee thought that on the one hand it was hard to ask the schools to lend their experts with rich experiences and high academic backgrounds. On the other hand the finance was very tight at that time and “*it was doubtful the Foundation had the extra energy to do this job.*” The plan was tabled⁽³⁷⁾. Since the Science Professorship in Normal Colleges program had been stopped and the proposed direct grants to the middle schools

were also suspended, there were no more voices supporting the education of the middle and primary schools at the various meetings of the Foundation.

2. Universities

Before 1921, there were only 5 national universities and 8 private universities in China. But after 1922 when new school system was announced, as the restriction to establish schools had been loosened in 1931, there were more than 70 universities. The 10-year growth is listed below⁽³⁸⁾:

Year	Public	Private	Total
1922	10	9	19
1923	19	10	29
1924	30	11	41
1925	34	13	47
1926	37	14	51
1927	34	18	52
1928	28	21	49
1929	29	21	50
1930	32	27	59
1931	36	37	73

For more than ten years, the curriculums in the universities emphasized the humanities while deemphasized the sciences. The distribution of the departments of the universities shows that science departments, including natural sciences, agricultural, engineering and medical department, only accounted for 10% in total. For the number of the students the science departments accounted for 30%. In 1932, the Government ordered universities to promote their science departments. This would “*stop the expansion of the liberal arts departments and encourage the expansion of the existing science departments such as engineering, agricultural and medicine*”⁽³⁹⁾. This caused some controversies in the field of education; however the attention toward science had become the general trend.

From 1926, the Foundation started to give grants to the universities for science equipment. Up to the breakout of the Sino-Japanese War, it had given grants to 36 universities. (See Table 4-1) Even though right from the start, the Foundation took care to emphasize the even distribution of the different regions in its grant policies, however, the grants at this period to south China and central China (8 universities in Shanghai) accounted for more than half of the grants. Other dozen of the grant-receiving universities spread among north China (8 universities), south-western China (4 universities) and north-eastern China (1 university).

The grants to the universities can be classified into two categories: (1) for additional science teaching and research equipment: the College of Science, Central University; Nankai; Wu-Han Universities; Amoy University; Kwang-Hua University; Ta-Tung University; Ta-Hsia University; Hujiang University; Soochow University; North-Eastern University; Szechuan University; and Chekiang University, and (2) for

specific departments, especially agricultural, engineering and medical departments: the College of Agriculture, Central University; the College of Agriculture, and Education Graduate School, Chung Shan University; the College of Agriculture, Private University of Nanking; the College of Agriculture, Ling-Nan University; the Graduate School of Industries, University of Communications; National College of Engineering; the Medical College of Shanghai; and the Medical College of Chee-Loo University. These two categories shared equal amounts of grants. In review of the effectiveness of its grants, the China Foundation found the pros and cons of this way of grants as follows:

Generally speaking, the effects of the grants to the specific projects are easy to see, while those of the grants to educational institutions are hard to assess for the grants are used mostly in maintenance of the equipment⁽⁴⁰⁾.

Table 4-1: Grants to Schools

Schools	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	Total
Nankai U	45,000	30,000	50,000	30,000	20,000	30,000	30,000	30,000	30,000	20,000	20,000	335,000
Futan U	7,500	2,500										10,000
Chung Hua U	4,500		4,000									8,500
Hua-Chung U									9,000	5,000	6,000	20,000
Tatung U	10,000	10,000	20,000			10,000						50,000
Huchiang U						10,000				5,000		15,000
Tahsia U						10,000						10,000
Kwaghua U			10,000			10,000						20,000
Amoy U				5,500	1,588	30,000	30,000	30,000	20,000	3,000	8,000	128,088
Soochow U					2,000	2,000	2,000					6,000
Yenching U							25,000	25,000		15,000	15,000	80,000
Fukian Union								12,000				12,000
Huanan Woman								8,000				8,000
Boone Library	10,000	2,500	8,750	20,000	13,500	17,100	17,100	15,000	15,000	15,000	15,000	148,950
Natl Music C						10,000						10,000
Natl Peking U	15,000		15,000									30,000
Peiping Normal	10,000	12,000					3,250					25,250
Northeastern U	8,000	8,000										16,000
Tonhlu U			30,000									30,000
Szechuan U	8,000	3,000									5,000	16,000
Kwanghsi U										5,000	5,000	10,000
Chekiang U						30,000						30,000
Wuhan U					50,000	42,500	30,000	50,000	50,000			222,500
Tungchi					20,000							20,000
Central U	32,250	43,000	90,000	65,000	55,000	75,000	60,000				10,000	430,250
Nanking U					10,000	10,000	10,000	15,000	15,000	5,000	6,000	71,000
Lingnan U	15,000	15,000	25,000	10,000	10,000	10,000	10,000	15,000	15,000	4,000	5,000	134,000
Chungshan U	5,500	10,000			5,000	30,000	30,000	25,000	15,000	10,000	10,000	140,500
U Commu	37,500				40,000	60,000	20,000					157,500
Peiyang Eng.				50,000		10,000					20,250	80,250
Hepei Eng. C					10,000							10,000
Fuchung M.			10,000									10,000

Sianya Med.	45,000											45,000
Shanghai Med								30,000	30,000	30,000	30,000	120,000
Cheeloo U										14,000	14,000	28,000
Huasi Union											25,000	25,000
Sub-total	253,250	136,000	262,750	180,500	237,088	396,600	267,350	255,000	199,000	126,000	199,250	2,512,788

To enhance the effectiveness of the grants and to avoid duplications, the China Foundation opted for more cooperated projects. Therefore the Foundation set down two principles for grants as follows:

- 1) Grants to educational institutions should be limited to well-planned co-operative programs capable of raising the standard of the recipients. Grants toward ordinary equipment and maintenance were to be gradually stopped.
- 2) For specific projects, preference should be given to those capable of producing practical results and requiring continued support on a comparative large scale. Sundry grants frittering away the Foundation's fund should be avoided.⁽⁴¹⁾

With such principles, the Foundation should deflect some of the outside criticisms.

As mentioned in the previous chapter, the people in education had many doubts about and criticisms on the grant policies of the China Foundation. Even though the Foundation had given its explanations, in facts, the Foundation's early grant-receiving institutions were somewhat related to its trustees. The reason that the National Peking University, the National Normal University in Peking, Nankai University and South-eastern University received grants was indeed because these schools had relative strong foundation in their science departments. But it cannot be denied that another important reason was that the presidents or trustees of those schools, such as Chiang Monlin, Fan Yuan-lien, Huang Yen-Pei, Chang Po-ling and P. W. Kuo were all trustees of the China Foundation. Besides, Greene was both the representative of the Medical Board of China, Rockefeller Foundation and the trustee of the China Foundation. He had major influence in the grant policies of both organizations. For example, in order to upgrade the quality of the students in the Peking Union Medical College, the Medical Board from 1914 on subsidized Yenching University to develop its college of sciences in order for the college to become a cradle of the pre-medical education. Under the influence of Greene, in 1932 and 1933 the China Foundation also granted Yenching University \$25,000 for the water pipe and air duct insulation works, and installation of the diesel generator. In 1935 and 1936, together with the Medical Board of the Rockefeller Foundation it provided grants to Yenching University for purchase of the science equipment⁽⁴²⁾. For another example, the missionary-operated Fukien Union University received huge grants from the Medical Board as early as 1918 to hire professors and to purchase equipment. The Pre-Medical Department of this school was the pre-medical department of the Peiping Union Medical College. Its courses were integrated with that of Peiping Union Medical College⁽⁴³⁾. The China Foundation in 1933 gave the Fukien Union University \$12,000 for science teaching and research equipments. This also happened to Amoy University and Soochow University. From here we can find out that these two foundations often complemented as well as cooperated with each other in providing grants to science

education in China.

Among the private universities operated by Chinese, Nankai University had stable growth with good academic reputation and its science departments had been developing steadily. As early as in 1923, the Rockefeller Foundation helped the school to build a science hall with a total cost of CN\$190,000. The Rockefeller Foundation subsidized the school \$100,000 for the building expenditure and \$25,000 for equipment. It also provided a subsidy of \$6,750 per year for hiring new teachers⁽⁴⁴⁾. After its establishment, the China Foundation gave a high mark to the school. The trustees believed the school “*works very hard with high efficiency and is far superior to other private universities.*” The school was especially devoted to its science departments and its physics and chemistry department had gain better accomplishment. Therefore, the China Foundation provided the school with a special grant designated for improving the science teaching and research and purchasing new books⁽⁴⁵⁾. The annual expenditure of their science departments was as follows⁽⁴⁶⁾:

1924	\$29,498
1925	52,805
1926	57,758
1927	62,795
1928	68,084
1929	73,638

From 1926 on, the China Foundation provided annual grants of \$30,000 to 50,000 for equipment. The schools had completed the building of a new laboratory of thermodynamics. It also had purchased material, equipments and books for the lab. This made their lab well equipped for teachers to conduct researches in a good environment. They annually published research papers and were well received. This special favor by the China Foundation had incurred criticisms from others. A number of students studied in France wrote letters to newspapers and criticized that the China Foundation’s grant policies were based on personal connections. They also charged that this was a way to Americanize the universities in China⁽⁴⁷⁾. Anyway, it was an undisputable fact that the China Foundation and the Rockefeller Foundation worked together to support the Nankai University.

Generally speaking, due to unstable revenue sources, the private universities found it difficult to develop their science departments. At the beginning of its establishment, the China Foundation provided grants to support the biological college of Fudan University. The Foundation also subsidized the University of Central China in Wuchang for expansion of their physics and chemistry departments. But in 1926 and 1927, the two schools suspended their operations. Therefore the original plan of 3-year grants was scrapped. Among the universities in Southern China, Amoy University, with its location near the sea, was suitable for studying marine biology. The Rockefeller Foundation had supported the Society of Marine Biology in China to conduct seminars in this school with a portion of grant from the China Foundation. As the seminars were successful, the China Foundation decided to subsidize its colleges of science and education. With the grant, this

school purchased lab equipment, hired 2 professors, increased 20% of its courses, and the number of student had increased for 50%. After classes, the professors conducted researches and survey of the marine products around the coastal area of Fukien Province. At the same time, the biological materials department increased its supplies of specimen. The European and American universities especially liked to order specimen of Amoy Amphioxus and electric rays. The China Foundation was very supportive of the similar biomaterial departments. For example, the Foundation provided 3-year grants to the biological materials department of the Soochow University. Its business bloomed and 48 middle schools, 30 universities in China and 10 foreign institutions and 109 other organizations and individuals ordered the biomaterials from them. This had considerable contribution to the teaching of biology⁽⁴⁸⁾.

The China Foundation's supports to the public universities concentrated in applied sciences education such as agricultural, engineering and medical schools, such as Agricultural College, the South-eastern University (later changed name to the Central University); the Agricultural College, Chung-Shan University; University of Communications (the former Nanyang University); the Medical College of Shanghai; and Medical College, Central University, etc. These will be described later on. Among the science colleges of the public universities, the Foundation gave more support to Wuhan University. In 1929, Wang Shih-Chieh was appointed the president of the university. The school progressed steadily. The Foundation believed, "*The school is situated at the center of China and with its progress in the future, it will have great contribution to the science education in China.*" Therefore, the Foundation decided from 1931 on to grant the school annually a huge sum of \$50,000. The funds were to be used for purchase of the air-liquefier, batteries, metal/wood factory, photoelectric instruments, and radio station etc. Besides, the Foundation also gave grants to the school for building library⁽⁴⁹⁾.

The National University of Peking (also called Peking University or Peita) was established in the late Ching Dynasty period. It enjoyed a high reputation in the educational field of the early Republic and it was the first school to receive grants from the Foundation. The Board of the China Foundation explained the reasons of supporting the science departments of the university as follows:

Among its science departments, the physics department is better equipped with lab instruments. The department has 5 physics labs, and one lab each for electric vibration, applied electronic, and x-ray. It also has 3 optics labs. It is also equipped with machine rooms, research rooms and reading rooms. These rank the department number one of the nation. With such good foundation, it is easy for its people to engage in research works. The reason for the Foundation to subsidize the department is to bolster its equipment as a model for research in China and is not just for the development of the department itself⁽⁵⁰⁾.

But since 1926, the university was in dire straits. It experienced a series of crises. There were talks of merger or even abolishment of the school. The school was on the brink of collapse and the China Foundation was unable to continue its support to the school.

Even in 1928, after the success of the Nationalists' Northern Expedition and the nation was reunited, the university was still in a very unstable condition. Chiang Monlin decided to be the president of the school. His determination to reorganize the administration of the school was supported by the China Foundation. Greene, Hu Shih and Fu Ssu-Nien all were in favor of helping Chiang's reorganization efforts to improve the higher education in Peking. The thorniest problem for the university was lack of funds. At that time, due to unstable sources of income the professors' salaries were too low, not even mentioning lack of books and equipment. To tackle the problems, the Foundation after repeated discussions drafted a practical plan. In 5-year period, the Foundation and the university each contributed \$200,000 per year with a total of \$2,000,000 in 5 years as a special Research Fund. The special Research Fund was to be used for maintaining research professorships and full-time professors, scholarships and for purchasing books, instruments and equipment. Chiang estimated that under the cooperation program the school could maintain 9 research professorships each with an average annual salaries of CN\$7,000, 15 full-time professors with an average annual salaries of \$5,400 each, 15 scholarships with \$600 each and 12 graduate students studying abroad with the stipend of \$10,000 each. Over \$200,000 of the remaining fund could be used to purchase books, instrument and to refurbish the libraries and laboratories⁽⁵¹⁾.

In January, 1931, with the proposal from Greene, the Board approved the cooperation agreement with the Peking University to set up a special Research Fund. The Director H. C. Zen together with Chiang Monlin, President of Peking University appointed Hu Shih, Wong Wen-hao, Fu Ssu-Nien, L.K. Tao and H. F. Sun as the members of the advisory committee in charge of selecting the professor candidates and the use of the funds. In 1934, the agreement was amended. From 1934 to 1937 (an extension of 2 more years), the Foundation contributed \$100,000 per year while the university contributed \$200,000 per year to the Research Fund. The Fund was supposed to last until 1937, but due to the Sino-Japanese War, the cooperation was terminated earlier and in 1936 neither of them had paid their full quotas, as shown by the following table:

Year	Research Prof. Salaries	Equipment & Books	Scholarship Expenses	Building	Maintenance	Others	Reserve	Total
1931	88,300	161,700						250,000
1932	132,000	165,000	9,900	80,000	7,200	5,900		400,000
1933	126,000	168,500	9,900	75,000	7,200	1,000	12,400	400,000
1934	120,600	102,000	9,900	50,000	5,760		11,740	300,000
1935	123,600	102,000	13,900	50,000	5,760		4,740	300,000
1936	120,000	106,650	13,900		5,760	50,000	3,690	300,000
Total	710,500	805,850	57,500	255,000	31,680	56,900	32,570	1,950,000

From the above list, we can see that from the total amount of grants, 41.3% was used to expand research equipment, books and instruments, 36.4% was used as salaries for research professor, only 3% was used for students scholarships. Interestingly, building expenses which were not in the agreement became an important item and accounted for 13% of the total.

Before 1931, the assessed value of equipment of the Peking University was far below of other national universities. For example, the following is a list of the value of equipment among the national universities in 1931 ⁽⁵²⁾:

Wuhan University	CN\$910,070
Tsing Hua University	511,096
Central University	436,342
Chung-Shan University	186,084
Peiping University	105,350
Peking University	30,917

But since 1931 with the subsidies from the China Foundation, the equipment of the Peking University improved dramatically. Among them, instruments and supplies of the chemistry department increased the most and were followed by the physics, biology, psychology, geology and mathematics departments. Up to 1935, the lab equipments were worth more than half a million dollars. They had 6,200 instruments, 16,700 specimen and 3,100 lab supplies and equipment ⁽⁵³⁾.

As for the research professors, from 1931 to 1935, the Research Fund was used to hire 16 to 22 professors per year. The following is a list of professors:

College of Liberal Arts --

Tang Yung-tung	(Philosophy)
Chen Shou-yi	(History)
Chow Tso-jen	(Literature)
Liu Fu	(Literature)
Hsu Chih-mou	(Western Literature)
Chang Yi	(Philosophy)
S. C. Liang	(English Literature)
George K. C. Yeh	(Foreign Literature)

College of Sciences --

Feng Tsu-shun	(Mathematics)
Wang Shou-ching	(Physics)
Leo Soo-tsi	(Chemistry)
Tseng Chao-lun	(Chemistry)
Hsu Hsiang	(Botany)
Wang Ging-hsi	(Psychology)
V. K. Ting	(Geology)
J. S. Lee	(Geology)
Kiang Tsai-han	(Mathematics)
Sah Peng-tung	(Physics)
Hsia Chia-yung	(Geology)
Chang Ching-yueh	(Biology)
Y. T. Yao	(Physics)
Chu Woo-hua	(Physics)
A. W. Grabau	(Paleontology)
Emanuel Sperner	(Mathematics)

W. F. Osgood	(Mathematics)
College of Law --	
Chao Nai-t'uan	(Economics)
Liu Chih-yang	(Law)
Chang Chung-fu	(Political Science)
Wu Ting-liang	(Statistics)

Among them, Leo Soo-tsi was the then dean of the College of Sciences. Chen Shou-yi, Chang Yi, Feng Tsu-shun, Wang Sou-ching, Tseng Chao-lun, J. S. Lee, Chang Ching-yueh, Y. T. Yao, Chao Nai-t'uan, and Chang Chung-fu were then department heads. The grant had a profound influence in the development of the colleges of sciences of the Peking University. Peking University especially recognized the true meaning of this grant by saying:

Since 1931, our school received your Foundation's support in jointly establishing the special Research Fund. During the five and half year time, not only physically we have been able to increase books, instruments, buildings and other equipment, but also spiritually we have changed for better in improving the esprit de corps, the way of research, the curriculums and the number of the full-time professors ⁽⁵⁴⁾.

The Foundation's grants to Peking University were an exception. Except its early grants to the college of sciences, since 1932, the special Research Fund appropriations were not listed in the category of grants. They were put in the expenditure of the cooperated enterprises. This special treatment attracted a lot of protests from other schools. Peking-Tientsin-Shanghai Universities Reading Movement United Council intended to expose the "black screen" of the China Foundation and they issued a stinging statement. In it, the Council said that since the establishment the China Foundation it had been "under the control of ambitious educational tsars from the Peita (Peking University), like Tsai Yuan-Pei, Chiang Monlin, Li Yu-Ying, Hu Shih, Y. C. Chao and H. C. Zen, etc. Since they conquered the major territories of the universities across the nation they have become arrogant and feel invulnerable to criticisms and think they can do whatever they like with impunity. They are supposed to promote culture and yet the culture is being destroyed. They are supposed to develop education and yet the education is being trampled by them" ⁽⁵⁵⁾." They further asserted that the reason Peita could receive such a lopsided favor from the China Foundation is none other than its private connections with the trustees of the Foundation. Faced with such criticisms, the Foundation did not respond. But in response to the criticism from Cheng Chi-Bao, a professor of the Central University, Zen gave a more detailed explanation. In his article, *Boxer Indemnity Returned Funds and Education*, Cheng commented, "Most returned funds of the Boxer Indemnity were entrusted to a few persons and these few persons, we are afraid, control the use of these funds." He further commented, "So-called promotion and so-called assistance is piecemeal works without over-all planning. Consequently there are no priorities in these." In addition, he felt it is unfair that Peita could received a whopping \$200,000 annually as support, while the Department of Education, Central University could not even receive a pitiful grant of \$10,000. Zen's reply is as follows:

The China Foundation's grants have a major theme, that is, to develop the natural science of our nation. To develop the natural science, we have to promote the science researches. ... To Mr. Cheng, these grants may seem tailor-made in catering to private interests. But in reality, they are products of the well-planned major policy. As for concentration of financial resources on some effective projects, this is actually one of the major policies of the China Foundation in recent years⁽⁵⁶⁾.

These criticisms, whether mild or sharp, had always dogged the China Foundation since its establishment. Naturally, the trustees had tried to navigate around these shoals, but they cannot avoid all of them. For example, after the War, many universities wished to borrow foreign exchange funds from the Foundation to boost their science equipments. Hu Shih, in representing Peita, wished to borrow US\$100,000 to bolster Peking University's physics department. In his letter he said:

I gave some thoughts about this. In Peita, our colleagues have never protested against the US\$100,000 loan to the physics department. I am afraid that other schools will not be so smooth. It seems a good idea to start with the Peita as a precedent for other universities⁽⁵⁷⁾.

For this matter, Y. T. Yao wrote a letter to Zen claiming that the reason the physics department of Peita had some accomplishments over the years was mostly because of the support and encouragement from the China Foundation. The loan this time also would boost the physics department. In order to receive the loan earlier, Yao pleaded:

I dare to use our personal friendship to ask my big brother to give us the loan to be used in the U.S. as early as possible. In the meantime, the instructions of the payment should be specified to pay to the order of Wu Ta-You and Ma Shih-Chun so that we can order the equipments sooner. We intend to use the equipments to do some important and meaningful projects without waste of a single penny⁽⁵⁸⁾.

Since the request was based on “*personal friendship*”, could the Director ignore it? It is doubtful. Even without considering the truth of the claim that the Foundation was in the hands of a few “*educational tsars from Peita*”, it cannot be denied that the favors given by the Foundation to the Peita were largely influenced by such trustees as Hu Shih who were indeed related to the Peita as its professors.

Chapter 5: Science Applications

From the early Republic to the Sino-Japanese War, even until 1980's, there had been many discussions in the academic circles in China about the contents and the relationships between “pure” and “applied” sciences. In 1920's and 1930's, the people in academic field basically believed that both were equally important. Tsai Yuan-Pei was a representative with this view. He said:

Science research basically should not be undertaken only for the sole purpose of applications. Some of the most important scientific facts with the most practical value were discovered serendipitously during research in pure science. ... While results of research in pure science will become the basis for science applications; the works on the science applications often provide new leads and new instruments for the pure science. Both of them should be taken care of. Otherwise, if approached lopsidedly, both of them will come to nothing⁽¹⁾.

V. K. Ting and L.K. Tao also believed that the science was an integral whole and there were no difference between the pure and applied sciences. The distinction was only for convenience. It would be more appropriate to say “*applications of science*” than to say “*applied sciences*”⁽²⁾. Even though for the scholars and politicians there was a gradual tilt toward science applications, there had always been a force to counterbalance the overstress of science applications. For example, in 1932, Chen Guofu proposed a total restructuring of education. He proposed to close the departments of literature, law and arts, etc. in higher education and redeployed the resources to the expansion of the departments of agriculture, engineering and medicine. Tsiang T'ing Fu criticized that the fundamental thinking behind Chen's proposal was to use the studies of agriculture, engineering and medicine as the educational tools for money making. Tsiang believed the proposal was lack of any objectively careful study and over-all planning. He thought that the proposal, if passed, was nothing but a sheet of empty paper and even if it was put to work, the result was to be only superficial and short-lived⁽³⁾.

From the beginning, the China Foundation treated as its scope of businesses science education, science research and science application with equal emphasis. The trustees had different ideas about this. For example there were Monroe vs. Greene and Wong Wen-hao vs. Hu Shih as mentioned in the previous chapter. However, the Foundation did not truly treat the promotion of science application as the most important task. It did not provide grants to science applications under the categories of self-conducted and cooperative enterprises. It only gave grants relating to the science applications to certain specialized colleges under the category of subsidized institutions. To the Foundation, the “*scope of the applied sciences is too wide and resources-hungry*.” Therefore it focused its support on agriculture, engineering and medicine. Even in these 3 fields, any one of them would need a huge amount of monies if fully supported. As the Foundation “*cannot do it alone*”, it was forced by reality to give them partial supports. The Foundation could only “*select a*

few well-accomplished specialized schools in these three fields for subsidies, with the hope that after a few years' support, those schools would come up with good results and other schools could emulate them later. The subsidies by then could be switched to the new ones for diffusion⁽⁴⁾. ”

I. Education, Research and Promotion of Agriculture

The developments of agriculture since the establishment of the Republic generally went through 4 phases. At the first phase before 1917, Peking and various provinces began to set up agricultural schools and experimental farms without much improvement in either agriculture or agricultural education. At the second phase from 1917 to 1933 the agricultural colleges were being established by various provinces. During this period, there were 12 universities with agricultural college. Among these, the agricultural college of the Private University of Nanking and the Department of Agriculture, Nanking Higher Normal School, according to Shen Tsung-Han, “*worked hard to integrate the education, research and promotion of agriculture. In addition to teaching, the professors also did researches, conducted agricultural surveys and promoted agriculture. Only until students have developed deeper understanding of the problems of agriculture in China, the gap between education and its applications could be bridged. From now on Nanking becomes the center of the agricultural development in China*⁽⁵⁾.” The 3rd stage spanned from 1933 to 1948. The Ministry of the Industries established the Central Agricultural Laboratory, and National Economic Committee established the Central Cotton Production Improvement Center. The Executive Yuan established the National Rice Improvement Institute. The three institutes were all in Nanking and they cooperated closely. The research and promotion had been gradually taken over by the central Government. The 4th stage came after 1949 when the Sino-American Joint Commission on Rural Reconstruction did the most works in Taiwan.

In the second stage, the China Foundation focused its grants on agricultural education in the agricultural colleges of the Private University of Nanking and the South-eastern University (later called Central University) in Nanking.

The Director H. C. Zen of the Foundation considered that agricultural education fell under the scope of applied sciences. The purpose of it was to use scientific methods to find solutions to the agricultural problems, and also “*with the ultimate aim to promoting the solutions to the farmers in the most effective way.*” Therefore the major tasks for the agricultural schools were first to develop researchers and second to develop promoters. “*The first category is related to academic research and the second category is related to organization and administration. Smaller numbers of researchers are needed but it is more difficult to develop such talents, while larger numbers of promoters are needed and yet it is easier to develop them. If they cannot take both categories into account, the agricultural schools at least should devote its teaching to the former at the expense of the latter.*” Unfortunately, at that time the agricultural schools went the opposite way and failed on both ends, for they could neither develop agricultural researchers, nor promote agriculture. Therefore Zen believed that the agricultural education should go through the following 3 stages: (1) Education of academics (2) Education to develop talents and (3)

Education to popularize the best technologies to the farmers⁽⁶⁾; in other words, research, teaching, and promotion. The Foundation's support to the agricultural education was also focusing on these 3 aspects.

The Agricultural College of the Private University of Nanking was established in 1914 with the donation from the American missionary. Its dean, Joseph Bailie was known as "*the father of the modern agricultural education in China*"⁽⁷⁾. Later on, J. H. Reisner, a graduate of the Department of Agronomy of Yale University, succeeded his position. They worked hard to make it an agricultural college that studied the agricultural issues and trained the agricultural specialists in China. Due to the limited resources and yet more freedom in management as a private college, even though with lack of such departments as animal husbandry and veterinary, they could devote more energies in certain important subjects, such as thremmatology (breeding research). In 1924, the Private University of Nanking signed a 5-year agreement with Cornell University and the International Educational Board of the Rockefeller Foundation to engage in the improvement of the agriculture production in China. Reisner's teacher, H. H. Love came to China to start the cooperation project, with other professors succeeding him. They worked with the north China missionary farms, by providing support of technology, personnel and funds. They tried to improve the production of wheat, barley, sorghum, millet, and soybean etc., with major emphasis on the wheat and sorghum. Every summer, under the leadership of the Cornell University professors, they gathered the breeding specialists of the farms to learn new breeding techniques and to review the results of the previous breeding experiments. This international cooperation was a great success and the work on thremmatology in the Private University of Nanking had been progressing rapidly in teaching, experiments, research and promotion. It was praised as "*the topnotch school in this field either in China or abroad*"⁽⁸⁾.

In 1930, the China Foundation decided to provide subsidy to the college to continue the cooperation project. The grants were specified to be used for the research equipment in the department of agronomy and the section of plant pathology. Shen Tsung-Han, the head of the Department of Agronomy took charge to engage in crops partition experiments, and to research chiefly on genetics and pathology. For the experiment to increase yield, the emphasis was on rice, sorghum and wheat as they were the major food sources in China. They designated experimental farm areas in north and central China. They organized cooperative experimental farms. The best breeds from the farms were distributed to other regions for planting. They received high marks for these. As for the genetics, they concentrated in wheat and rice. They studied nematode-resistance and the mode of inheritance of the hairy leaf and awns. Up to 1935, they produced a number of new varieties of wheat, such as King-ta 2905, Tsinan 195, Kaifeng 124 and Hsuchou 438, etc. with resistance to wheat flag smut and line pests. They test planted the new varieties in Nanking, Kaifeng and Nan Sou Chou with 15 to 30% increased yields vis-à-vis the local varieties. With such a good results, they introduced first the new strains to the farmers with great benefits. Later they found a new variety of rice and test planting it. It proved to be more productive than the local strains. Percentage-wise it also resisted better against borer pests. As for the plant pests, they worked only on rice. They first surveyed the belts of Peking-Shanghai and Shanghai-Hangchow, with detailed study of the kinds of pest,

their distribution and environment. For helminthosporium blight, kernel smut, stem blight, rice plague, picularia (rice blast) and rhizoctonia sheath blight etc., in addition to study their life cycles and the paths of the disease transmission, the team also developed and promoted disease-resistant varieties against the plagues with success⁽⁹⁾.

Under the leadership of P. W. Kuo, the South-eastern University (the predecessor of the National Central University) had progressed steadily. Kuo had a close relationship with the local gentries of the Kiangsu Province. The funding source came mainly from the local military governments. Because he received a PhD in education from the Columbia University, he also had good relationship with the American educators. Therefore, after its science classrooms were burnt down in 1923, the Rockefeller Foundation treated the university as same as the Nankai University and donated \$140,000 as a counter-fund for building a 280 ft by 75 ft 3-storied Science Hall. In 1926, the annual budget of the school was \$350,000 to \$400,000 while that of the college of science accounted for \$80,000⁽¹⁰⁾. As a result the College of Science had grown rapidly. The China Foundation gave a one-year grant to the South-eastern University which later was renamed Central University for the college of science to purchase the equipment for the physics and the chemistry departments. However the major grants from the Foundation were given to its colleges of agriculture and medicine.

The college of agriculture of the South-eastern University was established in 1917. Under the leadership of P. W. Kuo, its major works were: (1) breeding research; (2) planting research; (3) research on the improvement of the farm implements; (4) research on cotton; and (5) research on pests. At its early years, the Central University formed a Plant Improvement Committee to enhance the progress of agriculture. The China Foundation's grants to them were only to be used to maintain their works on the improvement and promotion of cotton, wheat and rice. For cotton, the experimental works were on the discovery of the disease-resistant cotton, early-ripe cotton and five-cell varieties of cotton, the determination of the percentages of the cross-breeding in natural environment, and the comparison between breeding of the American and Chinese cottons. For wheat, the works was focused on the classification of the Chinese wheat, the analysis of pure varieties, research on wind-resistance, observation of the appropriate time for pollination and the research of the growth stages and genetics of the ears of wheat. As for rice, the works were on the genetics of the infertility of the hybrid rice and physiological study of the flowering and fruit-bearing and other tests of the technologies in the rice paddies. In general, the experimental works emphasized the observation of the different breeds, breeding experiments, genetics research, technology of testing breeds, comparison of fertilizers, and pest control, etc. As for the promotion, they distributed more than 3,000 *piculs* (60.52 kilos per *picul*) in weight of the superior seeds to the famers in Shanghai, Kunshan and Chengchou. They guided the farmers in planting and promoted the sales through the cooperatives⁽¹¹⁾.

The agricultural college of the Ling-Nan University consisted of departments for farming, horticulture, stock-raising and sericulture. Among them, the department of sericulture was the most accomplished as silk was one of the most important industrial products in Kwang Tung Province. The university established the Bureau for Improving

Sericulture in Kwang Tung and cooperated with the Ling-Nan Agricultural Products Company to operate an agricultural implement factory with great contributions to the improvement of the agriculture in Kwang Tung Province. The grants by the China Foundation to its schools were “*dedicated to the research of the silkworm diseases, plant pathology and the promotion of the results of the researches in helping the development of agriculture in Kwang Tung Province.*” As for the silkworm diseases, the research was devoted to the origin and prevention of pebrine disease, flacherie, silkworm sclerosis; comparison of the disease-resistance of different silkworm; and experiments of the germ-free living environments of the silkworms. They kept records of the diseases of the silkworms and made surveys of the pests in the silkworm producing regions of the Kwang Tung Province. They had done a good job in these works, especially in pebrine disease. The lab of the school produced disease-free silkworm eggs. Produced by the breeding department, the eggs were distributed to the silkworm breeders for productions. The disease-free eggs could reduce the pebrine disease to less than 1% of the silkworm population and also reduce the softening disease and sclerosis. However, there were no effective cure on pus silkworm disease and stiff silkworm disease. For plant pathology, in the early years, there was no one in charge and therefore there was nothing to show in this respect. Since 1933, under the charge of Lu Ta-Ching, they started to investigate the plant pests relating to fruit plants, vegetable and grains. They completed the following works: (1) Index of the Pathogens in Kwang Tung Province; (2) Citrus and Rice Pathogen Research; and (3) Survey of the Plant pathogens in Haikou, Wenchang and Leichou. As for promotion, in addition to survey and compile statistics on the silk industry of Kwang Tung, they investigated the financing and labor conditions of the silk factories; and researched the social and economic problems of the silk farmers. The college also established promotion centers in Shun-Deh, Low-Chong, Luc-hou and Sue-Teng; formed Silk Industry Promotion Society to improve the silkworm breeds; provided guidance to the silkworm farmers; and promoted single twist weaving system and new ingot-type tools in reeling. The works accelerated the progress of the silk industry in Kwang Tung Province⁽¹²⁾.

The China Foundation’s grants to the College of Agriculture, Chung Shan University can be classified into two categories. One was given for rice research. With 3-year grants, the college was able to add the research instruments and books concerning rice plantation and to increase experimental rice paddies and staffs. Their experimental works include pure lines selection; hybridization, investigation on the correction of character among pure lines of each variety, the yield increasing and they had published many research papers concerning the relation of climatic conditions, preventing the pests, trial-planting on saline soil, researching on fertilizers, weather and quantity of water, etc. They also engaged in the research of plants with economic values. In 1928, the university established a plant research section and in 1930, the section was expanded to become the agricultural and forestry research institute under the leadership of Chen Huan-Yong. The other category of grants was given for the plant research. The institute started to survey the distribution of the plants in Kwang Tung. They engaged in the survey of the plants with economic values as a basis to improve and develop the agricultural and forestry industry in Kwang Tung⁽¹³⁾. The China Foundation’s subsidy was used mainly in the collecting of the plants in Hai-Nan Island, Pei-Chiang, Zup-Yuan, Yao-Shan, and

Wen-Tong Shan. After 1935, the college cooperated with the Plant Research Institute of Kwang-Si University, which also received grants from the Foundation, to form collecting teams travelling all over Kwang Si Province. This helped the Institute to increase their plant samples over the years and enabled the Institute to sign cooperation agreements with Ling-Nan University and New York City Botanical Garden for exchange of plant samples. The institute studies the Asian corianders, Kwang Tung water pines, benzoin, corchoropsis crenata, gesneriaceae, symplocaceae and the economic plants in Hai Nan Island, etc. ⁽¹⁴⁾

Generally speaking, the grants from the China Foundation were focused on teaching and research. The trustees believed that the responsibility of promotion should fall on the shoulders of the Central and local governments. H. C. Zen said, “*Under the present condition in our nation, due to limitation of talents and monies, obviously we should adopt elitism in the research institutions but populism in the promotion of institutions. In other words, we do not have to set up agricultural universities in every province, but the institutions for the promotion of agriculture should be set up in every province* ⁽¹⁵⁾.” However at that time all the provinces had more agricultural schools than the experimental farms and “*the bigwigs of the Government liked the idea of having more agricultural school whenever the subject of the promotion of the agriculture is raised.*” They did not care about what kind of accomplishments had been achieved by the agricultural schools. They also did not care about the overall problems of the agricultural education. They believed the establishment of the school was the panacea to solve everything. The consequence was that “*the agricultural education in China is bound to fail and our bigwigs are bound to be disappointed* ⁽¹⁶⁾.” Under the overall condition, the China Foundation could only focus on certain sectors of the agriculture education for improvement. At least the Foundation in this period helped to promote the teaching and research in breeding, plant pests, silkworms and mulberry trees and economic plants selection.

II. On-the-Job Technical Training and Research in Industry

The students of the agricultural school in China rarely came from farming families. After completion of the schooling, they rarely worked in agriculture as their main jobs. Similarly, the students of the engineering schools in China rarely received on-the-job training in factories and so did the graduated students who studied abroad. Joseph Bailie, the organizer of the college of agriculture in the Private University of Nanking, had devoted himself to developing Chinese industrial experts since 1920. He first contacted the American factories in the industrial centers of the U.S. such as Allis-Chalmers Manufacturing Company, and Ford Motor-Car Works etc. for 2-year on-the-job training for about 300 Chinese students. Bailie also promoted factory apprenticeship in Shanghai. With the approval from the local gentry, Yang Tse Pu Social Center, the Municipal Power House in the International Settlement, and the Kiangnan Dock and Engineering Co. one by one established apprentice schools. After the establishment of the China Foundation, Bailie lobbied the American trustees for support. He paid a visit to Alfred Sze Sao-ke in Washington D.C. to explain to him about his works in the past and future plans in the U.S. and Shanghai. Sze was so convinced that he not only joined with Greene and

Bennett to recommend Bailie's plans to the Board, but also pledged that if the China Foundation would not support the plans, he would pay the expenditure out of his own pocket⁽¹⁷⁾. At the same time many Chinese students in the U.S. also wrote letter to Y. T. Tsur stressing the importance of Bailie's plans. The Board also believed that, "*this matter is important for the development of the industrial talents in China, so that this Foundation should provide support to maintain their effectiveness.*" They further affirmed the effectiveness of the apprentice education in Shanghai by saying, "*The equipments in the factories are far superior to that of the schools. Furthermore, with the teaching from good teachers, the learning of the students can be put to practice and this is much better than what they can learn from the classes. If our workers can have more of this kind of opportunities, they will definitely benefit from it.*" Therefore, the China Foundation accepted the proposal from Bailie and provided 3-year grants of CN\$10,000 and US\$10,000 per year to form Chinese Institute of Technical Training to execute the proposed plans and to seek further expansion⁽¹⁸⁾.

With the Foundation's support, Bailie in November, 1929 formed the Board of Trustees in Philadelphia. The Board passed the constitutions of the institute and elected Herman Schneider, President of the University of Cincinnati as the Chairman of the Board. Bailie personally visited various universities and selected those that have technical training arrangements with the factories for cooperation with the Institute. At the same time, he asked the Shanghai Branch of the institute to recommend over 20 students for technical training in the Ford Motor-Car Works. Bailie also visited the Immigration Service Bureau asking for work visas to the apprentices. But at that time, the U.S. immigration laws were very strict, and it was difficult to approve the apprentices to work in the U.S. factories. As a result, Bailie on the one hand visited the European countries hoping for other opportunities of technical training there. On the other hand, he negotiated with the U.S. Department of Labor for registration of the U.S. branch of the Institute. However, due to the fact that the branch's length of existence was shorter than required, their registration was rejected and the U.S. branch's operations were almost suspended. Bailie returned to the U.S. to continue pushing for the technical training opportunities. In the meantime, Mei Yi-Chi, Tsing Hua School Supervisor of the Supervisory of the Students in the U.S. also pleaded with the China Foundation not to abandon the work of the technical training. He said that because of the immigration laws, the Labor Department of the U.S. was unable to allow openly the Chinese students to work in the U.S. However, for the students who were already in the U.S., such as the Tsing Hua students with diplomatic visas, there were no restrictions for work. Even for self-supported students, they were allowed to receive technical training in the factories if they submitted their applications. As for the students in China seeking training opportunities in the U.S., this would be more problematic but not hopeless if there were people who would look into this matter and made sufficient contacts with the U.S. authorities. Mei said:

For the students' needs for internship, according to last year's (1929) statistics, the total Chinese students studying in the U.S. amounted to more than 1,200 students and the engineering students accounted for about 200, ranking the third. But the internship was hard to obtain, as 9 out of 10 students could attend only classes in

schools. This is not good. In recent years, the American branch of the Chinese Society of Engineering set up an out-placement committee without much success. The present situation is such that there are urgent needs for internships of the engineering students and yet it is so difficult for them to get it. It seems to me that you should assign a person specifically in charge of dealing with the stumbling block in order to solve the problem of the lack of training for the students in the U.S. If the China Foundation can ask Bailie to devote his time to this in U.S., the Institute can also avoid the fate of closure and 2 years later according to the Labor Department's comments, the Institute may receive accreditation from the American Government⁽¹⁹⁾.

The China Foundation therefore decided to give grants for one more year. The unused grants to the Institute could be reserved for later use. Unfortunately, due to the legal environment, the work in the U.S. could not proceed successfully.

As for the technical training in Shanghai, the Institute established three apprentice schools: (1) one affiliated with the Shanghai Municipal Power Station: The school had two classes for craftsmen and 4 classes for apprentices, with a total enrollment of about 100 (2) one affiliated with the Kiangnan Dockyard. The school had 4 classes with more than 50 students and (3) the third one located at the Shanghai Water Works with three classes. Besides, they reorganized the Shanghai Benevolent Industrial Institution to run the part-time students teaching. The school had 200 students and the Chinese Institute of Technical Training sent 80 students of higher classes to the New Engineering & Shipping Works, Arsenal, Mutual Telephone Co. and the Butterfield & Swire and Co. for periodic technical training. For the junior engineering education, it was a great help⁽²⁰⁾.

As for the engineering education in the universities, except for the small grants to Fu-Chung Mining University and the Provincial Hopei Industrial High School, its major emphasis was on the National Peiyang College of Engineering in Tientsin and University of Communications in Shanghai. University of Communications had undergone 3 reorganizations during the period of 1921-1927. During the period of its predecessor, the Nanyang University (July, 1922 - June, 1927) had several presidents. In December, 1924, Ling Hong-Hsun took charge of the university and actively planned the establishment of the graduate research institute. In June, 1926, the Industrial Graduate School was established. But it was short of funds and equipment. After the repeated negotiation by Ning Hong-Shun, the China Foundation decided to grant \$110,000 in installments to the school for new equipment. In the winter of 1928, the Nanyang University was put under the wings of the Ministry of Railways and its name was changed to University of Communications. The original plan could not go through as required by the China Foundation, the grants were stopped and the research works were also suspended. Until the spring of 1930, when President Li Chao-Huan expanded the industrial school into Research Institute of the University of Communications, the school restarted its research works and entered into a new phase of the university⁽²¹⁾. At this stage, the China Foundation decided to reactivate the grants for purchase of the lab equipment of the newly built Engineering Hall. After the reorganization, the research institute was divided into the industrial and economic departments. The former engaged in the manufacture of

the rust-proof paints; the design of the cement railroad ties; anti-rotting experiment in wooden railroad ties; test of the thermal conductivities of oils; the study of the solid fuels suitable for the automobile engines; and the surveys of highway paints, the railroad ties and the investigation of the industrial economy, etc. The latter engaged in the researches of the changes of the Chinese economy and the foreign investment in China, etc. ⁽²²⁾

The National Peiyang College of Engineering was one of the best in China. In March, 1929, the school had a fire accident and its specimens equipments building was burnt down. They had to raise funds from all sides. The China Foundation provided them with a grant of \$50,000 to purchase the equipment for mechanical engineering, mining and civil engineering departments. Later on, the Foundation also gave additional grants to them for their lab equipment. The total grants to the engineering education were only 1/10 of its subsidy to the schools as the Foundation insisted on its principle of support only to those institutions with accomplishments and of sizable scale.

III. Research on Public Health and Medicine

The progress of the modern health organizations in China had largely been a result of the efforts by the foreign missionaries and philanthropists. For the medical education, the China Medical Board of the Rockefeller Foundation had reorganized the medical schools operated by the missionary. By taking the Johns Hopkins University School of Medicine as a model, in 1921, the Board established a high-quality medical school—the Peking Union Medical College. At the establishment, President H. S. Houghton pointed out that the major task for the school was to turn the boys and girls with potentials into high-quality future leaders of physicians, teachers and scientists. In the meantime it provided short-term training opportunities for the doctors across the nation. But at that time, he would not single out the public health for intensive investments. The school cared more for science researches. To upgrade the qualities of the enrolling students and to expand the base for recruitment, the China Medical Board also provided grants to other universities and medical schools, such as the Hsiang-Ya Medical College of Hunan Province, the Medical College of Chee-Loo University in Shantung Province and the Peking Medical Junior College ⁽²³⁾. The Peking Union Medical College's trustees, such as Monroe, Greene and Y. T. Tsur all were connected with the China Foundation. Therefore these two boards more or less cooperated with and complemented each other.

At the early period, the China Foundation was not involved in the medical education. They provided grants only to the Hsiang-Ya Medical College under Greene's recommendation. The school was established in 1914 and was jointly established by the Hunan Yuchun Society and Yale Foreign Missionary Society. The school was composed of medical school; hospital; and the nursing school. It was the first one of the 7 medical schools accredited by the Council on Medical Education of the China Medical Missionary Association. In 1924, the American withdrew from the administrative duties and the ownership of the school after 10-year management contract had expired. It was handed over to the Chinese. The new Board of Trustees built new school buildings, increased new departments and recruited more teachers ⁽²⁴⁾. In 1926, the China Foundation decided to support its expansion of businesses. But next year due to the political instability, the

school was forced to suspend its operations and the Foundation terminated its grants. Even though the school was reactivated in the autumn of 1929, the China Foundation supported the school again only until the Sino-Japanese war had begun.

After the establishment of the Nationalist Government, the grants from the China Foundation to the medical schools shifted to the newly established national medical colleges. These included Medical College of the Central University and National Medical College of Shanghai. The medical college of the Central University was located in Wusong district of Shanghai instead of Nanking was because of the conveniences for doing research and internships provided by the Shanghai Red Cross Hospital; Lester Institute (established by the British); and other research institutions and libraries. The grants from the China Foundation were designated for the “*development of health education and the promotion of the medical research.*” The school’s department of the public health was led by Mei I-Lin. Other than the class lectures for the basic knowledge of the public health and preventive medicine, in October, 1928, the department started to operate a public health demonstration center in the Woosung area. They taught the courses in medical examination and hygiene and sent the students to the area for practice. Under the leadership of Dr. Kao Ching-Lang, the main activities of the station were vital statistics, general sanitation, home and school hygiene and outpatient medical service, etc. But in 1932, Japanese started war in Shanghai, the works had to be stopped. The school buildings of the medical college were destroyed by the Japanese bombardments. The China Foundation gave additional grant of \$30,000 to build public health and pharmaceutical classrooms and labs. As for the research, the college emphasized research on Chinese medicine, such as analysis of sea cucumbers, the rhododendron’s function on the smooth muscle, the reason for the Chinese azalea causing vomiting, the menstrual cycles of the female rats and the function of the denature of the blood-color proteins, etc.⁽²⁵⁾. The sources of the funding for the college in early years were as follows⁽²⁶⁾:

Unit: CNS\$

Sources	1928-29	1929-30	1930-31	1931-32
(a) Chekiang Province Treasury	109,794	130,000	170,000	190,000
(b) Donations:				
1. China Foundation	18,000	80,000	80,000	60,000
2. Rockefeller Foundation	12,000	13,000	13,000	13,000
3. The Red Cross	30,000	30,000	30,000	30,000
(c) Tuition & Other Income	4,120	4,700	4,920	7,000
Total	173,914	257,700	297,920	300,000

The grant amount by the Foundation to the field of medicine accounted for only about 1/10 of its budget, far less than that of the Rockefeller Foundation.

The grants from the China Foundation were for two purposes. The first one was to defray construction costs and the second one was for subsidy to the public health and pharmacological researches. The public health department of the school cooperated with Shanghai City Public Health Bureau at Kaochiao district east of the Huangpu River to form the Kaochiao Rural Health Demonstration Center. In 1932 the name was changed to Kaochiao District Public Health Office. It engaged in public health activities, staffs

training, collection of vital statistics, prevention of epidemics and medical assistances to the poor. According to 1935 statistics, the main outpatient office and three branches treated 9,277 cases of the disease, and 25,733 outpatient visits. Among them, the skin diseases ranked the first with 42%, followed by malaria with 9%, then eye diseases with 7.6% and the last dental diseases with 6.4% ⁽²⁷⁾. The Office pushed hard for children health, benefiting 1,402 babies, 4,870 pre-school children and 3,000 school children. The Office took in 12 medical students, 24 nurses and 67 paramedics for public health training. According to Li Ting-An, Bureau Chief of the Shanghai Public Health Bureau, the Office should receive a mark of more than 600 out of 1,000 points. The staffs of the Office wished it to become a national model. Unfortunately, due to the August 13th Incidence when Japanese invaded Shanghai, the region fell into the Japanese hands and all works was stopped. Aside from the research of the public health, the department also conducted research in malaria protozoa, causes of the death of infants, immunity to diphtheria, and the germs of diphtheria in Kaochiao district. In addition, they hired a medical entomologist from the Pasteur Institute to assist in the research of malaria-transmitting mosquitoes. The published papers included statistics on several kinds of tuberculoses in China, tests of sugar ingestion for lepers, the bacteriological study of certain immune regions in skin leprosy, the report of diphtheria immunization with single injection of alum toxoid and blood classification of the citizens of Kaochiao, etc. As for the research of pharmacology, they included the pharmacological functions of beberine and others on the antipyretic effect of quinine; the pharmacological compositions of schisandin sulfate, the influence of the drugs to the blood amino acid, and the production and prevention of soil perfusate ⁽²⁸⁾. Among the \$30,000 grant given by the Foundation, the research in pharmacology took only \$8,000. The grant was mainly for works in public health.

In addition to the College of the Medicine of the Central University and National Medical College of Shanghai, the Foundation also provided grants to the Medical College of Chee-Loo University and the West China Union Medical College for maintenance expenses and for equipment of their affiliated hospitals. Among agriculture, engineering and medicine, the Foundation gave the least subsidy to the field of medicine. At that time, both medical education and public health faced many problems ⁽²⁹⁾. As the Foundation gave small grants to only a few medical schools for a few special subjects, its effective was naturally not very high and its influence was far weaker than that of the China Medical Board of the Rockefeller Foundation which had been cultivating the medical field in China for years.

During the Sino-Japanese War, with the necessity of war-time reconstruction, science education tilted to science applications ⁽³⁰⁾, and the grant policies of the Foundation also followed the trend of the times. Due to tight financial conditions, the Foundation suspended most of grants to universities but still maintained the support to the colleges of agriculture, engineering and medicine, such as the College of Agriculture and Forestry, Private University of Nanking; the Institute of Agriculture, Forestry and Plant, Chung-Shan University; and the Medical College of the Central University, etc. As for the engineering schools, the Foundation actively supported the National Yunnan University for setting up the college of mineralogy. For medical schools, the Foundation gave

emergency supports to the National Kweiyang Medical College; the Medical College of St. John's University; and the China Medical Society. Nevertheless, the Foundation still stick to the principle of the balanced emphasis between pure science and applied science. When in 1942 he inspected the grant-receiving institutions in Szechuan and Kwangsi Provinces in 1942, Director H. F. Sun said:

I had the pleasure to discuss with the administrators and teachers when I surveyed various places in Szechuan and Kwangsi and I discovered that the present scholars have a general bias tilting toward applied sciences and seldom care for pure science that is the bedrock of applied sciences. The tendency can be easily detected in the numbers of applicants for various departments of the universities this year. Even the researchers in the labs have the same bias. Even though this is a natural phenomenon during the war-time, and yet if we do not try to rectify it, it certainly will be harmful to our future academic developments. Our Foundation, in promoting science, should take a special note of this⁽³¹⁾.

His view was basically in agreement to the faith in pure science by people like Hu Shih. Even though Wong Wen-hao insisted that the percentage of the Foundation's grants to applied science should account for at least 50% to 60% of the total grants, the China Foundation had always emphasized on pure science and had never been swayed from it.

Chapter 6: Science Research

At the early Republic, in the New Culture Movement, the slogan of Messrs Democracy and Science was trumpeted loudly in the movement ⁽¹⁾. Faced with the fashionable scientism, the pioneers of science promotion were rather ambivalent. They were “*both happy with the people’s love of science and uneasy about the Chinese old habit of do nothing but talks.*” In Yang Chuan’s mind, even though the definition of science should include “*all the systematic knowledge applying the scientific methods,*” the reality was that this definition only covered the “*outer appearance but not the inner reality of science.*” In its nature, “*the real science was nothing but research. Without research, science could not stand on its own.*” Therefore, “*if Chinese people want to study science, research should be the first step. Without research, there will be no science. Without science, China could not stand tall in the world*” ⁽²⁾. Such voices of promoting science research or experiment while avoiding the empty talks had been raised often in the discussions of the Science Society of China. In addition to defining and emphasizing the importance of research and invention, H. C. Zen also used the organizational structure of the American research institutes as examples for Chinese scholars to adopt ⁽³⁾.

As early as at the first annual meeting of the Science Society of China in 1916, H. C. Zen made a speech actively promoting the establishment of labs by the Society for research on the “*virgin land of the profound knowledge*”. He was pessimistic about the effectiveness of the then school education and felt “*If we depend solely on a few schools that are neither traditional Chinese nor truly westernized and if we cannot find other straightforward ways for teaching, while wish for the rapid progress of science in China, it is like waiting for the ever-muddy Yellow River to clear up. That is impossible!*” ⁽⁴⁾ He pointed out that the biggest defect of the then science education was the negligence of science research. He said:

In the field of our education, everybody talks about science education. But their so-called science education contains at least two defects. One is to dedicate fully to science teaching without care about research. The other one is to entrust science research only to schools without finding other more direct and effective routes. Research creates science. There is no such thing as promoting science without science research ⁽⁵⁾.

Science education cannot be divorced from science research. Therefore, among China Foundation's 3 major tasks to promote science, i.e. science education, science research and science application, science research should be the first priority. Zen said:

From the point of science, undoubtedly science research is the most important task among the three. For if we do not have science research, there would not be any science application. Besides, science applications need to go through the process of research. Even though science education is also fundamental in science, it is no more than the first stage for science training. Therefore, of course we cannot afford

to ignore science education, but we cannot treat it as the ultimate destination of science advancement either⁽⁶⁾.

Therefore in China Foundation's policies, even though science education was a foundation of science research, science research is the only way for science development.

In 1927 the call for promoting science research was raised once more. First, L.K. Tao wrote in the *Contemporary Review* claiming that “*in the 20th Century a nation should adopt the most fundamental policy, i.e. emphasizing science research.*” He said:

If we promote only the technique of science education now, it will be like pursuing the technicalities while ignoring the fundamental. In this world, there is no way that we can survive by the source-less water. If there is no science atmosphere, no authority accorded to science, and no one generation after another burying their heads in the labs toiling at pure science research, I am afraid China will never have its own science⁽⁷⁾.

Zen in echoing the Tao's claim further pointed out the way to realize the science research. His answer was, “*Seek research leaders and put them in the schools with relative adequate research equipment to do research*⁽⁸⁾.” But others thought otherwise and believed that “*research talents and their leaders are not big deal. A subject which is worthier for discussion is how to let the present researchers continue their works without unnecessary worries.*” Research of course needs monies. Where would the monies come from? Zen said, “*Under the present condition, we believe the China Foundation is the only source. The Board should take responsibility to fund research.*” Even though some people had doubts about the distribution and the effectiveness of the grants in the first two years, they still wished that, “*the Board should change a bit of their policies and gather up the courage to adopt an effective way to allow the budding science research to have a chance to grow and bloom*⁽⁹⁾.” Wong Wen-hao further pointed out, “*More than 10 years ago, people in our country knew only editing and translating textbooks but not science research. In recent years, the government and non-government institutions began to engage in research voluntarily.*” In fact, these two jobs were both appropriate in their own ways and should all be taken care without preference for either one. If the intelligentsia wanted to discard the old habit of resorting to reading foreigners' books and to let Chinese science stand on its own, science research had to be promoted. Wong cited as an example the viewpoints of the American famous physicist, R. A. Milikan in promoting the following research methods:

- (1) *Developing more researchers is better than having more research institutes and better equipment.*
- (2) *Providing more research prizes and more research professorships for developing researchers.*
- (3) *Forming a more than 5 men advisory committee composed of top scientists and engineers for screening the usage and distribution of the large-scale research plans from the institutions for grants*⁽¹⁰⁾.

What Millikan referred to were conditions in the U.S., but Wong believed that, “*the spirit of Millikan's proposals should be adopted by those who are responsible in promoting the development of the science research in China.*” Summarizing the views, the Science Society of China thought the ways to promote the science research were two: first, development of the research environment and second, cultivation of the research talents⁽¹¹⁾. The China Foundation basically also followed the above two ways to promote science research.

I. Encouraging the Research Talents

Developing the research environment and cultivating the research talents was the only two ways to promote the science research, but some of the scholars believed that cultivating and encouraging the talented researchers was even more important than developing the research environment. Wong Ging-hsi said:

We should not think just because we have established research institute, we are in fact promoting research. The research institutes could fall into the same fate of the government offices with the only function to feed the unemployed bums. Furthermore, we should not adopt an attitude that so long as we have bought many lab equipments, we are in fact encouraging independent research. Equipments are bought for use, but the fruits of the research cannot be bought along with the equipment. We definitely should not have a blind faith that we can attract researchers with research institutes and equipment. With physical equipment alone but without the spirit of research, we are in no way to attract the talented researchers. Even if some of them came in by accident, they will not stay long⁽¹²⁾.

Therefore he believed the most important job for the research institutes was: “*on the one hand to recruit the people who had conducted research abroad and to provide them with a chance for continuing research. We should not let them become idle for lack of job opportunities when they are back. On the other hand, we should also provide opportunities for those domestic researchers with accomplishments in order to further develop their talents and to teach some disciples⁽¹³⁾.*” To put it simply, there were three questions to answer: (1) How to train and encourage the existing researchers, (2) How to train the researchers with potentials who are studying abroad, and (3) How to select the domestic researchers with potentials for advanced study. From 1928 onward, the China Foundation had established various science research fellowships, prizes and professorships. This was the first in China and the purpose was to allow the people with research capabilities to devote themselves to research without worrying about livelihood or research environment.

1. The Research Fellowships and Science Research Prizes

In its 3rd Annual Meeting in 1927, the China Foundation approved Director Fan Yuan-lien's proposals of the 15 regulations of the Research Fellowships; 12 regulations of the Science Research Prizes; and 10 regulations for the Committee on Examination for the Awarding of Research Fellowships and Prizes. Next year the Foundation amended

some of the articles and recruited as members of the screening Committee Lim Ke-Shen (Head of the Department of Physiology, Peiping Union Medical College); Ping Chi (Director of the Institute of Biology, Science Society of China and Fan Memorial Institute of Biology); Wong Wen-hao (Director of National Geological Survey); T.Q. Chao (Chemistry Researcher, Peiping Union Medical College); and K. L. Yen (Professor of Physics, Kwang Hua University). There were three kinds of the Research Fellowships: (1) Class-A with annual grants of \$3,000 to \$4,000 each. The qualifications were for those researchers who could conduct research independently and who had published research papers. (2) Class-B with annual grants of \$1,000 to \$2,000. The qualifications were for those college graduates who conducted research under experts' guidance. When they applied, they had to present recommendation letters from their advisors; and (3) Class-C with annual grants of \$250 to \$500. This was a partial subsidy to those students with inadequate funding or to those who failed to received Class-A or Class-B fellowships and yet who were worthy for support. The grants were given to "*those well accomplished researchers or inventors without limitation to different regions of China.*" The science research prizes were "*limited to natural science, physical or material science and their applications.*" In principle, 3 prizes were given once a year with prizes up to \$2,000. In case no candidate was eligible, the prizes might be withheld⁽¹⁴⁾.

During the decade before the Sino-Japanese War, the number of application and approvals of the fellowship per year is listed below⁽¹⁵⁾:

Year	Number of Applicants	Number of Approval			Subtotal	Percentage
		Class-A	Class-B	Class-C*		
1928	108	5	10	9	24	22%
1929	60	6	15	19	40	67%
1930	100	7	24	15	46	46%
1931	108	5	25	13	43	40%
1932	134	7	25	11	43	32%
1933	114	6	29	11	46	40%
1934	154	8	27	14	49	32%
1935	123	5	30	16	51	41%
1936	156	6	29	14	49	31%
1937	210	4	37	15	56	27%
Total	1,267	59	251	137	447	35%

*From 1933, the name was changed to Special Fellowships

Except for the early years and during the war time when the percentages of approval fluctuated widely, in other years the approval rates had moved narrowly between 30 to 40%. Out of the 447 approvals, Class-B accounted for more than half of the total approvals. Class-C ranked second and Class-A the least. This shows that at that time few people were capable of conducting research independently.

Even though the fellowships were limited to one year, if necessary they could be extended. Therefore out of the 447 approvals, the receivers were only 291. Due to lack of information, the receivers' backgrounds were not fully known. An analysis made by H.C. Zen of the first 108 applicants showed that 24 came from Chekiang and 21 from Kiangsu. They accounted for over 40% of the total, and were followed by those from Kwangtung

and Fukien. Zen's explanation was "the number of researchers who came from the coastal areas, especially from Chekiang and Kiangsu were much more than those who came from inland provinces. The reasons could be due to more developed higher education; easier transportation; and more chances for the students in the coastal areas to study." As for the schools from which the application were graduated, 42 applicants was graduated from domestic universities, especially from South-eastern University (11 applicants), followed by the National University of Peking (7 applicants), Private University of Nanking (6 applicants). Fifty-seven applicants were graduated from foreign universities. Eight applicants came from Cornell University, followed by 6 applicants from Columbia University and 4 applicants from the University of Michigan. Zen's conclusion was, "(a) The qualities of education were the best in Kiangsu Province and (b) The number of the domestic graduate students was fewer than that of the graduates from the foreign universities⁽¹⁶⁾." Even though Zen's background analysis of the first batch of applicant did not cover science researchers across the nation, was still a reflection of the total picture. For the 291 grants receivers during the 10 years period, 155 persons received bachelor's degree, 57 persons received master's degree, 62 persons received PhD degree and 17 persons were unknown. For the places of study, 65% of the applicants (188 applicants) had been studied abroad. One-third of the applicants (more than 68) with foreign degrees were graduated from American universities. It indicated that the development of researchers relied on foreign institutions especially on America.

As for research subjects, according to the regulations of the science research grants, the Foundation limited them to the following 3 categories: (1) Astronomy and Geology, (2) Mathematics, Physics and Chemistry and (3) Biological sciences including zoology, botany, medicine, pharmacology and physiology, etc. After 1937, the scope of the grants expanded to include social sciences and history. The number of the approvals for the 3 categories during the pre-war ten years was as follows:

Year	Astronomy Meteorology Geology	Mathematics Physics Chemistry	Biological Sciences	Others	Subtotal
1928	3	8	13		24
1929	3	9	28		40
1930	6	13	27		46
1931	4	19	20		43
1932	4	18	20	1	43
1933	4	18	24		46
1934	6	20	23		49
1935	9	19	23		51
1936	7	18	23	1	49
1937	5	21	19	11	56
Total	51	163	220	13	447
%	11%	37%	49%	3%	100%

The applicants for the second category exceeded that of the third category, but the number of approvals for the third category exceeded that of the second category. The number of applicants was as follows:

Year	Astronomy Meteorology Geology	Mathematics Physics Chemistry	Biological Sciences	Others	Subtotal
1928	10	61	36	1	108
1929	7	20	33		60
1930	10	38	52		100
1931	8	52	48		108
1932	13	70	48	3	134
1933	7	68	37	2	114
1934	15	72	65	2	154
1935	16	48	52	7	123
1936	17	75	60	4	156
1937	16	76	67	51	210
Total	119	580	498	70	1,267
%	9%	46%	39%	6%	100%

The reason was not clear why the rate of approval was not based on the ratio of the applicants for grants. But from Zen's analysis below an indirect explanation may be gleaned.

Zen had made an analysis of the first batch of applicants based on the classification of the subjects. Even though he did not base on research subjects to compare the applicants with the approved ones, he did draw conclusions on the distribution of the subjects:

- (1) *Except for chemistry and physics, the researched in zoology, physiology, botany, and geology accounted for the most. It is quite obvious that it was due to the promotion by the Institute of Biology of the Science Society of China, the Geological Survey and the Union Medical College.*
- (2) *Chemistry and physics are extremely important sciences with a number of researchers in these fields. But there is no such independent institute for pure research. Researchers in chemistry are mostly engaging in applied chemistry. If we include mechanical engineering in physics, then applied physics are very significant. We should pay attention to this matter if we decided to establish the institutes of physics and chemistry in the future⁽¹⁷⁾.*

Therefore in the eyes of then people like H. C. Zen the research on pure science in China such as mathematics, physics and chemistry was not as well-accomplished as biology. According to the Foundation's regulations, in examining the accomplishment of research, the members of the examination should only take the academic worthiness into consideration. There were no quotas for the subjects. However the approval rates for the biology were higher than other subjects such as mathematics, physics and chemistry. Did this phenomenon reflect the fact that in the minds of the Committee members the "academic worthiness" of the former was higher than the latter? This question shall be dealt with in the summery of this chapter.

The purpose of research fellowships was to support research, while the purpose of science research prizes was to reward the merits of research. The latter had a more

stringent standard for awards, with at least 2 recommendations from prominent scientists or science professors. The research papers for award should be “*limited to those published less than 10 years in a journal of recognizable standing. Furthermore, the dissertations must contain original result obtained from scientific treatment of established facts or phenomena. Mere interpretation of established theses or work of a popular character will not be considered*⁽¹⁸⁾.” Due to higher standard for award and due to more restrictions, the prizes had been frequently suspended for lack of application or fail to pass the screening process. In the more than ten years period the Foundation only had awarded less than ten prizes. The list of the prize winners were as follows:

- Y. T. Chao (Geology): Classification and correlation of the upper Paleozoic formation in various parts of China and systematic study of the important groups of invertebrate fossils therein contained.
- K. K. Chen (Pharmacological chemistry): Study of ephedrine in Chinese medicine.
- C. S. Yu (Astronomy): Research in stellar spectrophotometry.
- T. Q. Chou (Pharmacological chemistry): 15 research papers on the active principles of Chinese drugs.
- Ping Chi (Zoology): 27 books in biology: 2 in systemic survey, 3 in neurology, 4 in conchology, 7 in vertebrate zoology and 11 in paleontology.
- T. P. Feng (Physiology): The research on the energies of muscle and nerve.
- L. F. Yeh (Geology): The research on petrology and mineral deposits of the South Eastern China.
- Yin-koh Tchen (History): Research on the political systems of Sui and Tang Dynasties in China.
- Hsu Hsi-fan (Parasitology): Not mentioned.

As for the subjects of awards, pure science such as mathematics and physics were not in the list. The emphasis of awards seemed to focus on researches with local characters such as geology, biology and pharmacology, etc.

The major difference between the fellowships/prizes and sending the students to study abroad was that the former emphasized research after graduation and the latter focused on foreign study. The purpose of the former was to encourage domestic research in order to help science research to take roots in China. Therefore, scholars like V. K. Ting in geology; Kuo Zen-Yuan in psychology; Tchang Chun-Lin in Chinese fishes; and Hou Te-Pang in alkali manufacturing, etc. were all conducting researches domestically. In reviewing the efficiencies of its enterprises, the China Foundation was very satisfied with its fellowships and prizes programs. Its report said:

Compared with sending student for study abroad in the past, this program is far more economical. Because researchers have already attained certain academic levels and are well prepared, whether these men have studied abroad or not, we can use small amount of monies to achieve greater results. In recent years, the British and Belgium Boxer Indemnity foundations and the Tsing Hua Foundation also had sent students abroad and the Tsing Hua specially had selected their best graduates

for foreign study, but those institutions focus on examination as the way of selection, while our Foundation focus on researchers' accomplishments, The methods are quite different. Therefore the maturity and research experience of our candidates mostly are outstanding and the scope of our selection is far wider, without the limitation imposed by examination. There are more and better choices as there is no need for applicants to be interviewed in persons⁽¹⁹⁾.

This was the reason that H. C. Zen boasted, “*Since 1928 when the program have been put into effect, no other grant programs for study abroad can be compared with it in its effectiveness and in the number of talents receiving the nourishment from it*⁽²⁰⁾.” This kind of selection based only on the subjects of research but not on the academic qualifications or examinations certainly could cover the inadequacy of other programs subsidizing the students who study abroad. Those other programs could not provide the alternative opportunities for doing research or pursuing further study as the one provided by the Foundation. For example, the self-taught mathematician Hua Loo-Keng was graduated only from middle school. Legendarily, being a grocery clerk he was hired as instructor in the mathematics department of the Tsing Hua University. In 1935 and again in 1936 he received the Class-B Science Fellowships from the China Foundation for research on (1) transcendent numbers and (2) Waring-Hilbert-Kamke Question in Hamburg University. In 1937 he received Class-A fellowship and did research in Cambridge University. He not only solved then well-known hard-to-solve mathematical problems but also formed a basis for his later famous work entitled *Additive Theory of Prime Numbers*⁽²¹⁾. For another example, W. C. Pei, a paleontologist, after graduation from the Department of Geology, Peking University, worked at the excavation site of Choukoutien under the charge of the Cenozoic Research Laboratory of the Geological Survey of China. The discovery of the Peking Man made him a celebrity overnight⁽²²⁾. But he found out that discovery was not equal to research. In 1935 and 1936, he twice received Class-B fellowships from the China Foundation to do research in *Institute de Paleotologie Humaine*, and Dynamic Tectonic Geology Research Center, University of Paris, Paris. In Paris, he studied the correlation of Quaternary geology and prehistory in Europe and in the East Asia. His research in Paris provided him a solid foundation for developing his further researches on paleontology. Besides Pei, the graduates of the Department of Geology, Peking University, such as T. K. Huang, Chen Shu, Tien Chi-Chun, Sze Hsing-Chien, worked for a period in the Geological Survey of China and with experience, they received grants from the China Foundation for further research abroad. These researchers later became the leaders in geology. Additionally, the famous physicist, Wu Ta-You, chemist, Chien Shih-Liang (both became chairmen of the China Foundation) and mathematician, Chern Shiing-Shen all received grants after graduation for further research. Chern, a world-renown mathematician, recounted his experience by saying; “*In summer of 1936 when my government scholarship expired I received the employment notice from Tsing Hua and Peking Universities. But I decided to go to Paris for working with Mr. Cartan for one year with a grant from the China Foundation. That was a decisive year for my development in mathematics*⁽²³⁾.”

During the war years, even though the Foundation was short of funds, it had not entirely stopped the grants to the fellowships but only reduced the scope somewhat or

suspended for a year or two due to certain difficulties. To adapt to the war time needs, the Foundation decided to “*emphasize the grants to those applicants in the field of applied sciences*”⁽²⁴⁾.” About this, Wong Wen-hao made the following proposals in 1940:

- (1) *The Science Research Fellowships are to be replaced by the Science Research and Technical Training Fellowships. The purpose is that other than theoretical researches, the training for science applications was also important.*
- (2) *Agriculture, mining, engineering and medicine belong to the category of applied sciences. The regulations are amended accordingly.*
- (2) *The receivers of the above new programs can either study abroad or can work in the domestic professional schools, institutions or mines under the guidance of experts. For those grant-receivers who work domestically, the amount of grants are too small. We need to increase the amounts to cover their living expenses*⁽²⁵⁾.

The regulations on the grants had been amended a number of times. The Foundation no longer classified the grants into categories of astronomy, physics/chemistry, and biology, etc. Other than the original subjects for grant, it specifically stipulated that subjects of applied sciences such as aeronautics, mining, metal smelting, radio engineering, veterinary, microbiology, agricultural chemistry, soil study and economic geology, etc. were also included for the grants. The number of the members of the Examination Committee was increased from 30 to 40. The trustees of the Foundation also noticed that the then Government had begun to emphasize the scientific technology and sent approximately 1,200 students abroad for study. As a result, the small grants by the China Foundation had little significance. Therefore, its policy was changed to “*emphasize the grants to social and liberal arts in supplementing the grants policies of the Government, to balance the growth of the people’s livelihood and to promote international understanding*”⁽²⁶⁾.”

During the war time, the fellowships were classified into domestic and foreign (mainly study in the U.S.) grants. The domestic grants were classified into A-Class and B-Class. The A-Class grants were for professors and the B-Class grants were for the researchers at the level of assistants with nature similar to the Special Fellowships for subsidizing research but not living expenses. Due to extreme tight financial conditions, in 1944 the domestic grants were suspended for one year. In July, 1945, the grants were restored with some difficulties. Since the break-out of the Pacific War, due to difficulties in transportation, the Foundation did not send researchers abroad. Instead, the Foundation’s Special Committee in America provided continuing support to the existing grant receivers or chose among Chinese students in the U.S. for support. The China Foundation also cooperated with the Ministry of Communications to support about 20 apprentices who were receiving on-the-job training in highway management and automobile engineering in the U. S. to tackle the war-time problems of transportation. From 1928 to 1945, the number of the grant was 735, while the number of the receivers was 415 as one receiver could have received multiple-year grants⁽²⁷⁾.

After the war, because of inflation, amount of each A-Class fellowship was

increased from \$100,000 to \$300,000, and each B-Class fellowship increased from \$60,000 to \$200,000. No matter how tight the financial conditions were, the China Foundation kept on granting the fellowships. When the Government retreated to Taiwan, the Foundation continued to provide the fellowships to the National Taiwan University.

2. Science Research Professorships

In addition to developing the potential researcher, the China Foundation also found ways to subsidize well accomplished scientists for continuing research. From 1930, the Foundation established Science Research Professorships for famous scholars to work in well equipped and convenient research institutions. Their major tasks were to conduct and to guide researches. The places for research were to be determined among the Foundation, the professors involved and the research institutions. In addition to high salaries (about \$6,000-7,000 per year), the professors could also draw annually \$2,000 for equipment and \$1,000 for investigation and hiring assistants. If necessary, they should conduct 3-hour lectures weekly but without pay. The institutions that accepted the professorships should provide standard equipment and supplies to facilitate the research. The equipment bought with the grants should be given to the institutions after the research was completed ⁽²⁸⁾.

This program was similar to the Science Professorship in Normal Colleges. The purpose of the program was to cover the inadequacy of the Science Professorship in Normal Colleges for the latter was focused in teaching while the former was focused in research. To develop sciences, science research was even more important than science teaching ⁽²⁹⁾. The establishment of the Science Research Professorship was to adopt “*an extremely strict selection policy. It is better to skip than to pick a candidate without proper credentials.*” At the beginning there were 2 professorships in 1930, and since then every year there were up to 5 professorships established. Since the professorships could be extended for more than 5 years, only 7 professorships were established during the period of the program. The grant periods and the research institutions were as follows:

Wong Wen-hao	1939-1933	Geology, National Geological Survey of China
Li Chi	1930-1948	Archeology, Institute of History & Philology, Academia Sinica
Ping Chi	1932-1948	Zoology, Fan Memorial Institute of Biology
Chuang C. K.	1935-1946	Chemistry, Institute of Chemistry, Academia Sinica
Chen, H. Y.	1935-1940	Botany, Institute of Agriculture & Forestry, Chung Shan University
Grabau, A. W.	1938-1946	Paleontology, Research Office of Paleontology, National Geological Survey of China
Hu, H. H.	1946-1948	Botany, Fan Memorial Institute of Biology

The professorships were mainly given in coordination with the grants of the China Foundation to various institutions and research institutes in the universities. For example, starting from 1930, the Foundation gave grants to the Institute of the Agriculture and Forestry, Chung Shan University for survey of the flora in Kwangtung Province and since

1935, the Chief of the Institute, Chen Huan-Yong, based on his experience of research in Kwangtung, went to Kwangsi University to establish the Institute of Botany. The China Foundation, in addition to providing support for the research equipment of the institute, hired Chen as the Science Research Professor to conduct research in both schools with the research subjects of reclassification of benzoic and enphdrales, and redefinition of Chinese gesneriaceae. In Academia Sinica, the Institute of History and Philology conducted excavations at the Shang Dynasty tomb in Anyang with the grants from the China Foundation. Li Chi, the Research Fellow who had received the Science Research Professorship was also in charge the field research at Anyang site. The work had not been interrupted by the war. Even up to the 1960's the China Foundation still had a research professorship in the Institute for Li Chi to conduct the archeological works. The building of the Institute of Physics-Chemistry-Engineering, Academia Sinica, was funded by the Foundation. The Chief of the Institute was C. K. Chuang who was also the dean of the College of Science, the Central University. From 1935, the Foundation hired him as the Science Research Professor to devote his full time in research. His major subjects were mostly related to molecular structures of the physiological materials. He had produced cholic acid, sterols, vitamin D, toxin of toads, heart toxins of plants, the intermediate elements of men and women's sex hormone group. He had conducted multilateral research on the chemical synthesis. Only until 1946 did he resign the professorship for a field trip to the United States.

Geology and Biology had always been the focus of the grants from the China Foundation. Wong Wen-hao, chief of the Geological Survey of China, Institute of Geology, Peiping Geological Institute as well as the Department of Geology, the Tsing Hua University. Since he was awarded Professorship by the Foundation in 1930, he had conducted researches on the comparison of the strata of the lower Yangtze River, coal extractions by solvents, the estimate of the coal deposits in China, the basins and mountain ranges in China and sedimentation and erosion rates in the flooded plains of Hopei Province, etc. In addition to geology, he also studied geography such as measuring the sizes of the provinces, the analysis of the distribution of population and arable lands and the research and corrections of maps in Emperors Kan-si and Chien-long periods. He has many publications but due to his tight schedule, he had to resign the professorship in 1933. Before he came to China, Dr. A. W. Grabau was already an internationally renowned paleontologist. V. K. Ting invited him to visit China for geological survey and for teaching in the Department of Geology, the National Peking University. He pioneered the research of paleontology in China⁽³⁰⁾. After the war, he had physical difficulties in movement and was constrained to stay in Peking. At this difficult time and in his precarious old age, the China Foundation gave him a timely professorship to enable him to complete his long cherished project, the *Pulsation Theory*. This surely was a gift from the Foundation for his rainy days! Chi Ping can be called the pioneer of the biology in China. He led the Science Society of China and the Fan Memorial Institute of Biology. The China Foundation had fully supported these two institutions. Under the sponsorship of the Foundation he undertook a number of research projects, e.g. the classification of the gastropods in the coastal areas and inland provinces; the faunal distribution in the lower Yangtze River valley; and the classification and survey of economic fishes in the coastal area, etc. His works also included the experiments on physiology and nerves, such

as the functions of the cortex of mammals; the determination of hedgehog brain's primotor cortex; and certain effects of decortications of the cerebral hemisphere of the guinea pigs, etc. During the war time, he continued his research in Shanghai. Since joining the Fan Memorial Institute of Biology, H. H. Hu had devoted himself in the research of the new genera of the plants in China. He had completed the publication of the brief introduction to the flora in China and had written the research papers of the new kind of benzoin in China, genus of rehderodendron, new genus of boraginaceae and sinojohnstonia, etc. He also established the Lushan Botanical Garden and Arboretum, and formed the Botanical Society of China. He was known internationally as one of the pioneer of the modern flora taxonomy in China⁽³¹⁾. In 1946, the Foundation hired him as the Research Professor to continue his research in the Fan Memorial Institute of Biology during the reconstruction period after the war.

According to the awarding regulations of the Foundation toward the well-accomplished researchers, the Foundation intentionally focused on pure science and ignored applied sciences. In its draft proposals for the direction of works, it said:

The purpose of these two projects (i.e. Research Fellowships and Research Professorships) was to take care of the people in physics/chemistry. For experts in applied sciences it is easy for them to receive rewards from the profit-seeking enterprises. But the researchers in theoretical fields have only limited sources of income. They have strong needs for encouragement by way of the grants and also their works are truly meaningful. To this, the Foundation feels a strong responsibility to help them⁽³²⁾.

However the policy to give grants to a small number of researchers and institutions were against its principle of universality or diversification in grants. For example Ping Chi was a member of the screening committee for science research fellowship and prizes, and yet he had received the fellowship and in the meantime had been awarded the science research professorship as a double reward. For other examples, the Fan Memorial Institute of Biology was the cooperative enterprise of the China Foundation and National Geological Survey of China, the Institute of Biology of Science Society of China and the Institute of Agriculture and Forestry of the Chung Shan University all were the frequent receivers of grants of the China Foundation. Their chiefs, such as H. H. Hu, Wong Wen-hao, and Chen Huan-Yong etc. also received grants from the Foundation. This shows the preference by the China Foundation regarding its grants and supports. On the other hand, these preferences also had influenced the direction of the science research at that time.

II. Grants to the Research Institutions

“The precondition for the science development to be asked is whether we have any science research institution, for research institutions are organized for the specific purpose to develop specific fields⁽³³⁾.” H. C. Zen's above comments reflected the importance of research institutions to the development of science. But in the early Republic, there were few research organizations. The oldest one, the National Geological

Survey of China was established in 1916. It was followed by the Biological Laboratory, the Science Society of China in 1922 and the Fan Memorial Institute of Biology in 1927. They were all small-sized with a skeleton of only a few staffs. After the Nationalist Government was established, the Academia Sinica and the National Peiping Research Academy were first formed. Later on the Central Laboratory of Industry, the Central Laboratory of Agriculture and the research institutes in the universities had been established one by one. Certain large-scale manufacturing firms also established their research units, such as the Golden Sea Chemical Research Institute. The research environment gradually had taken shape. According to a statistic by the Ministry of Education in January, 1935, there were 142 major academic organizations with 34 in natural science, accounted for 30.9% of the total. Tsai Yuan-Pei classified these science research organizations into 3 categories; (1) Government-owned organizations; (2) Private organizations; and (3) Institutes in universities. These not only included research institutes but also included the National Economic Committee, Henry Lester Institute of Medical Research, and the West China Institute of Science, etc.⁽³⁴⁾.

The grant policy to institutions of the China Foundation was “*doing without owning*”. The Foundation would rather cooperate with other well established organizations than do it alone, so that the Foundation could use fewer monies for better effect. At that time most research institutions were short of funding. To maintain the existing works was very difficult let alone expansion. Zen said, “*The reason that most organizations of our nation become soup kitchens and most scholars wring their hands for not being able to do anything is all because of the shortage of a small sum of monies. Even though the grants from the China Foundation are small, they are just enough to cover this shortage. This is the best way to leverage our limited resources for the best use*”⁽³⁵⁾.” Even though its policy was also to take care of the private organization with reputation or with growth potentials, such as the Golden Chemical Research Institute, the West China Institute of Science and the Biological Laboratory, the Science Society of China, etc., these were exceptions. Concerning their grants, the emphasis was on governmental research institutes, such as the Academia Sinica, and the National Geological Survey of China. Only during the emergency period of wartime, the grants to the Biological Lab and of the Science Society of China had increased dramatically. (See Table 6-1)

1. Geological and Soil Researches

The predecessor of the National Geological Survey of China was the Geological Section, Mining Department, Ministry of Industry and Commerce. It was established in 1913 but only after 1916 when the Survey was established it had its own staffs (about 20 staffs), its independent budget (about \$68,000 per year) and its own office (at No. 4, Feng-Shen Alley, West Peking). During the time of its first administrator, V. K. Ting, the budget was very tight. But with the grants from the mining industry, they could afford to build the library and exhibition rooms. In 1921, when Ting resigned for the position of president at the Pei-Piao Coal Mine, his work was taken over by his deputy, Wong Wen-hao, as acting director. From then on the institute frequently faced the budget shortage or no income at all. Since Wong took over as director, the Foundation had started

to support half of the budget and this had profound influence on the institute.

Table 6-1: List of Grants of the China Foundation to the Research Institutions

Year	(b) Geological Survey	Biological Institute of Science Society	(e) Academia Sinica	Golden Sea	(g) Others	Total
1925					500	500
1926	35,000	20,000			4,000	59,000
1927	35,000	15,000				50,000
1928	35,000	15,000				50,000
			(f)			
1929	50,000	60,000	500,000			610,000
1930	55,000	40,000	25,000		10,000	130,000
1931	57,200	40,000	90,000	10,000	25,000	222,200
1932	50,000	40,000	30,000	10,000	26,000	156,000
1933	100,000	50,000	30,000	10,000	17,000	207,000
1934	100,000	50,000	125,000	10,000	23,000	308,000
1935	96,000	48,000	120,000	8,000	2,000	274,000
1936	96,000	52,000	123,350	10,000		281,350
1937	96,000	55,000	118,000	10,000	3,000	282,000
1938	96,000	50,000	60,000	10,000	15,000	231,000
1939	96,000	50,000	105,000	10,000	60,000	321,000
(a)	(c)	(d)				
1940-46	451,000	3,510,000	2,625,000	855,000	275,000	7,716,000
Total	1,448,200	4,095,000	3,951,350	943,000	460,500	10,898,050

- (a) Annual Report was stopped in the Emergency Period. The 16th Annual Report rearranged the information during the war.
- (b) From 1930, the soil survey was entrusted to Geological Survey but its budgets were listed under self-conducted enterprises (see Table 3-2). After the war, the annual grant for the soil survey was \$50,000 per year.
- (c) From 1944, the grant to Geological Survey had been stopped until after the war.
- (d) This included grants to Science Society of China and Biological Laboratory.
- (e) These included grants to Institute of Social Research, Institute of History & Philology, Institute of Geology and the manufacturing expenses of the science equipments.
- (f) The huge amount of grant was related to the building expenses for Institute of Physics, Chemistry and Engineering and equipment expenditure.
- (g) This included grants to Hunan Geological Survey, Science Mission to the Northwest, West China Institute of Science, Tsingtao Observatory and Kiangsu Entomology Bureau. Since 1938, the major grant-receivers were Kweichow Provincial Hall of Science. This did not included grants to hospitals and societies.

Right from the beginning, the National Geological Survey had maintained its focus on the tangible gains from research. Its major tasks were mining survey, geological survey and drawing of the geological maps. In 1919, the institute first published its *Soil Bulletin* and *Soil Special Report*. Up to 1936, it had published 29 volumes of the former and 23 volumes of the latter. Almost every report contained a chapter on mining. Since 1920 when Grabau came to the institute and started publishing *Paleontologia Sinica*, he also had actively developed researchers for paleontology in Peking University. This changed the research culture. The study of historical geology such as stratum and paleontology, etc. became the mainstream of geology in China. But in the National Geological Survey the “*economic geology*” such as mining and rocks, etc. remained their major tasks⁽³⁶⁾.

The institute originally belonged to the Ministry of Industry and Commerce. Later it was merged into the Ministry of Agriculture and Commerce, and then into the Ministry of Agriculture and Mining. In 1930 it was put under the Ministry of Industries. During the war, it was switched to the Ministry of the Economic Affairs. When the Nationalists Government settled down in Nanking as their capital, they built a new office at Pearl River Road, Nanking for the institute. The institute moved to Nanking when its new office was completed in 1934, and its Peking Office became a branch with expanded staffs of more than 50. In the early days, the institute had an administrative department dealing with the general administrative works. Besides, it had departments of geology and mining to conduct research works. In 1928, the institute was reorganized and set up a number of research departments and the department of geology was expanded to become the department of geological survey. They established a mineral deposits office. The department of mining was expanded into the research section of the economic geology office. They established a mineral research center and used the chemical and optical analyses to study the mineral rocks. At the same time the institute received support and grants from all sides and its organization expanded. First in 1928 it received donations from the mining companies such as the Kailan Mining Co. and the Peipiau Mining Company for building the administrative office and office for paleontology research. This promoted the survey and research of the fossils of invertebrates. In 1929, with the support of the Rockefeller Foundation, the institute added a Cenozoic Laboratory focusing research on fossils of vertebrate and ancient humans. The office started excavations at Choukoutien and conducted research on the Peking Man. In 1930, with the donations from Lin Shin-Kwei and Sze Sao-ke, it established the earthquake research office and Chinyuan Fuel research office. The former had been conducting the earthquake recordkeeping and survey. The latter studied coal and other related minerals. After the break-out of the war, the institute was first moved to Changsha, later to Chungking and finally to Beipei. After Director Wong Wen-hao resigned his position was succeeded by T. K. Huang, Yin Tsan-Shun and Li Chun-Yi⁽³⁷⁾.

In 1944, the China Foundation stopped the grants to the institute for unknown reasons. It was most probably due to the financial crisis of the Foundation. But at this time as the institute was closely allied with the National Resources Commission, the annual grant of \$100,000 was no longer so important to the institute. For over 20 years, the Institute had received support and grants from all sides; their researchers had surveyed soil, drew the topological maps, and prospected the mine lodes all over 28 provinces of China. It reported: *“Our colleagues had walked more than 400,000 kilometers, surveyed areas of more than 2 million square miles for 1/1,000,000 scale geological maps in the number of 600 published and unpublished ones. As for larger-scale maps the number are far more. In 20 years, the institute collected minerals, rocks, fossils and soil specimen over 70,000 pieces; measured 208 coordinates of latitude and longitude plus 38 geomagnetic fields; recorded 2,302 earthquakes; collected 68,000 Chinese and Western books, and 45,000 maps. Besides, we have great success in mineral survey, ore research, paleontological description, stratum structure record, topographic survey, mine prospecting, fuels research, soil survey, chemical analysis, and publishing reports, etc.”* For example the discovery of the Peking Man in Choukoutian, the primitive mammals of Triassic Period and fossils of eothyrididae in Lufeng, Yunnan, etc. were all stunning

discoveries. These discoveries “*had been widely discussed by scholars all over the world and they all recognized their importance.*” Besides, “*Researches on stratum, fossils, minerals and rocks, etc. are well known internationally while surprisingly enough they are rarely noticed by our own countrymen*”⁽³⁸⁾.”

In 1930 at the 6th Annual Meeting, the China Foundation approved a soil survey project and decided to entrust to the Geological Survey for execution with a 3-year trial period. “*In the 3-year period, the Geological Survey of China should recruit one or two foreign soil specialist while developing domestic talents at the same time so that the work can move forward. In the 3-year period, the Geological Survey of China should roughly sketch the soil area surveyed and select some important agricultural areas to make detailed survey as basis for later works. If it is related to agriculture, the Geological Survey of China should hire agricultural specialist to participate in the project or cooperate for the project*”⁽³⁹⁾.” Since that year, the Foundation granted annually from \$20,000 to \$40,000 to the institute to entrust it to establish the soil research office and to hire Professor R. L. Pendleton, Laguna Agricultural College in Philippines to visit China for assistance. The researchers, Chang Ching-Long and Hsieh Chia-Jong started to survey the soils in the plains of the western Wei River and Ping Valley in Hopei. Their works had expanded to include Salachi, Tatung, Harbin, Nanking and Hangchou. The purpose was to provide reference materials for the farms of agricultural schools and the fertilizer factories to solve the practical problems in soil. In 1930, Dr. James Thorp of the U.S. Soil Bureau came to replace Dr. Pendleton. The grants from the Foundation increased to \$50,000 each year and these enabled the institute to increase staffs and equipment. The institute also worked with the Central Agricultural Laboratory of the Ministry of Industries and the College of Agriculture, the Private University of Nanking for soil survey and research⁽⁴⁰⁾. The results of the soil survey in the Northern provinces were published in the *Soil Special Bulletin* and the *Soil Bulletin*. The research bulletins were extremely valuable as reference materials for the use of fallow land and irrigation and the assistance to the rural areas of the Northern provinces. They also benefited the soil conservation and increased the agricultural production. After the break out of the war, the institute and its staffs moved to the hinterland and started the survey in the northwestern and southwestern provinces. At the end of war, the survey across the nation had been completed and the soil maps of the nation had been published. In addition to on-the-spot survey, the soil analyses and tests had also proceeded simultaneously. Generally speaking, they had completed the research on the nature of the soil across the nation. After the war, the China Foundation believed that “*since the soil survey is a national project, the enterprise should be supported by the Government and not by the China Foundation with limited resources*”⁽⁴¹⁾.” Therefore in 1946 the Foundation handed the project over to the Ministry of the Economic Affairs and played only a supporting role from then on.

The National Geological Survey had always been the leader among the geological enterprises in China while the provincial geological survey institutions played only the supporting roles due to their later establishment and limited resources in staffs and funding. The earliest provincial geological survey institution was established by the Bureau of Public Works, Honan Province in 1923. This was followed by the geological survey institution established by the Bureau of Public Works, Hunan Province in 1927.

The China Foundation in 1930 started to give a grant of \$10,000 (stopped in 1934) to the Hunan Geological Survey for surveys and equipment. Its work was focused on mineral surveys and it published more than 10 economic geological bulletins⁽⁴²⁾. Before the war, not only the number of the geological survey institutes was few, but the distribution was also uneven. In the northern China, there was only Honan geological survey institute and in southern China, there were only 3 institutes in Hunan, Kwangtung/Kwangsi and Kiangsi. Most of their jobs were drawing geological maps, surveying the mineral deposits, collecting statistics on mining industry, researching in soil, hydraulic power, thermo power, and irrigation and making industrial designs. They had received symbolically small amount of funding from the central Government and they often asked the National Geological Survey for cooperation in research.

2. Biological Research and Survey

A. The Biological Laboratory, Science Society of China

In 1914, the Science Society of China was established in the U.S. It had 35 founding members. All of them were young students studying in the U.S. Its Chairman was H. C. Zen. Its key members were Ping Chi, Y. R. Chao, Fu Ming-Fu, Yang Chuan and Chu Ko-Chen, etc. Its earlier work was to promote science and to popularize the scientific knowledge. Starting in 1920's the members abandoned scientism in time and embraced science research instead. The purpose of the Society was not only to play the role of promoting science, but also to engage itself in the science research. Therefore they believed that "*setting up research institutes and libraries, etc. is more important than publishing magazines and defining the scientific phrases*"⁽⁴³⁾. What kind of the research institutes should be established? After surveying the Western research institutes, people like Yang Chuan and H. C. Zen classified the institutes into generally 5 categories: (1) private laboratory; (2) research institutes in schools; (3) institutes set up by the academic societies; (4) research institutes in the manufacturing companies; and (5) institutes set up by the governments. Considering the situation in the then China, they believed that the best ones to set up the research institutes were schools and the academic societies⁽⁴⁴⁾. Therefore, the Science Society had been actively seeking cooperation with research institutes of the schools. At that time, famous biologists such as Ping Chi, Chen Cheng, H. H. Hu, and H. Y. Chen, etc. all were the faculty members of the South-eastern University and all were members of the Science Society. Therefore, they used the Wister Institute of Anatomy and Biology in the U.S. as a template⁽⁴⁵⁾ to set up a Chinese and non-government research institute—the Biological Laboratory in 1922.

At the beginning, the Institute only received a monthly payment of \$300 from the treasury of Kiangsu Province. With crude equipment and the specimen of fauna and flora collected, it established the earliest museum of the natural history in Nanking. From 1926, the China Foundation started to provide grants to the Institute. In 1929, the Foundation gave an additional \$20,000 together with another \$20,000 from the Society for construction costs. The building was situated at the western site of the office of the Society. The building was a two-storied one with more than one *mu* of land for research works and exhibition of the specimen⁽⁴⁶⁾. The Director of the Institute, Ping Chi, was

hired by the Foundation as a Science Research Professor and his salary in the Institute was reallocated for the salaries of two new staffs. With steady income, the research works progressed steadily.

The major tasks of the Institute were 3: (1) research (2) development of talents and (3) promotion and popularization of the research results. With respect to research, there were the Departments of Zoology and Botany. The former was lead by Ping Chi and Shisan C. Chen and the latter was directed by S. S. Chien and H. H. Hu. At beginning they engaged in the survey and investigation of the flora and fauna in China. Ping Chi clearly pointed out, “*The most urgent work for biology today is collection and classification*”⁽⁴⁷⁾. The staffs of the Institute also considered taxonomy the foundation of biological research and the collection of specimen was the major task of the biologists. Therefore under the leaderships of Chen, Chien and Fu, the staffs collected the specimens across the nation. The direction of their research was focused on the evolutionary biology. Chien and Hu were used to conduct research in the Harvard University and had close connection with the Arnold Arboretum of Harvard University. The Arboretum was the major center of the evolutionary biology in the U.S., emphasizing collection and taxonomy. The Institute had always exchanged specimen with the Arboretum and the direction of the Institute was influenced by it⁽⁴⁹⁾. This emphasis more on collection and survey and less on experiments had spawned debates between the camps of survey and experiments⁽⁵⁰⁾. The institute later had adjusted its scope of research. In 1935 a report by the China Foundation mentioned about the recent changes of the Institute by saying:

Due to the limited budget in the past, the Institute’s research mainly focused on taxonomy. Recently in view of the importance of other departments of biology, it had worked hard in animal physiology, biological chemistry and economic entomology with the hope that it can contribute in the subjects of hygiene, nourishment and the elimination of the bugs in plants. They also took the same steps in the research of botany, especially regarding to the research of plants and fungi of economic values⁽⁵¹⁾.

In the Institute, Shisan C. Chen used goldfish as a subject to study its morphology, variations, hybridization with the crucian carps and the principles of the strain formation etc. Even though he pioneered study of genetics, he had no influence on the mainstream of the taxonomical evolutionary biology in the Institute as he soon left Nanking for teaching and research in the Tsing Hua University in Peking⁽⁵²⁾.

The establishment of the Institute became a milestone on the road of development in modern Chinese biology. It developed a number of researchers who had set up the strategic points of research in biology among the universities. The establishment of biological institutes, such as the Museum of the Natural History, Academia Sinica (later changed into the Research Institute of Zoology and Biology); the Institute of Agriculture and Forestry, Chung Shan University; and the Institute of Biology, the West China Institute of Science, etc. were one way or another related to the Institute. They also worked closely in taxonomy and survey. The Fan Memorial Institute of Biology was no exception⁽⁵³⁾.

B. Fan Memorial Institute of Biology

The origin of the Institute and the entrustment of its endowment to the China Foundation have already been described in Chapter 3. The major task of the Institute was to survey the flora and fauna of the northern China. Its departments of zoology and botany were directed by Ping Chi and H. H. Hu. Ping Chi, the first director, after travelling up and down China for several years, resigned the position as the director and devoted his full time in the Biology Laboratory of Science Society of China. His position was taken over by H. H. Hu. These two institutions had conducted almost the same research and the only difference was the scope of the research. The China Foundation also believed the location of the institutes in the north and the south was a good idea and the friendly cooperative relationships between the two institutes were appropriate. It reported:

Besides the Fan Memorial Institute of Biology, there are the Biology Laboratory of the Science Society of China and The Institute of Plants and Forestry, Chung Shan University in Canton. The three institutes all received our grants. Because the directors of the three have long-term friendly relationships, their works are cooperative without duplication. Since the locations of the three institutes are in the northern, western and central China and there were abundant species in the vast territory of China, the distribution is seamless⁽⁵⁴⁾.

Since the major task of the Institute was to “*follow the footsteps of the National Geological Survey to survey the taxonomy of the flora and fauna in China*”, its survey areas spread widely north to Mongolia, south to Hainan Island, and to Tibet and Sichuan in northwest and southwest China. They found many new species. Their reports were published in the Bulletins of the Fan Memorial Institute of Biology, the Chinese Plants Illustrated and Floral Special Report, etc.

During his early years of study in Harvard University, H. H. Hu used the plant specimen he collected in the school's botanical garden for his PhD thesis. He was interested in the botanical garden management. At end of 1933, Hu returned to his Kiangsi hometown and contacted the Provincial College of Agriculture for jointly operating the Lushan Botanical Garden and Arboretum. Next year, the Garden was established and they hired Chin Zen-Chang as the curator. Chin had been the researcher of the Royal Botanic Garden, Edinburg and Kew Garden, London. The Provincial Kiangsi College of Agriculture provided \$30,000 as organization fees, and the Fan Memorial Institute of Biology shared half of the on-going budget of \$12,000 with the College. The garden was 9,000-mu in size. In addition to the cultivation of and experiments on the forestry and garden plants, the Garden also surveyed and collected the plants in Lushan. The Garden became the biggest one in China. In addition to his second job offered by the College as the curator of Lushan Forestry, Chin Zen-Chang also established Meisan Forestry Laboratory⁽⁵⁵⁾ at the request of Lu Tso-Fu, the director of the Bureau of the Public Works, Kiangsi Province. The Fan Memorial Institute's cooperative project for the Lushan Botanical Garden and Arboretum was planned to last 3 years. But at maturity in 1937, some member of the Institute opposed the extension of the agreement for reason that the Institute should devoted fully in pure research. As the resources were limited,

they could not afford to take care of research in applications. This opinion was closely related to the Institute's own policy. Hu made the following proposal:

Since our organization is named as an institute, we should focus on pure science research and we should only pay attention to the research for production when we have excess energy. Since China has huge territory and abundant resources, people will criticize if we do not engage in the research of applications at the same time. Do we have to change our policy⁽⁵⁶⁾?

After discussions, they decided to stick to the original plan for botanical gardens were “*the most important enterprises of a permanent character for us. The project cannot be compared with short-term cooperative businesses.*” Therefore they continued the project.

After the break-out of the war, due to the impossibility to move the collection of specimen and books, the Institute did not moved to the south. It was under the protection of U. S. Embassy. H. H. Hu led part of staffs to Yunnan and established Yunnan Agriculture and Forestry Laboratory in cooperation with the Department of Education, Yunnan Province. The Lab was established at the Dragon Spring Park, near Black Dragon Pond, in the northern suburb of Kunming. Chin Zen-Chan led the staffs of the Botanical Garden to Likiang County at the northwestern Yunnan. They established the Likiang Working Center of the Lushan Botanical Garden and Arboretum and continued their research. They not only surveyed the plants in Yunnan and the Houlan Mountains, they also published many research papers on ferns. The grants from the China Foundation never stopped. At the start of the Pacific War, the Japanese army treated the Institute as an American institute and confiscated it. The equipment was totally destroyed. Nevertheless, H. H. Hu still published the reactivated bulletins in Kiangsi. He published his most important discovery in Szechuan, i.e. metasequoia (Dawn Redwood), a living fossil. After the war, the China Foundation could no longer afford the expenses to move the Institute back to Peking and the market value of the Fan Memorial Fund's securities was cut in half due to its investment in Chinese Government bonds. The Foundation asked Government for a grant of 500 million dollar to maintain the Institute⁽⁵⁷⁾. In 1948, the Foundation wrote to the Ministry of Education asking the Government to include the salaries of the Institute under the Government's budget for education and culture, while the Foundation was to be responsible only for the Institute's business and administrative expenses. After the fall of the Mainland by the Nationalists, the Institute was merged to the Institute of Plant Taxonomy, Chinese Academy of Science⁽⁵⁸⁾.

3. Academia Sinica and Others

A. Academia Sinica

Academia Sinica was established in June, 1928 and was the highest academic research institute in China. At the establishment, Tsai Yuan-Pei spelt out the tasks of the institute, “*to include academic research, publication, and promotion. It is a composite institute similar in nature to a central research institute, a composite of national academy*

and national research society similar to those of the Western developed countries.” Its duties included: (1) conducting science research and (2) guiding, coordinating and encouraging the academic researches. In fact the second task was very difficult and it had never been fulfilled by the Academia Sinica. To become the “*academic vanguard of the nation*”, the Institute had to concentrate on its first task, i.e. setting up research institutes ⁽⁵⁹⁾.

At the beginning of Academia Sinica, the total annual budget was CN\$1,200,000. Besides its salaries, it was short of funds for constructions and other temporary equipments. Wearing one hat as the Chairman of the Academia Sinica and another as the Chairman of the China Foundation, Tsai organized a planning committee for developing the sciences of physics/chemistry and engineering. The committee presented a report to the China Foundation asking a grant of \$500,000 for the building and equipments of the Research Institute of Physics-Chemistry-Engineering. Tsai’s request was approved by the 5th Annual Meeting in June, 1929. During the construction period, the Academia Sinica and the Foundation formed a joint committee to oversee the plan, with Wong Wen-hao, Ting Sie-Lin, Yen Zen-Kuang, Wong Chin and H. F. Sun as committee members. The building was situated in Shanghai ⁽⁶⁰⁾ and the grants for the construction were paid in six installments and were paid up in 1932.

According to the Director of the Academia, V. K. Ting, the works of the institute were 3 kinds: (1) conventional or long-term researches; (2) use of scientific research methods to research material and production in China to solve various industrial problems; and (3) pure science research. Even though he thought there was no way to distinguish between pure and applied sciences, still he insisted: “*The most important and the most practical task of the Academia Sinica is to use the scientific methods to conduct the research of our material and production in order to solve various industrial problems* ⁽⁶¹⁾.” With such a faith, the Institute of Engineering had set up cotton textile dyeing laboratory and laboratories for steel, glass and magnetic experiment. The Institute of Chemistry conducted the research on the industrial use of alum and Chinese herbs. The Institute of Physics produced physic lab equipments for middle schools. Their works were very practical and the China Foundation was supportive. From 1932, it provided grant of \$15,000 to Institute of Physics for providing lab equipment to senior high schools and universities, and \$8,000 to the Institute of Meteorology for purchase of the special equipment such as electric weather testing machine, barometer, thermometer and hygrometer for the Chinien Observatory. During the war period, the Foundation also provided grants to the Institutes of Meteorology, Geology and glass testing lab, etc. for purchase of equipment. These piecemeal grants were based upon one-time needs and were not on-going in nature. The on-going grants provided by the Foundation were focused on the Institute of History and Philology, and Research Institute of Social Sciences (later changed name to the Institute of Sociology).

From 1931, the Foundation granted \$30,000 to the Institute of History and Philology for its works in archeology, research in linguistics and for publications and reports. The Linguistics Division by Y. R. Chao's traveled to the U.S. had added new recording apparatus to facilitate the survey of dialects, collection of phonemes, and

build-up of phonetic files. As for Archeology Division, it was divided into sections of excavations, survey and research. This division had been receiving long-term grants from the China Foundation. The chief of the Division, Li Chi was also the Science Research Professor of the Foundation. With relative adequate funding, they had made important discoveries through excavations in Honan and Shantung. The research reports from Li Chi, Liang Ssu-Yung and Tung Tso-Pin represented major accomplishments in archeology. The Institute of Sociology (formerly the Institute of Social Science) was established in 1928 in Shanghai. It later was moved to Nanking. At the beginning, the directors were occupied part time by Tsai Yuan-Pei, Yang Chuan and Fu Ssu-Nien, etc. In 1934 the Foundation decided to merge its own Institute of Social Research into the Institute of Social Science (see Chapter 3). The Foundation hired L.K. Tao as the director of the merged Institute until the end of war when the Central Government moved back to Nanking. Out of more than CN\$100,000 annually supported by the China Foundation to the institutes of the Academia Sinica, CN\$80,000 was granted to the Institute of Sociology. This shows its importance in the Academia Sinica. The works of the Institute included laws, ethnology, sociology and economics. After the merger, the works of the Division of Ethnology was taken over by the Institute of History and Philology. The works of the Institute of Law was suspended. Therefore the works of the Institute of Sociology were limited to sociology and economics with emphasis on the latter. This can be shown in its proposed research subjects such as modern economic history, industrial economy, agricultural economy, international trades, banking and finance, public finance, population and statistics, etc. After the war, the Institute was moved to Changsha, Kweilin and Kunming and finally to Li Chuan in Szechuan. The grants from the Foundation to the Institute had never stopped. Its research works shifted to the subjects of the economic survey of Yunnan Province, and the study of the war-time economy, etc. ⁽⁶²⁾ The grants to the Institute of Archeology and the Institute of Sociology were exceptions. They were the few major grant recipients when the Foundation expanded its business scope to include the social science.

B. The Golden Sea Chemical Research Institute

Before the First World War, most Chinese consumer goods depended on imports or on those factories production operated by foreigners. The World War had brought the opportunities to the Chinese for producing their own goods. At that time the manufacturers of the products such as matches, soaps, glasses, papers, dyestuff and drugs, etc. were all classified as the chemical industry. The pioneer of the chemical industry in north China was Ray Fan (Fan Hsu-Tung, born in 1882, a brother of Fan Yuan-lien) ⁽⁶³⁾. In 1914, he established Chiu-Da Refined Salt Company in Tang-Ku, Hopei. Because of Fan Yuan-lien's close relationship with the Peking Government, the company was able to expand rapidly with large profits. Three years later, Fan set up the Yong-Li (Ever-Profitable) Salt Company, with \$50,000 as its capital to produce pure alkali, a common material for soap, paper, glass and drugs. In 1922, basing on the established foundation of his laboratory, he established the Golden Sea Chemical Research Institute with \$100,000 donation from his dividends at Chiu-Da. He hired Sun Shue-Wu, a Harvard PhD, as the director of the Institute with more than 30 researchers and 5 research divisions. In 1931, the China Foundation decided to give them a grant of \$10,000 for

expansion of research. The major research works of the Institute were: (1) In microbiology, survey the wineries of various places, research on alcohol and lactic acid by fermentation methods; collect moulds for separation, research and applications; (2) In fertilizer, survey, research, promotion and applications in nitrogen, phosphorous and potassium; (3) In light metals, research in aluminum; and (4) In water-soluble salts, research in simple methods to produce brine by using lime and ammonium carbonate.⁽⁶⁴⁾ The scope of the institute's research was beyond those with direct benefits to his company. It also expanded to include other general industrial research. It is hard to evaluate the performance of the institute, but being the pioneer of the private institute of chemical engineering research, the Golden Sea deserved to be a model for similar institutions either established by the government or by the civilians⁽⁶⁵⁾. This was the real purpose for the Foundation's long-term support.

C. Scientific Mission to the Northwest

Since the middle of the 19th Century, the Western collectors and explorers continuously travelled to China. Among them Sven Hedin (1865-1952) was the most famous. He had visited frequently to the inner regions of China and the Central Asia for exploration and collection. In 1926, with the support of a German airline, he came to China again for exploring the Northwest. Through the former director of the Swedish geological survey, J. G. Anderson (formerly mining advisor to the Geological Survey of China), Hedin signed a draft agreement with V. K. Ting that his exploration should be accompanied by the staffs from the Geological Survey, but the collection from Inner Mongolia and Chinese Turkistan should be sent first to Sweden for research. When the draft agreement was published in March, next year, it created uproar in the public opinion of the academic societies in Peking. Fourteen institutions formed the Association of the Academic Institutions in China and signed a cooperative agreement with 19 articles and changed the original Swedish exploration into a Sino-Swedish Scientific Mission of the Northwest. The institutions included Peking University; the Tsing Hua College; the National Museum of History; the National Metropolitan Library; the Central Observatory; the Palace Museum; the Geological Survey of China; the Chinese Society of Astronomy; and the Society of Geology, etc. The Chairman of the Association, Liu Fu said that the spirit of the agreement was three-fold: (1) no violation of the national sovereignty; (2) protection of national treasures; and (3) major fossils to remain in China in order to promote the scientific development⁽⁶⁶⁾. The Mission was formed by several academic societies. The Chinese team leader was Hsu Bing-Chang (succeeded by Yuan Fu-Li), and the foreign team leader was Hedin with 10 Chinese and 18 Europeans, mostly experts in geology, astronomy, meteorology and archeology. They set off in 1927 and had surveyed the Northwest for 6 years with fruitful results.

The funding of the Mission was raised by Hedin from Sweden and Germany and the Chinese did not chip in with any money. The Association of the Academic Institutions in China in February, 1928 asked the China Foundation for grants for publication and for safekeeping of the findings, each for \$30,000. There were seven research items for the Mission to conduct. These were divided into two sections. The first section included geology, anthropology, archeology and folklore. The second section included

geomagnetism, meteorology and astronomy. The Association was willing to pay only the publication and printing costs of the first section ⁽⁶⁷⁾. The China Foundation started from 1931 an annual grant of \$15,000 to the Mission for 3 years also for publication and printing costs only. In addition to publishing the translated version of Hedin's *My Exploration Career* in Chinese, they took photographs of Two Han Dynasties wooden slips with research report, drew maps and handled antiques. Huang Wen-Pi's *The Catalogue of Potteries from Kao Ch'ang*, Yuan Fu-Li and Ting Dao-Heng's research papers relating to geology and fossils in Mongolia and Chinese Turkestan were published ⁽⁶⁸⁾.

D. The West China Institute of Science

Because the natural resources in the western China are bountiful and diverse, the Chinese and foreigners frequently travelled to Szechuan, Sikang, Yunnan and Kweichow for the survey and collection of flora, fauna and minerals. Only after 1927 when H. H. Hu organized a collecting party to collect plant specimen in the Szechuan and Sikang area with the Szechuan members of the Science Society of China, the Chinese began to have the well-planned and organized exploration teams to conduct such kind of research. From that time on, the academic societies often came to the west China for investigation and survey. The chairman of the Science Society of China, H. C. Zen and the Director of the Geological Survey, Wong Wen-hao went together to Szechuan for a visit. This created a high tide of the scientific activities in the western China and attracted the keen interest from the local military, political and educational people for science research ⁽⁶⁹⁾. This also strengthened the communication between people in Szechuan and the scientists from central China.

The founder of the Minsheng Industrial Corporation (the Minsheng Co. in short, established in 1925), Lu Tsou-Fu (1893-1952), with the support from Szechuan warlord Liu Shian (1888-1938) and encouragement from the leaders of the academic societies in Peking and Shanghai, such as Tsai Yuan-Pei, Ping Chi and Wong Wen-hao, etc, in 1930 founded the West China Institute of Science at the north of the suburb Chungking. The purpose of the establishment was that the military and political authorities in Szechuan and people in and out of China believed that "*with the vast territory and bountiful products, the western provinces not only serve as the defensive barrier in the southwest but also stand equal to the northeastern provinces in the sense of economy.*" Therefore, a science institute was established "*to engage in the research of science to develop natural treasure, and to enrich the people* ⁽⁷⁰⁾." The funding sources of the Institute came from the Minsheng Co. and its affiliates. The company was the largest private shipping company in China at that time ⁽⁷¹⁾. The Institute also received supports from the 21st Army head quarter under Liu Shian and the Three Gorges Defense Regiment plus that from the Bank of Szechuan and the industrial people, with an endowment of \$160,000 and yearly budget of more than \$50,000. Under the "*policy to study applied sciences in order to assist the economic and cultural development of the western China*", they established the institutes of physics/chemistry, geology, biology and agriculture/forestry. The Institute of Physics/Chemistry engaged in the testing of the minerals and industrial products and in research of the problems of fuels in Szechuan and Sikang. Institute of Geology engaged

in the survey of geology and minerals. Institute of Biology engaged in the collection and research of the biological specimen. The Institute of Agriculture and Forestry engaged in the improvement and promotion of forest cultivation and agricultural produce⁽⁷²⁾. Its Institute of Biology cooperated with the Fan Memorial Institute of Biology and the Biological Laboratory, the Science Society of China in collection of specimen. The China Foundation in 1932 provided small grants to support its cooperative projects. Even though \$2,000 to \$3,000 annual grants did not play any major role in the Academy's development, it was symbolically important for the academic exchange between inland and frontier regions of China. During the wartime, there were more than 20 academic institutions relocated to the suburb of Chungking and most of them borrowed the Institute's buildings to conduct research works. Building on the basis of the Institute, these institutions jointly established the Science Museum of the Western China (later changed to Beipei Museum) exhibiting the results of their research and promoting the local science education in order to improve the Chinese people's knowledge of science.

III. Summery

What assessment should we give to the performance of the China Foundation in its support of science research? As regard to the results of the individual research subjects, they are beyond the scope of this book and therefore are not evaluated. But from its emphasis in grants, we can detect the characteristics of science development at that time. The China Foundation reflected the mainstream thinking at that time, i.e., the emphasis on the "indigenous" or "local" sciences. So-called local science represents science built on the study of the subjects with specific local characters, such as geology, biology and meteorology, etc. On the contrary, sciences such as physics and chemistry, etc. are world-wide or universal sciences. In H. C. Zen's view, the duty of a scientist was to do the former. Only when he had done the former, he could proceed to undertake the works of the latter. The priority of science development for a country unavoidably should take care of sciences with local nature before the universal ones. The science development of a nation was "*unavoidably to develop indigenous one first and universal one later.*" The reasons were two: "*(1) even though the universal sciences are the foundation of science, in a science underdeveloped country, it is hard to master them right away. With limited talents and equipments, it will be useless to try to surmount them; and (2) since they are universal, we will be happy to borrow them from others, without the urgent needs to reinvent the wheels, so to speak*"⁽⁷³⁾."

At that time many scientists agreed to this definition of science and the priority of its development. For example, the physicist Ny Tsi-Ze said:

Physics is the mother of experimental science. It has developed earlier and it has been progressing very fast in the recent years. Therefore for those students who are in this field, they need longer training and better equipment before they can have any result to show. It is natural that the study of physics in China is a little bit lagging behind the study of geology and biology. But physics is an international science without much of local character and as soon as there is a discovery in physics, all the people in the world will take notice⁽⁷⁴⁾.

In his speech discussing how to conduct science research, Wong Wen-hao, in describing the most worthy research to pioneer, picked the sciences with local character as the candidates. He explained the reason with full of nationalistic patriotism as follows:

China really has vast territory and abundant resources. Many things had never been touched by science research. But once we do research on them, there will be new findings, and with new findings, there will be contribution...Therefore, if our scientists discard the local stuffs, foreign scientists will happy to utilize them. From the point of view of the global science, there is no boundary in learning for promoting the development of human knowledge. We shall welcome the foreigners visiting China to uncover the hidden treasures in order to promote the human knowledge. But from the Chinese point of view, if we cannot study quickly our own materials and our own problems for making contributions to the world but let the foreigners to do it first, we should feel doubly ashamed. Therefore, we should drive ourselves doubly hard⁽⁷⁵⁾.

Young Chung-Chien, a paleontologist, wrote a special paper to discuss and research the fundamental work in local sciences. He believed the horizontal research by treating the regions as longitude and subjects as latitude and the vertical research by treating the subjects as longitude and regions as latitude are the most fundamental works to study the local science⁽⁷⁶⁾.

Setting aside the questions whether such a classification of sciences and the priority of the science development are in fact tenable or not, we find this faith was the consensus of science promoters at that time. In reviewing the “*pure results*” gained from the promotion of science by the China Foundation, H. C. Zen said:

The China Foundation has made tremendous contribution to the development of the indigenous sciences. The relative developed subjects in China should count geology as number one...But until the inauguration of the China Foundation, the funding given by the Government almost could not maintain the basic livelihood of the staffs of the Geological Survey. How could they find the extra energy to take field trip? The China Foundation feels the geological survey has a very important linkage with the economy and science of China. For this decade, the grants from the China Foundation have always been increasing and the academic contributions by the institute also have been advancing...Among the academic institutions in China, I am afraid that I could not find another one with the comparable contributions...Next, biology in China had been following the footsteps of geology. Given time, it will also become an independent science. The reason for this is because the two subjects are indigenous in nature. Without going through the process of survey, we would be impossible to use the local stuffs to build up the local sciences...We just have to look at the biology in China before the Foundation extended a helping hand to it when it was not separated from the out-of-date concept of mixing biology and zoology as one undifferentiated course of teaching. Several years later, the results of the research by various institutes of biology, either in quantity or in quality, are

almost equal to those of geology. The textbooks and experiments in schools also have Chinese material to work with. This also is another example of the contributions from the China Foundation⁽⁷⁷⁾.

Geology and Biology started earlier in China and therefore their accomplishments were higher and it is undeniable that the China Foundation had major contributions to these two subjects. As for the contribution by the Foundation to other sciences, it is hard to assess because of the different natures. In 1936, the Science Society of China joined with other science societies (including the societies of Chinese Mathematics, Physics, Chemistry, Zoology, Botany, and Geography, etc.) to hold the first national annual meeting in Peking. In the meeting, there were 250 research papers presented. Out of them, about 60% of them received grants from the China Foundation⁽⁷⁸⁾. The concrete example may be a general indication of the China Foundation's contributions to the science research

Chapter 7: Conclusions

With its principles of “*doing without owning*” and “*leveraging the limited resources for the best results*”, before 1949 and especially before the Sino-Japanese War, the China Foundation had made major contributions to modern science of China. Its role was not just acting as the passive supporter but also the active promoter. Because such kind of foundation was a first in China, for the direction of its business and the administrative structure, the Foundation had to use American foundations, especially the Medical Board of China, Rockefeller Foundation as blueprints. These two foundations not only had over-lapping trustees, but also had cooperated or supplemented each other in the grants. However, by the efforts of its Chinese and American trustees, the China Foundation had gradually formulated its own policies adapted to the unique needs of China and it also had developed its unique *modus operandi* in grants-in-aid.

For science education, the early works of the Foundation focused on improving the teachers and teaching of the middle schools; and on editing and translating science textbooks. Even though these foundation-building works had some successes, regrettably due to later policy changes the above works could not persist. The emphasis on the editing and translating had been changed due to the personnel changes in the Foundation. As for middle school education, the Foundation had gradually shifted its attention from middle schools to universities and eventually completely stopped its supports for middle schools. How effective was this policy toward science education in the universities? Except for a few individual successes, its overall accomplishments are hard to evaluate. But in the 1920's and 1930's when the educational budgets were in shortage and even in arrears, the timely grants from the Foundation played an important role to “*keep the starving institutions from total collapse.*” The revival of Peking University and the resurgence of the research institute of the University of Communications are two good examples.

After the 1930's, the Nationalist Government started to focus on science education, the Foundation more or less echoed the trend. In agriculture, engineering and medicine, it had steadily increased its grants to the colleges of agriculture and medicine of the Central University; the College of Agriculture of Chung Shan University; University of Communications and the National Medical College of Shanghai, etc. Even though these “*applied sciences*” were within its business scope, the Board of the China Foundation had always avoided treating these as its primary task. The majority of the trustees insisted on the importance of pure science instead. Therefore, the Foundation's contribution to applied sciences had not been spectacular. Even during the wartime, due to the urgent needs to rebuild China, when it had to adapt to this trend and had to focus on the grants to agriculture, engineering and medicine, there had always been a counter force to pull the direction of its subsidy policy back toward pure science.

Due to serious underdevelopment of the science research in China, the Foundation paid special attention to its promotion. The way to promote was through talents and equipment. In short, the task was to “*provide job opportunities to the accomplished scholars and to provide development opportunities to the potential young men.*” Therefore the establishment of the Science Research Professorships, the Science Research Fellowships and Prizes was to serve the purpose. As for the science equipment, the Foundation not only provided grants to research institutions but also specified those

grants to universities were for purchasing scientific equipment. This subsidy to science research was the largest expenditure of its total budget. Therefore, Chu Ko-chen said, “Such research institutes in China as Geological Survey; the Biological Laboratory, the Science Society of China; Fan Memorial Institute of Biology and the professorships of Peking University all depended on the payment of the Boxer’s Indemnity, i.e. the Endowment of the China Foundation. As a result the Boxer’s Indemnity returned by Americans had become the important source for the science research institutes in China (1).”

The funding of the money always affects the orientation of research. In the debates among biologists stirred up by Wang Ging-Hsi, who felt strongly about the uneven appropriations for science. He said:

For its grants, most funding for biology went to the research of taxonomy and morphology. Over the past decade, the Government’s payments for education had always been inadequate and in arrears. Therefore we do not have great expectation on the Government funding…The funding from Boxer Indemnity endowments is more dependable. But for the China Foundation, their grants to biology had mostly gone to taxonomy and morphology. The Foundation had provided grants to the Biological Laboratory of the Science Society of China, Fan Memorial Institute of Biology, the Institute of Agriculture and Forestry of the Chung-Shan University at Canton, and the Summer Camp of the Marine Biological Research of Amoy University. The foreign biologists hired for teaching in China by the Foundation were also in the field of taxonomy and morphology. The major grants given by the Foundation also have gone into these two fields (2).

The China Foundation’s special interest in the biology and geology with heavy emphasis in localism reflected many scientists’ definition of science and the priorities for its development. Of course, members of Science Society of China such as H. C. Zen were the major promoter of this trend and the Foundation’s promotion was also guided by this.

How could the Foundation play the role of science supporter as well as science promoter? According to Zen’s experience, he distilled it into two prerequisites: (1) concentrated funding and (2) emphasis on cooperative works (3). In other words, right from the beginning, the China Foundation had clear and careful direction and principles. In education, they limited the grants to the promotion of science; and in cultural enterprises, they limited the grants to libraries. The principle of funding was to subsidize the well accomplished schools or institutions. Its direction seems to be lopsided and its principles seem to be an icing on the cake. But with the limited resources, the way it concentrated its energy like a cannon aiming at a few carefully selected enterprises definitely was much more effective than acted like a shotgun scattering bullets on every possible project of education without priority.

This policy of giving monies to only a few schools and research institutes had incurred many criticisms. At the beginning of the Foundation, the Joint Committee of National Educational Groups Monitoring the Usage of the Remission of the Boxer Indemnity, and Joint Committee of the Provincial Educational Council had questioned about the principles of appropriations by the China Foundation. In 1931 when the Foundation established the Research Fund in cooperation with the Peking University,

there was a manifesto to pull away the dirty “*black screen*” and also criticism from the professor from the Central University as mentioned before. But the Foundation repeatedly explained the reason for sticking to the principle of concentrating its limited resources to only a few big projects. Faced with these criticisms and protests, H. C. Zen pleaded:

My personal opinion is that there is a very small portion of the remission of the Boxer's Indemnity being used in education. Except that the American Remission had been used for Tsing Hua University and the China Foundation, and a portion of the French Remission had been used for the Sino-French University, had the remissions of the tens of million dollars of the Sino-British and Sino-Russian and others been used in education? Now even the Sino-American Remission is being questioned. It is impossible to ask, as the educational colleagues have claimed, the Sino-American Remission to perform the whole job that is supposed to be performed by the whole Boxer's Indemnity with hundred million dollars. We hope that our colleagues in education will show again their past enthusiasm and their courage to ask for more remission funds to be used in education. If so, the funding for education would be solved⁽⁴⁾.

Zen further explained, “*With such a vast territory and so many enterprises to be initiated in China, the resources devoted to the science research are pitifully small. With such small resources and yet hoping for fast results, it is like to place a small pig foot as a offering, and hope God will give us blessing with overflowing gifts filling up our larders and houses.*” He asked his countrymen to support the policy and projects of the China Foundation. He said, “*The business of developing science is accomplished through the accumulation of small steps. The thing to worry is not lack of advancement, but off-and-on steps that will spoil the whole efforts. The China Foundation is a relative stable organization and it might be an effective instrument for promotion of science. I wish that the people with goodwill and intelligence will support the Foundation⁽⁵⁾.*” The policy of the Foundation was correct. The problems were in its execution. Especially after the reorganization of the Foundation, its grants had become too scattered or even had strayed away from its stated scope of business under the pressure and needs from the Government and the field of education. For examples, the Foundation had provided grants for the construction of the Institute of Physics-Chemistry-Engineering, Academia Sinica. Another example is the grants to the Compulsory Education Program of the Ministry of Education. Yet another example is the change of investment policy at the “*suggestion*” of the Government. Besides, the grants had been frequently given to those people or institutions known by or related to the trustees of the Foundation, such as Ping Chi, Science Society of China, South-eastern University and Peking University, etc. Trustee Bennett had made harsh criticisms on this. He said that the Chinese trustees could not resist the personal pressures and therefore the grants had frequently wasted on some unrelated and inconsistent projects without long-term and meaningful plans. Therefore in 1943, when the Sino-American New Treaty was signed and the Foundation faced the life-and-death struggle, Bennett even asserted that there was no point to the continuing existence of the China Foundation⁽⁶⁾. Such criticisms hit the Foundation's Achilles heel in executing its policy. This was the reason the American trustees were unhappy with Director H. C. Zen, and again this was the root cause of the outside disaffection with the Foundation.

Another prerequisite for its important contribution was the Foundation's principle

of emphasizing cooperative or joint enterprises. Most enterprises of the Foundation belonged to this category, like the National Library of Peiping, a joint project with the Ministry of Education; Fan Memorial Institute of Biology, a joint project with Hsian Chih Society; and Soil Survey, a joint project with Geological Survey. Even for the self-conducted enterprises, the Foundation also sought the cooperation of other institutions. For examples, the Science Education Professorship was a project in cooperation with the universities; the Science Research Professorship was a cooperative program with the research institutes; the promotion and research of agriculture, engineering, medicine, mass education, and vocational education were in cooperation with schools or academic societies. Such a grant principle of “*doing without owning*” was a far cry from that of the China Medical Board of the Rockefeller Foundation. The latter single-handedly founded the Peking Union Medical School and used this school as a core to develop its American-styled medical education and research. But at that time, the education of natural science in China could not become the foundation of the relative sophisticated medical research. As a result in the late 1920's the Rockefeller Foundation also changed its original policy and started to pay attention to the overall education environment in China. The two foundations had frequently cooperated or supplemented each other in their grants. But certain subjects such as surveys of geology and biology, and engineering; and certain institutions, especially public universities and research institutes, such as Peking University, the Central University and Academia Sinica, had never been the domain of the Rockefeller Foundation. These became the major grant subjects of the China Foundation.

Strangely enough, the China Foundation did not have such cooperative projects with other Boxer's Indemnity administrations. Since the founding of the Republic, besides of the China Foundation, the Boxer's Indemnity founded educational and cultural foundations or administrations included the Sino-British, Sino-Russian, Sino-Belgium, Sino-Dutch and Sino-Italian, etc. Other than Sino-British Foundation which had some concrete accomplishments in education and culture businesses, the rest were not influential⁽⁸⁾. If these organizations could have the detailed and sound plans to divide the works and to cooperate with one another, in theory, they could have played a much crucial role in the over-all cultural and educational development of China. Regrettably, they went their separate ways without any coordination. Frequently they could not even perform their own works, not to mention cooperation with others. While other Boxer's Indemnity administrations collapsed or died an early death due to the ravage of the Sino-Japanese War, or mismanagement, or the global economic and financial disasters, the China Foundation still keeps on existing to this day, with an independent and self-perpetuating organization and still supporting the education and culture in Taiwan. The basic reason is that it has a sound organization and personnel. In 1926, Hu Shih said:

These few years in Peking, I have witnessed the tragedy and the scandals of the struggle by many people to get monies from the remissions of the Boxer Indemnity. I am sad and angry. The story of the remission from the French was puzzling to me up to this day. The Russian remission to my understanding is a bunch of politicians taking advantage of a coup d'état to get themselves to become trustees of the administration. The Japanese remission was in trouble due to the controversies of the cultural matters...If at that time, the northern and southern educators could have abandoned their selfishness and adopted an “attitude of cooperation with proper supervision”, the thing would not get to such a low point. The reason that

the American remission is better is because the President of the United States had full power until the Board of Trustee was formed. With solid foundation and sound organization, he then gave the full power to the Board. Therefore it has less problems and greater accomplishment⁽⁹⁾.

But a healthy organization needs devoted staffs to perform well. The incidence of the reorganization was a result of a few trustees had insisted on their ideals and fought against the Government forces. Legally, the China Foundation is a non-profit-seeking juristic person. Its source of funding came from the Second Remission of the Boxer Indemnity by the US Government. It is full of political and diplomatic significance that makes it radically different from other private foundations. In the spirit of the original agreement between the Chinese and American Governments, the Foundation was not under both Governments' control and the U.S. Internal Revenue Service in fact treated the Foundation as "*a private charitable organization*" and gave the Foundation tax-exempt status. However after the Northern Expedition and the unification of China, the Nationalist Government had an opinion that since this organization controlled the public funds, it should be under the guidance and supervision of the Ministry of Education⁽¹⁰⁾. Therefore, the policy direction and financial management of the China Foundation had been frequently meddled by the Government. As a result, there were many compromises as mentioned before. But the Ministry of Education of the Nationalist Government did not have a controlling power over the China Foundation. The ideal of independence insisted by the trustees had never went astray. Later on under the assiduous management of the Chinese and American trustees and the adroit negotiation by Wong Wen-hao and H. C. Zen in 1943 when the Foundation found itself in a live-and-death struggle, the Foundation went through it unscathed. After the fall of Mainland China, H. C. Zen and L. T. Yip jointly transferred the investment securities to Hong Kong, and then transshipped them to New York for safe keeping. The assets of the Foundation were preserved. In March, 1950, Chiang Monlin was assigned the job in that critical moment to convene a special meeting and the operations in the U.S. could be reactivated. These all proved that the people like Hu Shih, H. C. Zen, Wong Wen-hao and Chiang Monlin, who, as Hu Shih said, "*Could consider carefully for the long-term benefits of this country and they all had a stiff spine and dared to speak their impartially to either our own countrymen or the foreigners*"⁽¹²⁾." These trustees' accomplishments are unquestionable. Many times when they faced the survival crises, they could stand firm on their jobs and insist their ideals. This of course is the most important reason that the China Foundation can continue to exist and to operate until today.

The Epilogue

The China Foundation had been continuing to exist up to today while the story told by this book ends at 1949. The major reason is that after the investment securities were transmitted to New York, most of the investment had become worthless, and with a meager income to scrape by, the importance of the Foundation has been reduced drastically. In addition, Taiwan's economy has expanded for all these years and the Government's budget for the science development has been increasing rapidly. In the late 1960's the average budget amounted to NT\$200 million per year, while the yearly average income of the China Foundation was a paltry US\$80,000 to US\$110,000, or about NT\$4 million per year⁽¹⁾. Therefore the amount of its grants was quite limited and it could only play a small role in Taiwan's science development, and is no longer playing the role of a major promoter. Even in such a difficult position, the Foundation's faculty fellowship, research grants, chair professorship and visiting professorship etc. in 1950's and 60's had still been beneficial to the early science development in Taiwan. Just like what Wang Chi-Wu, the late Acting Director of the Foundation, had said that the Foundation plays the role of a trailblazer for the later people, especially the Government in Taiwan, to follow⁽²⁾. Therefore it is worthy to mention the Foundation's activities in the next two decades after 1950.

After the fall of Mainland China in 1949, the trustees of the China Foundation were dispersed all over places. It not only was unable to have the necessary quorum for annual meetings, but also unable to convene the meetings of the Executive Committee. For this, the American trustee, trustee Donald Brodie wrote a letter to Chairman Chiang Monlin, reminding him of this. Chiang replied by cable and asked Brodie to arrange the date for meeting and to issue the meeting notices. Brodie then notified trustees to attend the annual meeting to be held at the office of the China Institute in America on February 8th, 1950. On that date, Hu Shih and Brodie, etc. showed up but without quorum and the meeting was postponed until March 7th. As trustee Leighton Stuart was in the Bethesda Navy Hospital for medical treatment, the venue of the meeting was changed to Chinese Embassy in Washington D. C. That morning, Hu Shih, Chiang Monlin, T. F. Tsiang, Ho Pao-Hsu, Donald Brodie, Paul Hopkins and Claude Hutchison met in the Embassy. Again due to lack of quorum, the meeting was adjourned and moved to the Bethesda Hospital to joint with Stuart. With the necessary quorum secured, the Board elected Y. C. Mei to replace Fu Ssu-Nien whose term expired. In the afternoon they returned to the Embassy for further meeting and elected James Mackay to replace J. T. S. Reed who resigned. The Board also elected Hu Shih as Acting Director to reactive the operations⁽³⁾. One or two years later, Wong Wen-hao and H. C. Zen were trapped in China, while Y. T. Tsur retired. The Board replaced them with Wellington Koo, Lee Kan and Chien Shih-Liang. During the decade after 1950, the members of the Chinese trustees remained about same and from then on Chiang Monlin, Hu Shih, Y. C. Mei and Chien Shih-Liang became the major actors in pushing its activities of education and culture in Taiwan. As for the American trustees, Stuart died and Hopkins resigned. They were replaced by Kenneth Issacs and K. C. Li.

At the end of 1949, the Foundation moved from Hong Kong to New York its U.S.

dollar securities and small amount of securities of other currencies in the total market value of US\$5,937,760. The assets represented the endowment of the China Foundation and three entrusted funds, that is, the Tsing Hua University Fund, the Chinese Social and Political Science Association Library Fund and Fan Memorial Institute of Biology Fund. After more than 30 years' investment management, the total market value tripled. The growth of the funds is listed as follows ⁽⁴⁾:

Year	In US\$				
	China Foundation Fund	Tsing Hua University Fund	Science Library Fund	Fan Memorial Fund	Total
1949	1,276,078	4,553,868	83,275	24,539	5,937,760
1954	1,740,177	7,194,035	122,371	40,608	9,097,191
1959	2,023,960	7,976,784	163,183	53,670	10,217,597
1964	2,483,232	9,448,551	212,583	75,870	12,220,236
1969	2,668,271	9,426,001	253,462	91,182	12,438,916
1974	2,279,824	8,240,850	211,494	71,095	10,803,263
1979	2,683,701	9,083,748	269,523	85,511	12,122,483
1984	3,360,606	10,374,571	355,080	120,970	14,211,227
1986	3,602,603	11,697,923	360,192	123,526	14,784,244

Except on very special occasions, the endowment is not to be used for grants. Only the income can be used for grants. The following is a list of incomes ⁽⁵⁾

Year	In US\$				
	China Foundation Fund	Tsing Hua University Fund	Science Library Fund	Fan Memorial Fund	Total
1949	55,040	184,982	2,668	667	243,357
1954	62,453	241,769	4,041	1,361	309,593
1959	72,546	285,857	5,374	1,911	365,688
1964	78,174	313,120	6,913	2,491	400,698
1969	87,927	345,920	6,247	2,260	422,354
1974	173,830	584,552	9,867	3,931	772,180
1979	214,595	677,725	18,332	6,071	916,723
1984	463,917	1,182,675	44,601	15,067	1,706,260
1986	343,977	891,397	29,508	10,171	1,275,053

The incomes of the two entrusted funds—the Chinese Social and Political Science Association Library Fund and the Fan Memorial Institute of Biology Fund had not been used for grants. In 1964 at the request of the Minister of Education, Huang Chi-Lu the income of the two funds was diverted to institutions not originally intended for ⁽⁶⁾. The incomes of the former were used to subsidize the Institute of International Relations and the Central Library, and those of the latter were used for grants to the Institute of Botany, Academia Sinica. The incomes of the Tsing Hua Fund played an extremely important role for the reactivation of the Tsing Hua University in Taiwan. At the end of 1949, the Minister of Education, Han Lih-Wu was concerned about the Tsing Hua Fund. He cabled to the China Foundation requesting the transfer of the Tsing Hua Fund to the China

Institute in America for custody. However the request did not have legal basis. To maintain the normal function of the Board of Trustees, the people like Hu Shih helped to keep the Tsing Hua Fund under the management of the China Foundation. Within 5 or 6 years, the market value of the Tsing Hua Fund had increased for more than 2 million dollars and this was naturally very helpful for the reactivation of the Tsing Hua University. In his 1956 report to the Annual Meeting of the Board, Hu Shih said, “*If without the rapid increase of the income and principal, it was next to impossible to realize the long-cherished dream of establishing a research institute of the Tsing Hua University in Free China. Now the research is indeed established at Hsinchu, Taiwan. We are witnessing the actual reactivation of the Tsing Hua University. It is a great pleasure for us to provide a bit of support for the present and in the future to the University* ⁽⁷⁾.” Later the Tsing Hua University had borrowed monies from the China Foundation for building of the atomic reactors and other equipment. The University even asked the China Foundation to pay the debts of the University with the accumulated profits from investment. The China Foundation accommodated as much as possible to these requests.

For the China Foundation Fund itself, for past 2 decades, the average annual income was merely US\$60,000 to US\$80,000. With such meager income, the Foundation could only provide a few urgent supports to the academic research in Taiwan. During this period, the major activities included: (1) Faculty Fellowship, (2) Research Grants, (3) Chair Professorships, and (4) Visiting Professorships. The total grants of these amounted to more than one million U. S. dollars. This accounted for 70% of the total income ⁽⁸⁾. Among these the first item cost the most.

In the spring of 1950, at request of President Fu Ssu-Nien of the National Taiwan University, the Foundation established Faculty Fellowships for Researching in the U.S. and Graduate Fellowships for Studying in the U.S. The latter was stopped after 2-year trial. The former was expanded from the National Taiwan University to other universities and Academia Sinica. The grants to the faculty do research in the U.S. included: (1) round trip travel tickets for US\$1,400, (2) living expenses for 10 months in the amount of US\$2,000, (3) sundry travelling allowances for up to US\$150 and (4) expenses for books up to US\$150, and (5) tuition and research expense about US\$4,000 per person. During 1950 to 1960, the Foundation gave the grants to 63 scholars who were doing research abroad. The distribution of the number of the faculty was as follows:

National Taiwan University	42
Provincial Normal University	7
Provincial Cheng Kung University	5
Provincial College of Agriculture	6
Institute of History & Philology,	
Academia Sinica	<u>3</u>
Total	<u>63</u>

Out of the 63 faculty, except 3 stayed in the U.S. for other occupations, the rest all came back to their teaching and research works. Besides teachers, starting 1953, the Foundation also provided each graduate student US\$200 per year as graduate

scholarships. From the research institutes of the College of Liberal Arts, Taiwan University, they were expanded to include the graduate students of other universities. The number of annual grants increased from 5 to 15. According to Hu Shih, *"This small subsidy could really change the view of people in Free China on the system."* From 1957, the Ministry of Education started to give grants to all graduate students graduate scholarships that were just barely sufficient to cover their living expenses and the Foundation discontinued the grants. Hu Shih said, *"Our small efforts obviously have reached their goal."* The Foundation believed that these grants *"were very effective and worthy to be a joy to ourselves."* Hu Shih also *"felt certain degree of satisfaction that these projects were useful and beneficial ⁽⁹⁾."* There were no other faculty fellowships or the graduate student scholarship in Taiwan at that period. The Foundation's grants not only met the urgent needs at that time, but also acted as a model for future similar grants.

In 1950's the faculty of the universities in Taiwan was poorly paid and was hard to conduct researches. From 1952, the Foundation provided Research Grants and intended to give 40 grants with yearly payment of US\$300 to faculty members in the National Taiwan University. But the demand was higher than the planned 40 grants. A special Committee on Research Grant composed of the Chiang Monlin and Chien Shih-Liang, both Trustees in Taiwan together with Chen Hsuan-Ping, the then Commissioner for Education of the Taiwan Provincial Government decided to split the original 40 grants to cover 62 faculty members. The next year they increased from 62 grants to 76 grants. Some received full grant and some received half while others received 1/3 of it. In the 3rd year, the Foundation negotiated with Y. C. Mei, President of the Tsing Hua University to pay with the funds from the income of the Tsing Hua Fund for the expanded research grants to 100 faculty members from universities in Taiwan. But the Minister of Education, Chang Chi-Yun rejected the idea because he felt the program would hamper the remuneration equality of all faculty members in Taiwan. The Foundation had to stop the program, and at the request of Chien Shih-Liang, President of the National Taiwan University, the funds earmarked for the University under this program were diverted to a special fund for medical aids to the faculty members and officers, and for additional equipment of the University. In addition to the failure in promoting the Research Grants, its plan to revive the Science Research Professorships was also halted in its tracks. In 1960, the Foundation intended to establish 3 Research Professorships with a stipend of US\$1,800 in the National Taiwan University. The Foundation planned to hire Tung Tso-Pin, Li Chi and Ruey Yi-Fu of the Institute of History and Philology in Academia Sinica to occupy the Research Professorships. The project failed, however, to materialize at the time as the professors were reluctant to accept the appointments for they felt it a little embarrassing to receive a relatively higher stipend while their fellow colleagues were inadequately remunerated⁽¹⁰⁾. Therefore the plan was aborted. But in 1960, the condition has changed and people were more open to the idea not workable in 1950's. The Foundation revived the project and successfully established the Research Professorships in the Institute of History and Philology, the Hu Shih Memorial Chairs and Research Professorships in the National Council on Science Development. This became the most important program of the Foundation since 1960's.

The direct and indirect reasons of the termination of its faculty fellowships program

were as follows: (1) The trustees such as Hu, Chien, Mei and Chiang believed that the most important task in education at that time was no more of assisting the graduate students and faculty to study abroad, but to attract the elites who were studying abroad back to Taiwan with better living condition and research environment; and (2) With the increase of the cultural exchange between Taiwan and the U.S., there was the Fulbright Scholarships with annual budget of US\$250,000 to promote the academic exchange between the two countries. Also the National Academy of Science in Washington D.C. had provided several post-doctorate scholarships for the young scientists to go to the U.S. for advanced research. Besides, the exchange and cooperative exchange programs in universities had increased over the years. All of these had made the grants from the China Foundation out-of-date⁽¹¹⁾. But the most important and direct reason was after Hu Shih returned to Taiwan in 1958 to be the President of the Academic Sinica, he actively pushed for scientific development plans. The China Foundation's grant policy changed as a result.

In the autumn of 1956, Wu Ta-you at Hu Shih's request took the job as the China Foundation's Research Professor. Wu also taught in National Taiwan University and the Institute of Atomic Science in Tsing Hua University. He strongly felt the condition of teaching and research in Taiwan was not ideal. Therefore, at the First Convocation of the Academicians, Academic Sinica in April, 1957, Wu proposed that the Government should draft policy and plans for long-term academic development in Taiwan. Before his return, Hu Shih had asked Wu to draft a concrete plan for the scientific development in order to *"bring this plan back to Taiwan as a path-finding map in order to do a little bit of laying pebbles for new road"*⁽¹²⁾. Based on Wu's draft, Hu Shih made amendments and came up with the *"Outline of 5-Year Plan for Development of Scientists by the Government."* The target of the Outlines was how to attract scholars back to Taiwan for work, emphasizing the training of researchers and adequate scientific equipment. The concrete plans were to establish National Visiting Professorships, National Research Professorships, Research Grants and Graduate Students Scholarships⁽¹³⁾. The basic structure of the Outlines was similar to the China Foundation's scope of businesses. Hu Shih also conceded that his plan was based on the projects of the China Foundation with an expanded scope⁽¹⁴⁾.

Hu Shih's plan received the blessing from C'hen C'heng, Premier of the Executive Yuan. In January, 1959 the National Council on Science Development (NCSA) was inaugurated with Hu Shih as Chairman and I. C. Mei, the Minister of Education, as Vice Chairman. The major sources of funding came from USAID and the profits of the government-own enterprises. The budget for the first year was NT\$30 million plus US\$400,000. *"Even though our grants are small, but they are significant in setting an example for the Government to support academic research"*⁽¹⁵⁾. But his plan was blocked by some people because the planned stipend for the Research Professors was 3 times more than the salary of the university professors. The Government worried about repercussion of bad feelings and possible political reaction. The plan was suspended. Because the USAID's regulations, it was not allowed to fund the salaries of the Taiwanese teachers. Therefore, the China Foundation's trustees in Taiwan decided to step in and provide a grant of US\$30,000 per year for the Research Professorships. If each professor received US\$1,000, 30 professorships could be established. At the same time the Asia

Foundation decided to support 15 additional professorships for next three years. The candidates were to be selected by NCSD.

The China Foundation's cooperation with the NCSD did not terminate because of the death of Hu Shih in 1962. New Chairman Wang Shih-Chieh, concurrently President of the Academia Sinica, in 1965 proposed a "Special Chairs Program" to the Foundation for support. The Government gave US\$3 million for a 4-year period to help NCSD to establish the 5 research centers of mathematics, physics, chemistry, biology and engineering. As the salaries of the hired foreign scholars were much higher than that of the local professors and as the Government regulation on the stipend was very strict, Wang asked the China Foundation to divert portion of its grant to Research Professorships to subsidize the Special Chairs ⁽¹⁶⁾. In 1966, the Foundation provided a grant of US\$36,000 to support the Research Professorship and the Special Chairs of the NCSD. As for its distribution between the two grants, the Foundation let the NCSD to decide. In 1967, the NCSD was reorganized and expanded to become the National Science Council under the Executive Yuan. Wu Ta-You, the chairman was also a trustee of the China Foundation. The Foundation's support to the two grants continued. But with the ever increasing budget for the National Science Council, its dependency on the Foundation has gradually lessened. In 1969 the National Science Council established 300 Research Chairs with adequate budget without the needs of China Foundation's support. But the grants from the China Foundation were more flexible. The National Science Council still needed the Foundation's support in those areas where the Government budget could not satisfy, such as grants in foreign exchange, as the Government could not make payments in U.S. dollars while the Foundation could do so. Therefore, the National Science Council asked the China Foundation to terminate the project of Research Professorships and divert the funds to the Special Chairs.

Faced with the reality that the role played by the China Foundation for the scientific development in Taiwan had been dwindling steadily in its importance, Lee Kan, Acting Director of the Foundation believed there were needs for reorientation of its future direction and policies. He thought that the works by the Foundation did perform a catalytic function in Taiwan as a trail-blazer for scientific development by the Government. From now on the Foundation should consider how to coordinate closely with the National Science Council and how to promote the Sino-American cultural exchanges ⁽¹⁷⁾. The Foundation set up an office in February, 1972 at King Hua Street, Taipei. Its organization structure and personnel had also been rearranged. Under active planning by the new Acting Director, Wang Chi-Wu, the Foundation tried to break some bottlenecks and remove some blind spots. For example, it changed the past grant mode of *balkanization* and adopted a more concentrated grants. The priority of the grants had also been changed from "*institution-orientation*" to "*project-orientation*", etc. But for a small foundation with very limited resource, there were extreme limitations either with respect to the policy or the scope of business. Wang further suggested that the future role of the China Foundation should be positioned as the provider of impetus for public policy rectification. It should also support, supplement or balance the plans under such public policy. In other words, the Foundation should redirect itself to the grant mode of supporting jagged-edge and carefully reviewed research-oriented projects ⁽¹⁸⁾. After 1974,

the direction of the Foundation basically followed what Wang suggested. Half a century after its establishment, the role played by the China Foundation had been changed from that of a patron and initiator of the modern science in China to that of a catalyst for the education in Taiwan, and later even to that of a supporting actor to other educational and cultural institutions. This is a role forced by the need for adaptation to the practical environment. Its past experience, however, may provide a mirror or a model for the mushrooming foundations, especially the educational and cultural ones in China.

Notes

The Prologue

- (1) See: Ruth E. S. Hayhoe, "A Comparative Approach to the Cultural Dynamics of Sino-Western Educational Co-operation." *China Quarterly*, 104 (December 1985): 676-689; Marianne Bastid, "Servitude or Liberation? The Introduction of Foreign Educational Practices and Systems to China from 1840 to the Present." in R. Hayhoe and M. Bastid eds., *China's Education and the Industrialized World: Studies in Cultural Transfer* (New York: M. E. Sharpe, 1987), pp.3-20.
- (2) E.g. Peter Buck, *American Science and Modern China, 1876-1936* (Cambridge: Cambridge University Press, 1980); Mary Bullock, *An American Transplant: The Rockefeller Foundation and Peking Union Medical College* (Berkeley: The University of California, 1980).
- (3) E.g. Richard Brown thinks the educational plan of the China Medical Board, Rockefeller Foundation has a strong color of imperialism. Its purpose was not for the healthy requirements of an underdeveloped nation, but was intended to build an elite class to push for the changes of the culture and technology. See: "Rockefeller Medicine in China: Professionalism and Imperialism." in Robert Arnove, *Philanthropy and Cultural Imperialism* (Boston: G. K. Hall, 1980), pp.123-146. Frank Ninkovich thought that undoubtedly the 40-year effort by the Rockefeller Foundation was a successful experiment. Even though it had the tendency of ethno-centeredness, it never reached the point of cultural imperialism, See: "The Rockefeller Foundation, China and Cultural Change" in *The Journal of American History*, 7.4 (March 1984):799-820. Mary Bullock, based on her research and experience in Sino-American cultural exchanges, thinks the huge input of manpower and financial resources into the Chinese-operated schools and research institutes had strong impact on the professionalization of the science and the localization of the Western-styled higher education in China, see "American Exchanges with China, Revisited" in Joyce Kallgren and Denis F. Simon eds., *Educational Exchanges: Essays on the Sino-American Experiences* (Berkeley: University of California, 1987), pp.23-43.
- (4) See the author's, "A Brief Introduction to the Files of the China Foundation", *Modern Chinese History Research Correspondence*, Series No., 6 (Sep. 1988), pp.154-159.

Chapter 1: The Establishment of the China Foundation

- (1) After the reduction of the indemnity, the U.S. should return the over-paid Indemnity in the amount of US\$10,785,286. Concerning the negotiation, see Wang Shu-Huai, "The Boxer Indemnity" (Taipei: the Institute of Modern History, Academia Sinica (May 1985), 2nd edition; (March 1974), 1st edition, pp.269-336.
- (2) Tsing Hua University History Compiling Group, "The Draft History of Tsing Hua University" (Peking: Chung Hua Book Co, 1981), pp.5.
- (3) Letter dated Nov. 25, 1923 from the Chinese Mission in the U.S. to Ministry of Foreign Affairs, Files of the Chinese Embassy in the U.S. in the period of the late Ching Dynasty and the early Republic (referred to hereinafter as Embassy Files), kept at Institute of Modern History, Academia Sinica.

- (4) Chiang Monlin, "The Usage of the American Remission of the Boxer Indemnity", *New Education* magazine, Series 6-4 (April 1923), pp. 563-569.
- (5) Yen Wen-Yu, "Miss M. E. Wood and the Remission of the Boxer Indemnity", the *Biographical Literature* magazine, Series 18-5 (May 1971), pp. 13-19.
- (6) Same as Note (3).
- (7) Terrence E. Brockhausen, "The Boxer Indemnity: Five Decades of Sino-American Dissension", Ph.D. dissertation of Texas Christian University, Aug. 1981, pp.217.
- (8) The Chinese National Association for the Advance of Education translated the text into Chinese mentioned in "The Negotiation of the Remission of the Boxer Indemnity by the U.S." (Shanghai: the Commercial Press, Jan. 1925). As for analysis of the discussion, see Wang Shu-Huai, *ibid*, pp. 300-304.
- (9) The Chinese National Association for the Advance of Education, p.p. 164-165.
- (10) Cable to Foreign Ministry, May 15, 1924, Embassy Files.
- (11) See (1), p.p.305.
- (12) Cable from Military Governor Chi, Apr. 3, 4, 5, and May 4, 1923, Embassy Files; Hwei River Irrigation Bureau & Kiangsu-Anhwei Irrigation Bureau, May 15, 17, 1924, Embassy Files; Kiangsu-Chekiang Tai Lake Irrigation Bureau, Jul. 26, 1924; Association of the Highway Construction of China, Aug. 20, 1924, Embassy Files.
- (13) Letter of Jun. 23, 1924 to Foreign Ministry, Embassy Files.
- (14) "The Manifesto of Science Society of China Concerning the Usage of the Remission of the Boxer Indemnity", *Science*, 9-8 (Jan. 1915) pp. 868-871; also *Shen Pao* (Shanghai News), Aug. 12, 1924.
- (15) *Shen Pao*, Aug. 25, 1924.
- (16) Greene in the early years worked as U.S. Counselor General in Hankow. He was appointed Resident Director of the China Medical Board, Director, General Director and Vice-President in the Far East of the Rockefeller Foundation. He later also wore the hats of the Acting Director, the Peking Union Hospital, and first American trustee of the China Foundation. He was associated with the Foundation for 22 years (1925-47), and was appointed member of the Executive and Finance Committees; member and Associate Director of the Special Committee in America of the China Foundation. After the War, he was elected Vice Chairman of the Board of the China Foundation. See Warren I. Cohen, *The Chinese Connection* (Columbia University Press, 1978).
- (17) Roger S. Greene, "Education in China and the Boxer Indemnities", *Chinese Social and Political Science Review* 7.4 (1923): pp. 199-207.
- (18) Greene to MacMurray, Feb. 9, May 13, 1924, Roger S. Greene's papers at Houghton Library of Harvard University (Hereafter RSG), Box 17, folder 451, 453.
- (19) MacMurray to Greene, May 31, 1924: Greene to Sao-ke Sze, May 14, 1924, RSG, 17/454.
- (20) Monroe, "Memorandum in Regard to School of Applied Science, China", June, 1924, RSG, 17/455.
- (21) Max Shop, "A Chinese-American University: A plan for the Use of the Boxer Indemnity Returned by the United States", July 1, 1924; J. Leighton Stuart, "Memorandum Regarding Proposals for Returning to China the Remainder of the American Boxer Indemnity Fund", Aug. 18, 1924; H. S. Houghton to Greene, Aug. 7, 1924; Henry F. Osborn to Sze, President Coolidge, Secretary Hughes, and so on,

- Aug. 11, Nov. 24, 1924; RSG, 17/460-467, 50/2098.
- (22) Copy of Note from Chinese Minister to U. S. Secretary of State, June 14, 1924, Record Group No. 59, General Records of the Department of State, Decimal Files, China Foundation Files (hereafter CFF).
 - (23) Letter from Foreign Ministry, Aug. 23, 1924, Ministry of Education File (hereafter MEF).
 - (24) *Shen Pao*, Sept. 8, 14, 1924, *ibid.*
 - (25) *Shen Pao*, *ibid.*, Sept. 15, 1924.
 - (26) Circular of the Foreign Ministry, Vol. 42 (Dec. 1924), pp. 1-2.
 - (27) Copy of Note from Chinese Minister to U.S. Secretary of States, Sept. 16, 1924, Record Group No. 59, CFF.
 - (28) Letter from the State Department, Sept. 22, 1924, MEF.
 - (29) Draft proposal of the Ministry of Education (MOE), Sept. 30, 1924, MEF.
 - (30) H. C. Zen's letter to Hu Shih, Oct. 6, 1924, *Selected Correspondences of Hu Shih* (Peking: Chungwa Book Co, 1979), Vol. I, pp. 267.
 - (31) Letter from the Board of National Boxer Indemnity Remission, National Educational Association, Jan. 21, 1925, MEF.
 - (32) Hu Shih's draft letter to Tao Hsing-Chih and Ling Bing, April 25, 1926, *Selected Hu Shih's Correspondences*, *ibid.*, pp. 370.
 - (33) Report to the 1st Board Meeting, China Foundation (March 15, 1926), pp. 25, 2-3.
 - (34) Minutes of 1st Board Meeting and discussions, Nanking 2nd Historical Archives (hereafter Nanking 2nd Archive), Chuen-Chung 484(2), Folder 30.
 - (35) The original text was "*I have felt that this Government might subject itself to criticism, were it not to require some such statement as I have indicated, in order that there may be an assurance that the funds will actually be expended in conformity with the intent of the congress,*" Secretary Hughes to President Coolidge, Dec. 15, 1924, CFF.
 - (36) Cable from the Foreign Ministry, March 12, 1925, Embassy Files.
 - (37) Minutes of the 1st Board Meeting, 2nd Archives, 484 (2), 1.
 - (38) Sze to Kellogg, June 6, 1925, Embassy Files.
 - (39) U.S. Executive Order, July 16, 1925; Kellogg to Sze, July 20, 1925, Embassy Files.
 - (40) Letter from the China Foundation (hereafter CF) to MOE, Sept. 14, 1925, MEF.
 - (41) H. C. Zen, "The Review of the Activities of the China Foundation in the Last 10 Years", *Eastern Miscellany*, V.32, No. 7 (April 16, 1925), pp. 19.
 - (42) *Shun Pao*, Sept. 19, 1924.
 - (43) Letter from Hu Shih to Tsai Yuan-Pei, Aug. 11, 1928, the Reorganization File, CFF.
 - (44) Transcript of Interview with Kuo Ting-Yee (Taipei: *Books of Oral History*, Institute of the Modern History, Academia Sinica, June, 1987), pp. 141.
 - (45) Yang Chuan, "Discussions with the Students of the South-eastern University about the Warlords and Education", *Yang Shing-Fuo's Collected Writings* (Shanghai: Ping-Fuan Books Co., Nov. 1929), pp. 317-322; Chiang Chun-Chan, "My Pre-North-Expedition University Life—Memory of My Freshman Year in the South-eastern University", *The Chung-Wai Magazine*, Vol. 7-1 (Jan. 1970), pp. 41-46.
 - (46) Yang Chuan, "A Letter to Wang Zu-Tan", *ibid.*, pp. 329-332.
 - (47) Yang Chuan, "Attachment of a Reply from Wang Zu-Tan" (July 111, 1928), *ibid.*

- pp. 332-334.
- (48) Yang Chuan, "Second Letter to Wang Zu-Tan", (July 12, 1928) *ibid*, pp. 335-338.
- (49) *The China Times*, July 28, 1928. In fact there were only 5 trustees replaced. Trustees Huang Yen-Pei and John Dewey resigned in June, 1927 and replaced by Tsai Yuan-Pei and Leighton Stuart; Fan Yuan-lien died the same year. At 4th Meeting in June, 1928, Wang Wen-Hau succeeded Fan. According to the news report, there was an ulterior reason for Huang Yen-Pei's replacement to which Hu Shin made some criticisms later.
- (50) Same as Note (43).
- (51) Same as Note (43).
- (52) Reply letter from Tsai Yuan-Pei to Hu Shih, Aug. 13, 1928, Reorganization Files, CFF.
- (53) Fu Suu-Nien's letter to Hu Shih, Aug 13, 1928, *ibid*.
- (54) (54)Y. T. Tsur's letter to H. C. Zen, Aug. 24, 1928, *ibid*.
- (55) Two Cablegrams from Paul Monroe to C. T. Wang and Tsai Yuan-Pei, August 17 and 31, 1928, *ibid*.
- (56) Letters from Paul Monroe to Wang, Tsai, and Y. T. Tsur, Sept. 7, 19, and 27, 1928, *ibid*.
- (57) Shen Pao, Sept. 3, 1928.
- (58) *The China Times*, Oct.4, 1928.
- (59) Letter from the Ministry of University Education to Hu Shih, Sept. 13, 1928, CFF.
- (60) Same as Note (58).
- (61) For the abolition of the Ministry of University Education, see Tao Ying-huei, "Tsai Yuan-Pei and the Ministry of University Education", the *New Knowledge* magazine Series 3-5 and 3-6 (October and December, 1973), pp. 40-59, 47-60.
- (62) Chiang Monlin's letter to Hu Shih, Nov. 26, 1928, CFF.
- (63) Hu Shih's letter to Sun-Fo, Dec. 7, 1928, *ibid*.
- (64) Sun Fo's reply, Dec. 12, 1928, *ibid*.
- (65) The Diary of Hu Shih, Dec. 19, 1928, *ibid*.
- (66) Monroe, "Memorandum re the China Foundation from the American Point of View" (n.d.), *ibid*.
- (67) The Diary of Hu Shih, Dec. 25, 1928, *ibid*.
- (68) Executive Order from the Executive Yuan, No. 172 (photocopy), *ibid*.
- (69) Sun Fo and other's letters to CF, Dec. 25, 1928, *ibid*.
- (70) The Diary of Hu Shih, Dec. 28, 1928, *ibid*.
- (71) *Ibid*, Jan. 3, 1929.
- (72) *Ibid*.
- (73) *Ibid*.
- (74) At the 3rd Meeting in June 6, 1927, the tenures by lots were as follows: Bennett, Fan Yuan-lien and Huang Yen-Pei, one year; Sze Sao-ke, Kuo P. W. and Chiang Monlin, 2 years; Baker, Chang Po-ling and W. W. Yen, 3 years; Willoughby, Y. T. Tsur and Wellington Koo, 4 years; V. K. Ting, Monroe and Greene, 5 years. See Report to 3rd Meeting (March, 1929), pp. 3-4. Hu Shih was also elected trustee the same year to replace V. K. Ting with 5 years tenure.
- (75) The Diary of Hu Shih, Jan. 4, 1929, CFF.
- (76) *Ibid*.

- (77) Ibid.
- (78) Hu Shih, "China Foundation Regains Its Independence", *the China Weekly Review*, Jan. 26, 1929, pp. 368.
- (79) Buck even thought that the China Foundation was subjected to "sporadic harassment and lack of cooperation from the Chinese Government." See Peter Buck, *American Science and Modern China, 1876-1906* (Cambridge University Press, 1980), pp.223.

Chapter 2: The Organization and Finance of the China Foundation

- (1) "The Constitution of the Board of Trustees of the China Foundation for the Promotion of Education and Culture", 1st Report to the Board, *ibid*, pp. 25-26.
- (2) "Draft By-Laws", Minutes of the 1st Board Meeting, *ibid*.
- (3) "By-Laws of the Board of Trustees of the China Foundation for the Promotion of Education and Culture" (the 5th Revision, Dec., 1936) in *The China Foundation for the Promotion of Education and Culture, 1924-1970* (Taipei, March, 1971, hereafter CF 1924-1970), pp. 111-119.
- (4) See Note (2).
- (5) Ibid.
- (6) The 11th Report to the Board (1936), pp. 1-3.
- (7) See Note (3).
- (8) About Zen, see Chao Hwei-Chi, "A Chronological Biography of H. C. Zen", *Historical Reference Materials on Chinese Science and Technology*, 9.2(1988): 52-66; 9.4 (1988): 37-48; 10.1 (1989):47-62; 10.3 (1989): 39-55.
- (9) V. K. Ting's letter to Hu Shih (July 3, 1929), "*The Selected Correspondences of Hu Shih*", (hereafter Hu's Correspondences) V. 1, *ibid*, pp. 518-519.
- (10) Hu Shih's letter to V. K. Ting (June 11, 1935). *ibid*, V. 2, pp. 270-272.
- (11) Wong Wen-hao's letter to Hu Shih (May 23, 1936), *ibid*, pp. 316.
- (12) See Note (10).
- (13) "The Emergency Committee and Other Planned Measures", Minutes of the 17th Board Meeting, Appendix 4, Nanking 2nd Archives, 484(2), 4.
- (14) Wong Wen-hao's letter to Hu Shih, Feb. 7, 1945, Hu's Correspondences, Vol. 3, pp. 3-5.
- (15) Memorandum from CF to Ministry of Foreign Affairs (MOFA), Jan, 26, 1943, CFF.
- (16) Zen to Greene, Feb. 16, 1943, Green's file, CFF.
- (17) Zen's letter to Hu Shih, Feb. 8, 1943, Hu's Correspondences, Vol. 2, pp.555-556.
- (18) Cable from Hu and Sze to Wong & Zen, uncertain date, quoted in Keng Yun-Chi, "*A Chronological Biography of Hu Shih* (Chengdu: Szechuan People's Publications, 1989), pp. 308.
- (19) Wong to Greene, Feb. 22, 1943, Greene's file, CFF.
- (20) Quoted from a memo by Dept. of North American Affairs, MOFA, Apr. 14, 1953, CFF.
- (21) Wong Wen-hao's memo to Chiang Kai-shek (hand-written copy), Nov. 1944, same as Note (14).
- (22) Zen to Greene, Oct. 18, 1944, Greene's file, CFF.
- (23) For details, see Zen to Greene, Aug. 30, 1944; Greene to Zen, Oct. 19 and Dec. 20, 1944; Hu to Wong, Oct. 27, 1944, *ibid*.

- (24) Zen to Greene, Dec. 23, 1944, *ibid.*
- (25) Zen to Greene, Feb. 9 and 24, 1945; Wong to Hu and Greene, Mar. 16, 1945; Zen to Greene, March 20, 1945; *ibid.*
- (26) Deferred radiogram from Hu and Greene, Mar. 24, 1945, *ibid.*
- (27) In Jan. 1944, Monroe resigned and at the 5th Meeting of the Emergency Committee, Donald M. Brodie was elected to replace Monroe.
- (28) The 16th Report to the Board (1937), pp. 3-4.
- (29) From July, 1935, it was changed so that after endorsement by the U.S. Counselor General in Shanghai, the check was delivered to the Assistant Treasurer of the China Foundation stationed in Shanghai.
- (30) The 6th Report to the Board (1931), pp. 47.
- (31) The 7th Report to the Board (1932), pp. 57-58.
- (32) The 8th Report to the Board (1933), pp. 40.
- (33) In 1925-1927, the exchange rates of the U.S. dollars versus Silver dollars varied in the range of 1:2.00-3.30, but in 1931-1932, the US Dollars appreciated to 1:4.60-4.80.
- (34) Minutes of the 1st Board Meeting, *ibid.*
- (35) The 1st Report to the Board, pp. 8-9.
- (36) The 7th Report to the Board, pp. 9, 19.
- (37) The 11th Report to the Board, pp. 33-35.
- (38) The 6th Report to the Board, pp. 4, 13.
- (39) The report to the 3rd Board Meeting (Jan. 4-25, 1929), Nanking 2nd Archives, 484(2), 33.
- (40) The 7th Report to the Board, pp. 2.
- (41) The 8th Report to the Board, pp. 41.
- (42) The 9th Report to the Board, pp. 2.
- (43) The percentages of the foreign currency investments: treasury bonds 30%, Chinese Government bonds 25%, preferred stocks 15%, common stocks 30%. The percentages of the domestic investments: Chinese Government bonds 30%, bonds of the Bureau of the Public Works, Shanghai International Settlement 10%, bank deposits 20%, real estate mortgage loans 10%, others 10%, Minutes of the 1st Meeting of the Finance Committee (Mar. 3, 1936), Nanking 2nd Archives, 484, 640.
- (44) H. F. Sun, the report to Greene about the 4th Joint Meeting of the Boxer Indemnity Administrations on Mar. 4, 1936, Greene's file, CFF.
- (45) The Minutes of the 7th Meeting of the Finance Committee (Sept. 1, 1936), same as Note (43).
- (46) The Joint Agreements signed by China Foundation with the Chungking branches of Bank of China, the Central Bank of China, Bank of Communications, and the Farmers Bank of China, Nanking 2nd Archives, 484, 55.
- (47) "The Activities of the China Foundation in Recent 3 years" (Dec. 1944) pp. 2
- (48) In 1946, the exchange rate was US\$1=CN\$3,350. But in 1947 it was US\$1=CN\$11,900.
- (49) "The China Foundation for the Promotion of Education and Culture (1924-1970)" (hereafter CF 1924-1970), pp.20.
- (50) Compilation Group of the History of the Tsing Hua University, "*The Draft History of the Tsing Hua University*" (Peking: Chung Hua Books Co., 1981), pp.55-57.

- (51) The 5th Report to the Board, pp. 47-48.
- (52) Ibid, pp. 46-47.
- (53) Ibid, pp. 29-30.
- (54) The 8th Report to the Board, pp. 43.
- (55) *The China Foundation for the Promotion of Education and Culture, 17th Report, (Shanghai, Sept. 1948), pp.29.*
- (56) CF 1924-1970, pp. 28.
- (57) The 4th Report to the Board, pp. 21.
- (58) The 8th Report to the Board, pp. 45.
- (59) The 12th Report to the Board, pp. 23.
- (60) In this year, due to the reduction of interest and moratorium of principle payments of the Government bonds, the income had been reduced. The book value of the securities investment was CN\$185,462, while the market value was only CN\$149,163, a capital loss of CN\$ 36,299 and 20% reduction.
- (61) Same as Note (56).
- (62) L. T. Yip's files shown to author at his New Jersey home on July 1, 1990.
- (63) Same as Note (56), pp. 35.
- (64) The 6th Report to the Board, pp. 53.
- (65) The 7th Report to the Board, pp. 62.
- (66) Same as Note (55), pp. 30.
- (67) Same as Note (62).
- (68) The 12th Report to the Board, pp. 23.

Chapter 3: The Policies and Activities of the China Foundation

- (1) For detailed Monroe's opinion, see Grover Clark, "American Boxer Money Belongs to China and Should be Used Directly to Benefit Chinese People", *The Peking Leader*, September 19, 1924; "Commission Appointed for U.S. Boxer Indemnity Fund", *China Weekly Review*, October 11, 1924; Yuan Shi-Tao, "The Realities and Hopes of the Remission of the Boxer Indemnity", originally published in *Shen Pao* "Education and Life", Ser. 53, and reprinted in *The Issues of Promotion of Education through the Remission of the Boxer Indemnity* (Shanghai: Education Compilation House, April 1935), pp. 1-34.
- (2) Greene to Y. T. Tsur, Dec. 8, 1924; Baker to Tsur, Oct 21, 1924, Jan 17, 1925; Bennett to Tsur, Jan 15, 1924; Dewey to Tsur (n.d.); RSG, Box 17/472-483, Houghton Library, Harvard University.
- (3) Greene to Tsur, *ibid.*
- (4) Ting to Greene, June 30, 1924, RSG 50/2097.
- (5) The 1st Report to the Board, pp. 3.
- (6) "General Principles Governing the allocation of Funds: (June 1925), *ibid*, pp. 27.
- (7) Same as Note (5), pp. 13-15.
- (8) *Ibid*, pp. 15-16.
- (9) "Supplementary Principles Governing the Allocation of Funds" (Feb. 1926), same as Note (5), pp. 28.
- (10) Same as Note (5), pp. 19
- (11) Letter from The Joint Committee of the National Education Groups Monitoring the Usage of the Remission of the Boxer Indemnity (April 15, 1926), Nanking 2nd

- Archives, 484 (2), 75.
- (12) The First Manifesto Regarding Boxer Indemnity by the Board of Boxer Indemnity of the National Educational Society of China (1926), *ibid.*
 - (13) The China Foundation's reply (April 17, 1926), *ibid.*
 - (14) The 3rd Report to the Board, pp. 6.
 - (15) The 7th Report to the Board, pp. 21.
 - (16) The 8th Report to the Board, pp. 2.
 - (17) "The Executive Committee's Draft Research Report on Improving the Efficiency of the Self-Conducted Enterprises of the Foundation", document of the 8th Board Meeting (Feb. 2, 1934), Nanking 2nd Archives, 484(2), 38.
 - (18) "The Executive Committee's Second Report on Improving the Efficiency", the Minutes of the 10th Board Meeting (June 29, 1934), Appendix One, Nanking 2nd Archives, 484(2), 4.
 - (19) The 6th Report to the Board, pp. 24-25.
 - (20) Sao-ke Sze to H. C. Zen, April 14, 1934, Green's file, CFF.
 - (21) Selskar M. Gunn, "Report on visit to China, June 9th to July 30th, 1931", RG1, Ser. 601, Box 12, Folder 129, Rockefeller Archives, Tarrytown, New York (hereafter RA).
 - (22) Selekar M. Gunn to H. C. Zen, January 2, 1934, Greene's file, CFF.
 - (23) The 4th Report to the Board, pp. 7.
 - (24) The 6th Report to the Board, pp. 9.
 - (25) "The Educational and Cultural Activities of the Boxer Indemnity Administrations", the work report of the Executive Yuan, published in Nov. 1935, reprinted in *Documents of the Revolution* (Taipei: Compilation Committee of the Party History, KMT Central Committee, Dec. 1971), Ser. 53, pp. 458-459.
 - (26) The 9th Report to the Board, pp. 9.
 - (27) "A Survey of the Boxer Indemnity Administrations", published by the Joint Meeting of the Boxer Indemnity Administrations (Jan. 1936) Appendix 1, Minutes of the Meetings, pp. 115-134, Nanking 2nd Archives, 484(2), 59.
 - (28) C. R. Bennett to H. C. Zen, Jan. 14, 1935, Greene's file, CFF.
 - (29) The Minutes of the 11th Board Meeting (April 19, 1935), Nanking 2nd Archives, 484(2), 4.
 - (30) Hu Shih's letter to Tsai Yuan-Pei, June 7, 1935, CFF.
 - (31) The 11th Report to the Board, pp. 1.
 - (32) H. C. Zen, "A Review of the Activities of the China Foundation in the Last 10 years", *ibid.*, pp. 20.
 - (33) "A Brief Description of the 20-Year Activities of the China Foundation" (published in Dec. 1936), pp. 2.
 - (34) "Discussion of the Policy of the Allocation of Funds of the China Foundation", Minutes of the 3rd Board Meeting (Jan. 4, 1929), Nanking 2nd Archives, 484(2), 33.
 - (35) The 2nd Report to the Board, pp. 16.
 - (36) Same as Note (17).
 - (37) The 9th Report to the Board, pp.20.
 - (38) "Agreement between the Ministry of Education and the China Foundation concerning the Organization of the National Library of Peiping", the 5th Report to the Board, pp. 48-50.

- (39) The 3rd Report to the Board, pp. 21, the 5th Report, pp.23-24, the 6th Report, pp. 43-44.
- (40) Concerning the National Association for the Advancement of Education, see Liu Hwei-Shuen, “the National Association for the Advancement of Education and the Movement for the Independence of Education”, a master thesis, the Institute of History, National Normal University, June, 1986.
- (41) The 5th Report, pp. 39.
- (42) The 4th Report, pp. 28-29.
- (43) The 6th Report, pp. 41, the 9th Report, pp. 46.
- (44) Minutes of the 101st Meeting of the Executive Committee (May 27, 1936), Nanking 2nd Archives, 484(2), 41.
- (45) C. L. Senn (also H. F. Sun, 1889-1953), formerly Dean of the College of Science, National Central University. After the reorganization of the China Foundation, he was appointed Executive Secretary, Associate Director. In 1935, when H. C. Zen was appointed President of the Szechuan University, Sun was appointed Acting Director; next year, he was promoted to be Director.
- (46) Memorandum 36-37-3, the minutes and attachments of the 13th Board Meeting (Apr. 30, 1937), Nanking 2nd Archives, 484(2), 3.
- (47) The 12th Report, pp. 2.
- (48) Wong Wen-hao’s letter to Hu Shih (April 17, 1937), “*Selected Hu Shih’s Correspondences*”, Vol. 2, pp. 354.
- (49) Hu Shih’s letter to Wong (May 17, 1937), *ibid*, pp. 357-358.
- (50) “Trustee H. C. Zen’s Memorandum”, the minutes of the 14th Board Meeting (April 27, 1938), Appendix 4, Nanking 2nd Archives, 484(2), 4.
- (51) The 13th Report (1938), pp. 5.
- (52) “Proposal for the New Direction of the Foundation’s Activities”, the minutes of the 16th Board Meeting (April 15, 1940), Appendix 1, Nanking 2nd Archives, 484(2), 29.
- (53) The 15th Report (1940), pp. 1.
- (54) “Opinion about ‘Proposal for the New Direction of the Foundation’s Activities’”, the minutes of the 17th Board Meeting, Apr. 18, 1941, Appendix 3, Nanking 2nd Archives, 484(2), 29
- (55) Wong’s letter to Hu Shih (July 2, 1941), “*The Selected Hu Shih’s Correspondences*”, Vol. 2, pp. 526.
- (56) “The Activities of the China Foundation in the Recent 3 Years”, *ibid*, pp. 3-8.
- (57) *Ibid*, pp. 9.
- (58) Members of the Committee on the Awarding of Research and Teaching Grants were: H. C. Zen, Chiang Monlin, Chu Chin-Nung, Hang Lih-Wu, Wu Chun-Shen, Fu Ssu-Nien and Ho Lien; the regional conveners were: Chungking Region: Ku Yu-Hsiu, Bei-Pei Region: Li Chun-Yu, Kunming Region: I. C. Mei, Chengdu Region: Wu Yi-Fang, Chiading Region: Wang Hsin-kon, Lichuang Region: Hsu Song-Min, Kweiyang Region: Chu Ko-Chen, Northwest Region: Liu Chi-Hong, Academia Sinica: Chu Chia-Hua, medical staff: Chu Heng-Be. The minutes of the 9th Meeting of the Emergency Committee (Jan. 28, 1945), Nanking 2nd Archives, 484(2), 53.
- (59) Same as Note (30), pp. 9.

- (60) Memorandum by the China Foundation to MOFA, Jan. 26, 1943, CFF.
- (61) "The Director's Report, 1946", Minutes of the 19th Board Meeting (March 14, 1947), Appendix 3, Nanking 2nd Archives, 484(2), 29.
- (62) The minutes of the 12th Meeting of the Emergency Committee (Sept. 23, 1945), Nanking 2nd Archives, 484(2), 53.
- (63) Greene to Bennett, Sept. 11 and 16, 1946, CFF.
- (64) Same as Note (61).
- (65) "The Director's Report", minutes of the 21st Board Meeting (Sept. 18, 1948), Appendix 4, *ibid*.
- (66) Hu Shih's letter to Fu Ssu-Nien, March 20, 1950, CFF.
- (67) Same as Note (65), Appendix 1.

Chapter 4: The Science Education

- (1) Roger S. Greene, "Aspects of Science Education" in *There is Another China* (New York: Kings Crown Press, 1948), pp.99-107.
- (2) Koo Shing, "The Research of Innovation in Science Teaching", *The Chinese Educational Review*, Vol. 10 No.1 (Jan., 1918) pp. 44-52; Cheng Chung-Hai, "A Different View on the Innovation in Science Teaching", *Science*, Vol. 4, Ser. 2 (1918), pp. 115-123.
- (3) "Notes of an Address by Dr. Paul Monroe Delivered Before the Social & Political Association at Peking, December 21st, 1921", *Chinese Social and Political Review*, 6, 2(1923): pp. 143-148; Paul Monroe, "Report on the Premedical School Situation Made to the Trustees of the Peking Union Medical College", Feb. 25, 1922, RGIV2B9, Box 95, folder 676, RA.
- (4) Wang Sheu-Lu, "The Science Education of Middle Schools in China", *Science*, Vol. 7, Ser. 11 (1922), pp. 1121-1130.
- (5) See George R. Twiss, *Science and Education in China* (Shanghai: The Commercial Press, 1926).
- (6) E.g. the translation of portion of Twiss' *A Textbook in the Principles of Science Teaching* by Tong Shi (1917), renamed "The Principles of the Science Education", *Science*, Vol. 6, Ser. 11 (1921), pp. 1095-1110; Vol. 7, Ser. 3 (1922), pp. 252-259. Besides, "The Proposals by Twiss to Improve Science Education in Primary and Secondary Schools in China", *Science*, Vol. 8, Ser. 7 (1923), pp. 776; "Science Education and Science", Vol. 9, Ser. 1 (1924), pp. 3-4, etc.
- (7) Minutes of the round table discussions held by the China Foundation, Sept. 26, 1925, Nanking 2nd Archives, 484(2), 30.
- (8) "A Plan for Establishment of Professorships in Science Teaching", "Rules Governing the Allocation of Funds for Professorships in Science Teaching", 1st Report, pp. 31-32.
- (9) The rest were: 7 graduates from France, 3 each from Germany, England and Japan.
- (10) The 4th Report, pp. 9-10.
- (11) The 3rd Report, pp. 10.
- (12) The 7th Report, pp. 25-26.
- (13) *Ibid*.
- (14) Twiss, *ibid*, pp. 20.
- (15) N. Gist Gee: "Annual Report: Premedical Education, 1924," R.G. 1.1, Ser.601, Box

- 3, folder 38, RA.
- (16) N. Gist Gee, "Annual Report of 1925", *ibid*.
 - (17) The 5th Report, pp. 14.
 - (18) The Extracts of the Minutes of the Science Education Conference, Aug. 15-17, 1929, Nanking 2nd Archives, 484, 508.
 - (19) Same as Note (17), pp. 15.
 - (20) Letter to *the Contemporary Review*, Vol. 6, Ser. 132, June 18, 1927, pp. 19-20.
 - (21) The 3rd Report, pp. 11.
 - (22) Wang Chin, "The Issues of the Mixed Science Teaching in the Primary Schools", *Science*, Vol. 13, Ser. 8 (1929), pp. 1093.
 - (23) *Ibid*, pp. 1096-1100.
 - (24) Full text of the resolutions of the Science Education Conference, same as Note (18).
 - (25) The 6th Report, pp. 3.
 - (26) Hu Shih's Diary, Aug. 15, 1930, hand-written copy, Vol. 9, (Taipei: Yuan Liu Publications, Dec. 17, 1990).
 - (27) Chang Chiang-Shu, "The Pathogens of the Science Education in China", *Kuo-Feng Bimonthly Magazine*, Vol. 2, Ser. 1 (Jan. 1933), pp. 21.
 - (28) H. C. Zen, "A Survey on the Textbooks of the Natural Science", the *Independent Critic*, No. 61 (July, 1933), pp. 5-10.
 - (29) *Ibid*, pp. 15.
 - (30) See Chen Sheng-Kun, "A Study of the Biology Laboratory, Science Society of China", a master's theses, the Institute of History, National Normal University, 1985.
 - (31) The Educational Inspection Commission, the League of Nations, *The Improvement of the Education in China* (National Institute for Compilation and Translation, Dec., 1932), pp. 19-30.
 - (32) Same as Note (27).
 - (33) "Draft Executive Committee's Report on Improvement of the Self-Conducted Enterprises of the China Foundation", document of the 8th Board Meeting, *ibid*.
 - (34) Wu Chen-Lo, "The Concrete Measures for the Remission of the Boxer Indemnity to be Used in Building up the Essential Science Equipment in China", *Science*, Vol. 9, Ser. 11 (1924), pp. 1441-1442.
 - (35) Wu Chen-Lo, *ibid*, Vol. 9, Ser. 8, pp. 950-977.
 - (36) Same as Note (7).
 - (37) "The Report by the Executive Committee on the Survey of the Primary and Secondary Schools in China", document attached to the 9th Board Meeting (Oct. 26, 1935), Nanking 2nd Archives, 484(2), 40.
 - (38) *First Educational Yearbook of China* (Taipei: Chungching, reprinted in 1981), Vol. III, pp. 22-24.
 - (39) *Ibid*, pp. 6-8.
 - (40) Same as Note (33).
 - (41) *Ibid*.
 - (42) The 8th Report, pp. 26; the 9th Report, pp. 23, the 11th Report, pp. 24
 - (43) Yeh Ming-Shun, "Private Fukien Union University", *The Universities of the Republic of China* (Taipei; China News, 1953), pp. 173-175.
 - (44) N. G. Gee to M. K. Eggleston, Sept. 12, 1925, R. G., 4, CMB, Ser. 1, 62/1527, RA.

- (45) The 2nd Report, pp. 7.
- (46) Same as Note (44).
- (47) Nankai University, N. G. Gee to R. S. Greene, May 9, 1926, *ibid*.
- (48) The 9th Report, pp. 32; the 7th Report, pp. 47.
- (49) The 6th Report, pp. 37.
- (50) Same as Note (46).
- (51) See this author's "Chiang Monlin and the Peking University", *Bulletins of the Institute of the Modern History*, Ser. 27, Vol. II, Dec., 1988, pp. 261-305.
- (52) Same as Note (38), pp. 34.
- (53) *An Overview of the Peking University, 1933* (published by the Peking University), pp. 9.
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MAJOR EVENTS OF THE CHINA FOUNDATION 1921-1974

1921

U.S. Senator Henry Cabot Lodge proposed making a second remission of the balance of the Boxer Indemnity due after October 1st, 1917, in order to further develop the educational and other cultural activities in China. The proposal was unanimously approved by the Senate but yet not acted upon by the House of Representatives (hereafter House).

1924

3/14 ~ 4/2 The House held public hearings on the bill.

5/7 The House approved the bill.

5/12 The Senate also approved the bill.

5/21 President Calvin Coolidge issued an executive order to remit to China the balance of the Boxer Indemnity between October 1917 and December 1940. The total amount would be US\$6,137,552 in principal and US\$6,407,885 in interest.

June Many institutions in China started to ask for grant support. Educational associations such as the Science Society of China assisted in drafting guidelines to define which activities qualified as education and cultural activities and could receive grants and also how to manage and allocate the funds to be remitted by the U.S. Government.

July Chinese Ambassador to the U.S., Alfred Sao-ke Sze recruited Professor Paul Monroe, Director of the International Institute of the College of Teachers, Columbia University, to assist and to advise in organizing a board of trustees as well as drafting a constitution for the Foundation.

August Professor Monroe arrived in Peking and consulted with Government officials and educators regarding appropriate candidates for trustees on the board of the organization.

8/19 Educational associations, such as the National Education Association of China, held meetings during which they insisted that the funds should be used solely for cultural and educational institutions and not be diverted for other purposes.

8/31 The National Education Association of China nominated seven Americans and fourteen Chinese as candidates for trustees.

9/17 President Ts'ao Kun, taking into consideration the National Education Association of China's proposed candidates, appointed fourteen trustees and with a later decree appointed fifteen prominent Americans and Chinese, who constituted the Board of Trustees of the China Foundation for the Promotion of Education and Culture. They were: W. W. Yen, V. K. Wellington Koo, Alfred Sao-ke Sze, Yuan-lien Fan, Yen-Pei Huang, Monlin Chiang, Po-ling Chang, P. W. Kuo, Y. T. Tsur, V. K. Ting, Paul Monroe, John Dewey, John E. Baker, Roger S. Greene and Charles R. Bennett.

9/18 The Foundation was formally established as The China Foundation for the Promotion of Education and Culture. The inaugural meeting was held in the office of the Ministry of Foreign Affairs (Waichiaopu) in Peking. The meeting discussed

and passed the constitution setting forth the purposes and organization of the Foundation. The constitution required that the trustees in the first instance would be appointed by the Chinese Government for a term of three years. At the third Annual Meeting, the terms of the members would be determined by lot: three to serve for one additional year, three to serve for two additional years, three to serve for three additional years, three to serve for four additional years and the remaining three to serve for five additional years. Thereafter, the Board would be self-perpetuating and elect its own members for a term of five years. Yuan-lien Fan was appointed Chairman, Po-ling Chang and Paul Monroe were appointed Vice Chairmen and Y. T. Tsur was to serve as Secretary.

10/17 The President of China promulgated the constitution of the Foundation passed by the Board of Trustees on Sept. 18, with minor amendments.

1925

January Professor Monroe arrived in China for discussion of the policy of the Foundation

6/2 ~ 4 The 1st Annual Board Meeting was convened at the Imperial Hotel in Tientsin. By-Laws were approved and it was resolved that funds should be devoted to the development of scientific knowledge and to the application of such knowledge to conditions in China, through the promotion of technical training, scientific research, experimentation, and demonstration, science teaching training, and also to the advancement of cultural enterprises of a permanent character such as libraries and the like. Also in this meeting, the following officers were elected: W. W. Yen, Chairman; Yuan-lien Fan, Director; V. K. Ting, Secretary; Y. T. Tsur and Charles R. Bennett, Treasurers. An Executive Committee was set up to execute the resolutions made by the Board.

July The U.S. Government paid to the Foundation the accumulated sum of all the previous installments after October 1, 1919 in the amount of US\$1,377,255.02. On July 28 the head office of the Foundation was established at Shifuma Street, Peking.

August The Constitution of the Foundation was amended.

September Director Yuan-lien Fan appointed H. C. Zen as Special Secretary. The 1st Meeting of the Executive Committee resolved that the Foundation would fund in co-operation with the Ministry of Education the establishment of the National Metropolitan Library.

11/9 At the 2nd Meeting of the Executive Committee, it was resolved that from then on the meetings of the Executive Committee and the Finance Committee would be held jointly. It also resolved that 20,000 Yuan be granted to the National Metropolitan Library as a temporary expenditure fund. The project to cooperate with the Ministry of Education for the National Metropolitan Library was deferred due to financial difficulties on the part of the Ministry. Thus the Foundation took over the responsibility of establishing and maintaining the library, the name then changing to Pei-Hai Library.

1926

- 1/27 At the 3rd Meeting of the Executive Committee, rules of treasury operations were passed.
- 2/26 ~ 27 At the 1st Semi-Annual Board Meeting, reports of the head office, the Executive and the Finance Committees were adopted. Various projects and grants were also approved. John Dewey resigned and recommended a successor, W. W. Willoughby.
- 3/26 At the 4th Meeting of the Executive Committee, the constitutions and budgets for the Department of Social Research and the China Institute in America were approved.
- April H. C. Zen was reassigned as Executive Secretary to assist with the processing of grants.
- 6/18 At the 5th Meeting of the Executive Committee, projects and their related budgets and operating guidelines to institutions receiving grants were reviewed and approved.
- 6/24 At the 2nd Annual Board Meeting, the reports of the Director, Treasurers and Executive Committee were adopted. By-laws were amended. It was also resolved that the Semi-Annual Board Meeting and Annual Board Meeting were to be held separately in February and August. Officers were to be elected at the Annual Board Meeting.
- 8/26 At the 6th Meeting of the Executive Committee, the Treasurers' report for the year 1925 was reviewed and adopted. A grant to National Anti-Opium Association was approved. It was decided to send staff to Japan to attend the Pacific Science Inter-Congress and to survey Japanese science education.
- 10/7 At the 7th Meeting of the Executive Committee, 40,000 Yuan was allocated for the purchase of the Foundation's office building.
- 12/13 At the 8th Meeting of the Executive Committee, it was resolved that Professor J. G. Needham was to be recruited to go to China to guide the study of biology and to map out training for qualified biology teachers. A grant was given to the China Research Promotion Society to defray Professor William H. Kilpatrick's travel expenses to lecture in China.

1927

- 3/3 At the 2nd Semi-Annual Board Meeting, reports of the Director, Treasurers and Executive Committee were adopted. Various grants and appropriations were approved.
- 4/7 The office of the Foundation was moved from the Shifuma rented site to the purchased office building at No. 42 Nan-chang Street.
- 5/5 At the 9th Meeting of the Executive Committee, it was decided that the 2nd Science Teachers Seminar be moved to Jinling University in Nanking.
- 6/29 At the 3rd Annual Board Meeting, Trustees Yen-Pei Huang, V. K. Ting and Westel W. Willoughby resigned and Yuan-Pei Tsai, Hu Shih and J. Leighton Stuart were elected to replace them. The terms of the current trustees were determined by lot as required by the constitution. Director Yuan-lien Fan took sick leave, and Y. T. Tsur was appointed as Acting Director. Measures were approved to promote science education. A Science Education Advisory Committee was set up. A policy

of grants for the promotion of science research was approved. Guidelines for research professorships and fellowships were also formulated.

7/21 At 10th Meeting of the Executive Committee, a revised budget for the National Library of Peiping was approved.

10/14 At the 11th Meeting of the Executive Committee, 390,000 Yuan was approved as the budget of the second half of the year. It was decided to retain Yen Zen-Kwan and another four persons as members of the Screening Committee for the Applications for Fellowships and Wang Chin, J.S. Lee and another seven persons as members of the Science Education Advisory Committee.

12/23 Director Yuan-lien Fan passed away in Tientsin at the age of 52.

1928

2/11 At the 12th Meeting of the Executive Committee, it was decided the members of the Science Education Advisory Committee would be expanded to ten members. Because of lack of a quorum, the Semi-Annual Board Meeting date was postponed to April.

3/10 At the 13th Meeting of the Executive Committee, it was decided to accept funds of C\$150,000 from the Shan Chih Society as an endowment fund to establish the Fan Memorial Institute of Biology in memory of Yuan-lien Fan.

6/29 At the 4th Annual Board Meeting, the late Trustee Yuan-lien Fan was succeeded by Wen-hao Wong. Po-ling Chang was elected Chairman; Yuan-Pei Tsai, Vice Chairman; Hu Shih, Secretary; Wen-hao Wong, Treasurer; Y. T. Tsur, Director; H. C. Zen, Deputy Director. The position of Executive Secretary was abolished. Director Chih Ping of the Fan Memorial Institute of Biology was retained. V. K. Ting, N. G. Gee and another seven persons were requested to form the Committee of the Fan Memorial Institute of Biology. Three additional guidelines for expenditure were approved. Grants and appropriations for next year were approved.

July At the urging of the Ministry of University Education, the Nationalist Government ordered the China Foundation to reorganize, to amend the constitution and to re-elect members of the Board of Trustees. Monroe and Hu Shih tried to salvage the organization and they argued repeatedly with the Government about the importance of the independence of the Foundation, asserting that the Government had no authority to interfere with the administration of the Foundation.

October The Nationalist Government reorganized the Ministry of University Education into the Ministry of Education, and the newly appointed Minister of Education, Monlin Chiang tried hard to minimize the damage to the China Foundation.

12/19 Paul Monroe arrived in China to discuss matters relating to the reorganization of the Foundation.

1929

1/3 – 4 At the 3rd Semi-Annual Board Meeting, the Board accepted the resignations of P. W. Kuo, W. W. Yen, Po-ling Chang, V. K. Wellington Koo, Y. T. Tsur and Hu Shih. In replacement, Ching-Wei Wang, C. C. Wu, Yu-Ying Li, Sun

Fo, H. C. Zen and Y. R. Chao were elected Trustees. Yuan-Pei Tsai was elected Chairman and Monlin Chiang, Vice Chairman; H. C. Zen, Secretary and Director. The position of Deputy Director was abolished and the position of Executive Secretary was reinstated. Reports of the Treasurer and Director were adopted. Five articles of the constitution were amended.

1/5 At the 14th Meeting of the Executive Committee, Yuan-Pei Tsai and Wen-hao Wong were appointed to organize the Museum of Natural History Project Committee. It was decided to add more committee members to the Committee on Pei Hai Library.

1/25 At the 15th Meeting of the Executive Committee, Hong-Fen Sun was appointed Executive Secretary, and Y. T. Tsur Honorary Financial Advisor. Y. R. Chao and others were retained to form a Committee for Developing Physical and Industrial Science Projects.

3/27 At the 16th Meeting of the Executive Committee, the Guidelines for Allocating Science Professorships in Normal Colleges were amended. Budgets for the projects were approved for that year.

6/4 At the 17th Meeting of the Executive Committee, C\$450,000 was approved for transfer to the endowment fund. It was decided to accept the management of the Mrs. Fan's (Yuan-lien Fan's mother) Biological Fellowship Endowment Fund with the endowment of C\$10,000.

6/29 At the 5th Annual Board Meeting, the following decisions were made: (1) the request from the Ministry of Education and the Board of Trustees of the Tsing Hua College Endowment Fund for permanent custody and management of the Tsing Hua University Endowment Fund by the Foundation was accepted; (2) the proposal of the Ministry of Education to manage and to re-organize the National Library of Peiping was accepted; (3) to increase support for construction costs and purchase of books for Pei-Hai Library; (4) Department of Social Research should be reorganized into the Institute of Social Research; (5) the request of the China Institute in America to subsidize the reorganization budget was rejected; (6) the report of the Committee for Developing Physical and Industrial Science Project was revised; (7) a grant of C\$500,000 was approved for building and equipment outlays of the Institute of Physical Chemical Engineering, Academia Sinica; (8) trustees and officers were elected; (9) Hu Shih was elected to succeed Ching-Wei Wang. Hu also assumed the position of Secretary.

7/9 At the 18th Meeting of the Executive Committee, it was decided jointly with the Ministry of Education to retain Yuan-Pei Tsai as the Director of the National Library of Peiping and Tong-Li Yuan as deputy director. The Library Committee's organizational outline was approved. (The National Library of Peiping, formerly the National Metropolitan Library, had its name changed to Pei-Hai Library when the Foundation took over management of the library, and it was finally merged with other libraries managed by the Ministry of Education and renamed as the National Library of Peiping.) The Committee also amended the Rules Governing the Administration of the Tsing Hua University Fund and the receiving of the monthly remission of the Boxer Indemnity. Meng-Ho Tao was retained as Director of the Institute of Social Research. The members of various committees of the Foundation were appointed.

- 8/12 At the 19th Meeting of the Executive Committee, various reports by the head office on the management of the Tsing Hua University Endowment Fund were adopted.
- 9/19 At the 20th Meeting of the Executive Committee, the investment policy for the second half of 1930 of the Tsing Hua University Fund was approved.
- 10/9 At the 21st Meeting of the Executive Committee, US\$2,000 was approved to dissolve the China Institute in America. Guidelines for Middle School Science Teachers Special Coaching Classes were approved.
- 11/26 At the 22nd Meeting of the Executive Committee, a grant to purchase land for expansion of the Foundation's buildings was approved and C\$4,000 was appropriated for real estate taxes. According to a request from the Ministry of Education, the accumulated reserve funds for current expenditure of approximately C\$49,000 received from the Ministry of Foreign Affairs was paid to Tsing Hua University to defray the deficit of current and special expenditure for that year.

1930

- 1/19 At the 23rd Meeting of the Executive Committee, various grants were approved.
- 2/9 At the 4th Semi-Annual Board Meeting, by-laws were amended. A budget for construction costs was appropriated for the Fan Memorial Biological Research Institute and the Institute of Social Research. It was decided to organize a Committee for the Preservation of Antiques Project in Peking.
- 2/28 At the 24th Meeting of the Executive Committee, treasury matters were discussed and a donation of C\$3,000 was approved to Ya-Tseng Chao's orphans for future educational expenses.
- 4/18 At the 25th Meeting of the Executive Committee, Charles Bennett was authorized to negotiate with The City Bank Farmers Trust Company (predecessor of Citibank) for custody of the overseas investments of the Foundation's portfolios.
- 5/23 At the 26th Meeting of the Executive Committee, C\$560,000 was appropriated for budget expenditures.
- 7/2 At the 6th Annual Board Meeting, Soh-Tsu G. King was elected to succeed Wen-hao Wong and was also appointed Treasurer. It was decided to reorganize the Science Education Advisory Committee into the Committee on Editing and Translation and to revise its charter with a budget of C\$50,000 being approved. Hu Shih was appointed Chairman and Chun Chang Vice Chairman of the Committee. Various grants and appropriations of the Foundation were approved.
- 7/26 At the 27th Meeting of the Executive Committee, various committee members were appointed. Twenty-three science professors were appointed. Joseph Baillie was authorized to establish a branch office of the Chinese Institute of Technical Training in the U.S.
- 8/2 At the 28th Meeting of the Executive Committee, the proposal made by Soh-Tsu G. King for the Foundation Fund and the Tsing Hua University Fund to invest in gold currency was approved. The small portfolios of the Fan Memorial

Biology Institute Endowment Fund (Fan Memorial Fund) were entrusted to City Bank Farmers Trust Company for management.

- 9/10 At the 29th Meeting of the Executive Committee, Ssu-nien Fu and Yin-Koh Tchen together with another eleven prominent scholars were retained as committee members of the Committee on Editing and Translation.
- 10/9 At the 30th Meeting of the Executive Committee, the City Bank Farmers Trust Company in New York and London were entrusted to act as custodians of the Foundation's portfolios. They were requested to provide investment analysis every three months. Investment proposals for the month were approved.
- 10/30 At the 31st Meeting of the Executive Committee, grants and additional subsidies to various research institutes were approved.
- 12/13 At the 32nd Meeting of the Executive Committee, the cash problems of the China Foundation Fund and the Tsing Hua University Fund were dealt with.

1931

- 1/9 At the 5th Semi-Annual Board Meeting, the Board approved the proposal made by Roger S. Greene to cooperate with National Peking University in establishing research professorships and chair professors. Over the next five years, the Foundation and Peking University would each provide C\$200,000 a year to support this project. In response to Monlin Chiang's proposal, in his capacity as Minister of Education, for the Foundation to subsidize a survey of middle schools of the whole country, Paul Monroe, Monlin Chiang and H. C. Zen were appointed to form a committee. The committee would draft a detailed proposal and report to the next Annual Board Meeting for approval. The supplementary budgets for various self-conducted projects as well as for co-operative projects were approved.
- 1/23 At the 33rd Meeting of the Executive Committee, various investment guidelines were approved. The committee also dealt with various matters specifically raised by the 5th Semi-Annual Board Meeting.
- 2/27 At the 34th Meeting of the Executive Committee, proposals on treasury operations, investments and grants were approved.
- 3/26 At the 35th Meeting of the Executive Committee, guidelines on investments of the Tsing Hua University Fund were approved. In response to a letter from the Ministry of Education requesting funds for purchase of antiques and ancient books, the Director was directed to turn down the request by "carefully explaining to the Ministry what the Foundation had already done for cultural institutions in China."
- 4/24 At the 36th Meeting of the Executive Committee, the draft on the guidelines for working with National Peking University to provide five research professorships and fellowships were revised and approved. Monlin Chiang, H. C. Zen, Hu Shih, Ssu-nien Fu and Wen-hao Wong were retained to form an advisory committee. Assistant Treasurer, Tse-Kai Chang would be sent to Europe and America to study advanced accounting and investment.
- 5/25 At the 37th Meeting of the Executive Committee, the amount of C\$760,000 was transferred to the endowment fund. Rules on Staff Salaries and Compensation were approved.

- 6/22 At the 38th Meeting of the Executive Committee, the request made by the University of Communication to hire foreign professors was turned down with the comment that the whole concept needed to be reviewed from an overall and long-term perspective. Roger Greene was directed to draft a proposal to improve the engineering education of the whole nation. Before forming a grant policy, the Foundation would not establish chair professors in engineering. Yuan-Pei Tsai proposed reconsidering the supplementary guidelines for grants as passed by the 4th Annual Boarding Meeting restricting support only to institutions above the middle school grade.
- 6/27 At the 7th Annual Board Meeting, Roger Greene's proposal for improvement of the Foundation's accounting was approved. Roger Greene, Soh-Tsu G. King and H.C. Zen were directed to form a special committee to enhance the efficiency of the Foundation's investments and financial management. It was decided to postpone the project on the survey of middle schools. Instead, Chinese and foreign experts in engineering education were to be hired to survey the present condition of engineering schools in China. The proposal by Yuan-Pei Tsai at the 38th Meeting of the Executive Committee was not accepted and the restriction of grants to institutions above the middle school grade was retained. It was decided that the formal abbreviation of the China Foundation for Promotion of Education and Culture would be the China Foundation. Monlin Chiang and Y. R. Chao resigned. Sing-loh Hsu and Y. T. Tsur succeeded as Trustees. Y. T. Tsur also assumed the position of Vice Chairman. Treasurer Bennett resigned and was replaced by Roger Greene.
- 7/16 At the 39th Meeting of the Executive Committee, Roger Greene was directed to inquire by mail about the possibility of retaining American educators in engineering to take charge of surveying the conditions of engineering education in China. A message was also sent to Paul Monroe to look into this matter.
- 7/27 At the 40th Meeting of the Executive Committee, the Farmers Trust Company recommended selling a portion of securities in gold currency.
- 9/8 At the 41st Meeting of the Executive Committee, it was decided that instructions should be given to the Farmers Trust Company that from then on, only the proceeds of the principal portion of securities sold or redeemed were to be ploughed back into the China Foundation Fund for re-investment. The income from interest was to be deposited into the checking account of the Foundation to cover payment of checks. As for the Tsing Hua University Fund, the principal and income would be totally re-invested. It was decided that institutions receiving grants from the Foundation were to be notified that from then on, losses due to fluctuations of foreign exchange were not to be compensated.
- 10/22 At the 42nd Meeting of the Executive Committee, it was decided that starting from July of that year, capital gains from the disposal of securities were to be put into a reserve account to cover future capital losses. The following decisions were also made: (1) to reevaluate the assets of doubtful value in the Tsing Hua University Fund; (2) to reset the percentage of investments in gold and silver currency; (3) the head office was to draft procedure to terminate the science professorships and to draft rules of sabbatical year research expenditures for professors.

- 11/19 At the 43rd Meeting of the Executive Committee, the budget of the overseas sabbatical research expenditure for three science chair professors from Northeastern University was approved. Since the Scientific Mission to the Northwest accepted the research conditions revised by the Foundation, the grant to the Mission was approved.
- 12/16 At the 44th Meeting of the Executive Committee, it was decided that due to the unstable conditions in China, the survey of engineering education should be deferred. Director Chi Ping of Fan Memorial Institute of Biology resigned and was replaced by H. H. Hu.
- 12/28 At the 45th Meeting of the Executive Committee, short term borrowing for the funds under the management of the Foundation was discussed.

1932

- 1/8 At the 6th Semi-Annual Board Meeting, Trustees Y. R. Chao and Monlin Chiang resigned and were replaced by Y. T. Tsur and Sing-loh Hsu. The report by the Special Committee to enhance the efficiency of financial management was adopted. It was decided that a Financial Advisory Committee be set up in Shanghai with Sing-loh Hsu, Yih-Chun Koo, and Charles Bennett as committee members. The Executive Committee also approved the revised general guidelines to accumulate the endowment proposed by the Director but with a provision that whenever the circumstance changed the guidelines should also be revised. The Director also proposed that one-third of investment portfolios be invested in silver currency securities. The committee also discussed means of keeping National Peking University afloat.
- 1/26 At the 46th Meeting of the Executive Committee, it was decided that investment advice be obtained from the Financial Advisory Committee prior to the holding of the meeting. The National Tsing Hua University requested that the additional remission from the U.S. from January to June be paid to the University for purchase of equipment.
- 2/17 At the 47th Meeting of the Executive Committee, several emergency measures were adopted to cope with the breakout of war between China and Japan at Shanghai.
- 3/7 At the 48th Meeting of the Executive Committee, the investment in gold currency proposed by the Farmers Trust Company for the China Foundation and the Tsing Hua University endowment funds was approved. It was decided to provide monthly support of C\$57,000 as a minimal budget to maintain the operations of National Peking University.
- 3/22 At the 49th Meeting of the Executive Committee, decisions were made on the Tsing Hua University Fund investment and the purchase of bonds with the accumulated cash in the account of the Tsing Hua University Fund.
- 4/15 At the 50th Meeting of the Executive Committee, the decision was made to reinvest cash from investments coming due. Y. T. Tsur was authorized to sign payment instructions for grants and investment, etc in the absence of Charles Bennett in Peking.
- 4/21 At the 51st Meeting of the Executive Committee, H. C. Zen reported the bad news from diplomatic sources that the U.S. Government might agree to the

Chinese Government's request for a one-year moratorium of the remission of the Boxer Indemnity. It was decided the Foundation would ask Yuan-Pei Tsai to plead with the Chinese Government that the moratorium should exclude the U.S. remission. The Foundation also informed Roger Greene to approach the American Minister accredited to China for further information about the moratorium discussed between the U.S. and Chinese Governments.

4/27 At the 52nd Meeting of the Executive Committee, there were discussions undertaken regarding how to cope with the anticipated moratorium. While the Foundation was to request the Chinese Government to pay the unpaid remission of that year, they also requested the City Bank in Peking to provide a short-term overdraft facility.

5/4 At the 53rd Meeting of the Executive Committee, a report was presented regarding negotiation in Shanghai with the Ministry of Finance to repay the amount affected by the moratorium. A response was attached to the report from Minister of Finance, T. V. Soong agreeing to defray the maintenance expenditures of the Foundation.

6/8 At the 54th Meeting of the Executive Committee, due to the reduction of income as a result of the moratorium, the grant policy was amended.

6/27 At the 55th Meeting of the Executive Committee, matters of reinvestment of cash and fixed deposits, which had come due, were discussed.

7/1 At the 8th Annual Board Meeting, due to the income shortage as a result of the moratorium, the budget of US\$240,000 was deferred. Regarding the Government's one-year moratorium, the Foundation reacted strongly by listing losses to the Foundation and Tsing Hua University. The Foundation reasserted its strong opposition to any such moratorium in the future and requested the Government to compensate their losses. As a result of the Foundation's financial difficulties, guidelines to cut grants were put into effect.

July As the worldwide recession of that year cast a long shadow over the Foundation, investment and financial management became extremely difficult. The joint Meeting of the Executive and Finance Committees devoted much time and effort to discuss measures to cope with the situation. (Note: Hereafter only major decisions of the joint meetings will be detailed).

1933

1/6 At the 7th Semi-Annual Meeting, the Board authorized the Executive Committee to negotiate with the National Government to pay compound interest of 7% per annum on the remission affected by the moratorium in order to compensate for the losses suffered by the Foundation and Tsing Hua University.

7/14 At the 9th Annual Board Meeting, the Foundation urged the Government to return the remission owed. The Executive Committee was asked to ensure projects supported by the Foundation were not also being supported by other institutions. Cooperation with other institutions was stressed. Treasurer Greene resigned and Charles Bennett succeeded him.

9/20 At the 77th Meeting of the Executive Committee, Y. T. Tsur and H. C. Zen were appointed to represent the Foundation at a joint meeting by the various institutions that received the remission of the Boxer Indemnity.

11/30 In compliance with the resolution of the 9th Annual Board Meeting, several leaders of education and research organizations, such as Wen-hao Wong and Ssu-nien Fu were invited to discuss how to enhance the efficiency of the Foundation and how to avoid duplicating efforts of other organizations.

1934

January The Executive Committee completed a draft of the Preliminary Report on How to Improve Efficiency of the Foundation.

2/2 At the 8th Semi-Annual Board Meeting, Sing-loh Hsu, Y. T. Tsur and H. C. Zen were appointed representatives of the Foundation responsible for contacting the Ministry of Finance regarding issuing special tariff treasury notes to pay the Foundation due to the moratorium. Due to the devaluation of the U. S. dollar that year and the reduction of income, it was decided to take a short-term loan from the endowment account which would be repaid in installments over the next five years. The current investment percentage of 54% in silver dollar securities was acknowledged. Trustee C. C. Wu passed away and was replaced by V. K. Ting.

5/10 At the 84th Meeting of the Executive Committee, V. K. Ting and H. C. Zen reported the outcome of the 2nd Joint Meeting of the Institutions Receiving the Boxer Indemnity Remission. They reported that in this joint meeting they asserted to other representatives that any decisions made in the meeting would not be final without the consent of the full Board of the Foundation, and the Foundation will not be bound by them.

5/31 At the 85th Meeting of the Executive Committee, legal advisor Shin-Guei Lin was retained by the Foundation and its subsidiaries. H. C. Zen proposed that the Institute of Social Survey be merged with the Institute of Social Science, Academia Sinica.

6/29 At the 10th Annual Board Meeting, regarding the proposal by the Executive Committee to enhance the efficiency of the Foundation as requested per the 9th Annual Board Meeting of the previous year, after comments by Messrs. Yuen-Pei Tsai, Alfred Sze, Monroe, Greene, Baker, Bennett and Stuart, five articles contained in it were amended. The Board repealed the decision reached in the last Semi-Annual Board Meeting regarding interest-free borrowing from the endowment to be repaid in installments over the next five years to cover deficit in current expenditures. Instead, the deficit was to be put into a temporary account and to be settled in that fiscal year. Article 18 of the by-laws was amended so that the Annual Board Meeting would be held in April and the Semi-Annual Board Meeting would be held in October with the provision that when deemed not necessary the Semi-Annual Board Meeting could be canceled. New requests for grants were turned down. The Board politely turned down the proposal of establishing a botanical museum, a women's college and graduate schools made by the 2nd Joint Meeting of the Institutions Receiving the Boxer Indemnity Remission.

12/20 At the 3rd Joint Meeting of the Institutions Receiving the Boxer Indemnity Remission, the Foundation was requested to subsidize the Ministry of Education to develop a mandatory education program.

1935

- 1/25 At the 94th Meeting of the Executive Committee, the Foundation had its reservations about the resolutions made at the above-mentioned 3rd Joint Meeting and requested the Secretariat of the Executive Yuan to make a formal record of this matter. The Committee approved the guidelines for the Institute of Physics of Academia Sinica to produce laboratory instruments to be used in high schools.
- 4/19 At the 11th Annual Board Meeting, the Board reconfirmed the 9th Annual Board Meeting's resolution that annual expenditures were to be limited to monthly remissions received and when surplus occurred, the surplus together with the investment income was to be ploughed back into the endowment account. Regarding the subsidy for developing mandatory education, the Executive Committee was authorized to consult with the Ministry of Education and other Institutions Receiving the Boxer Indemnity Remission for a feasible program.
- 7/10 At the 101st Meeting of the Executive Committee, it was decided to set up a financial advisory committee in New York. Roger Greene and Charles Bennett were asked to look into this matter and to make preliminary preparations.
- 8/16 At the 103rd Meeting of the Executive Committee, because Director H. C. Zen was appointed President of National Szechwan University, it was decided to grant a vacation to him with full pay starting Sept. 1st. H. F. Sun was appointed Acting Director.
- 10/26 At the 9th Semi-Annual Board Meeting, the constitution and by-laws were amended to accommodate the increase of officers. Two Honorary Treasurers and three more members of the Finance Committee were put into the officers' list. Based on the proposal by the Executive Committee, C\$300,000 was granted in two-year installments to support the mandatory education program.
- October All the remissions to the China Foundation and the Tsing Hua University Fund paid by the customs office were changed into U. S. currency. The checks for the remission were to be paid by the U.S. Counsel General in Shanghai to the China Foundation's Assistant Treasurer residing in Shanghai. The income and endowment accounts were separated.
- 12/4 At the 107th Meeting of the Executive Committee, the head office was directed to map out details for moving the investment department to Shanghai.
- 12/26 The constitution was revised.

1936

- 1/5 V. K. Ting passed away.
- February The Department of Custody of the Foundation was moved to Shanghai with an address at Citibank Building, No. 35 Chiuchiang Road. The Finance Committee, with responsibility for investments, in order to work closely with the Department of Custody, also moved to Shanghai. From then on, the Executive and Finance Committees were to hold meetings in Peking and Shanghai respectively.
- 2/10 Y. T. Tsur and H. F. Sun participated in the 4th Joint Meeting of the Institutions Receiving the Boxer Indemnity Remission.
- 3/3 At the 1st Meeting of the Finance Committee, the percentage of investments in foreign currency and in national currency investments was decided.

- 4/7 At the 2nd Meeting of the Finance Committee, Sing-loh Hsu was elected Chairman of the Finance Committee.
- 4/18 At the 12th Annual Board Meeting, it was decided to approve a grant of C\$3,000 to establish the Ting Ven Kiang Memorial Scholarship in memory of V. K. Ting. The late Trustee Ting was succeeded by Wen-hao Wong. Director H. C. Zen resigned and H. F. Sun succeeded him. The Finance Advisor Committee in Shanghai was dissolved. As the *modus operandi* of financial management had changed, the Executive Committee was asked to revise the constitution and by-laws so that the duties of the Honorary Treasurers, Assistant Treasurers and members of the Finance Committee could be more specific and better coordinated. The Board politely turned down the request by the Ministry of Education at the 4th Joint Meeting of the Institutions Receiving the Boxer Indemnity Remission to increase subsidies to the mandatory education program. As to the request by the Ministry of Education to have all the Institutions Receiving the Boxer Indemnity Remission to subsidize Yun-Nan and Kwangsi Universities, the Board authorized the staff of the Foundation to take a field survey before making a decision.
- 5/27 At the 101st Meeting of the Executive Committee, Roger S. Greene proposed giving a one-time grant to support the newly established Medical School of National Central University.
- 9/2 At the 7th Meeting of the Finance Committee, there were discussions undertaken regarding the request raised at the above-mentioned 4th Joint Meeting. The Committee made a few explanatory points and comments.
- 12/26 Y. T. Tsur and H. F. Sun participated in the 5th Joint Meeting of Institutions Receiving the Boxer Indemnity Remission.

1937

- 4/30 At the 13th Annual Board Meeting, an ad-hoc committee of five was formed to look into the dissolving of subsidiaries and the establishment of new subsidiaries as proposed by Director H. F. Sun. The members were: Hu Shih, H. C. Zen, Y. T. Tsur, H. F. Sun and John Leighton Stuart. C\$100,000 was granted to support the Ministry of Education's project of mandatory education in response to the Ministry's persistent requests for continued and increased funding. An additional grant of C\$50,000 was approved to the Ministry of Education for manufacturing Chinese-developed scientific experimental equipment. Charles Bennett was appointed Acting Treasurer with salary. The Board approved the Executive Committee's proposal to have the Fan Memorial Institute of Biology continue managing Lu-Shan Arboretum together with the Agricultural Department of Kiansi Province for another three years.
- 7/3 At the 118th Meeting of the Executive Committee, the Committee approved the Regulations and Rules of the China Foundation's Finance Committee as drafted by the Finance Committee.
- 7/7 The Marco Polo Bridge Incident resulted in the open declaration of war between China and Japan.
- 9/14 At the 119th Meeting of the Executive Committee, it was decided the head office of the Foundation be moved to Shanghai. The Semi-Annual Board Meeting, scheduled to be held in October, was cancelled.

12/14 At the 121st Meeting of the Executive Committee, the decision was made to lay off the entire staff of the Director's Office in Peking at the end of that year.

1938

4/27 At the 14th Annual Board Meeting held in Hong Kong, the following decisions were made: (1) to approve the Regulations and Rules for the China Foundation's Finance Committee; (2) to approve the budget for establishing a branch office in Hong Kong, administrative expenditures, and purchases of books for the National Library of Peiping; (3) to approve a grant of C\$60,000 to the Ministry of Education to continue the program of mandatory education for 6 provinces for that year with the stipulation that the usage of this grant should be devoted mainly to mathematics and natural history; (4) to adopt the Ad-hoc Committee of Five's report studying the closure of some subsidiaries and establishment of new ones. The Board also appointed Wen-hao Wong as Chairman and Hu Shih, H. C. Zen, Y.T. Tsur and H. F. Sun as members to form a special committee to consider a memorandum presented by H. C. Zen on the Foundation's future operations. The new committee would focus on the challenge the Foundation would face in this period of national calamity. The committee would address the question of how to make the necessary adjustments to adapt to the new needs for education, including amendments to the project on science research prizes.

6/27 At the 126th Meeting of the Executive Committee, it was decided to establish a correspondence office in Hong Kong.

8/24 Trustee Sing-loh Hsu died when his plane was shot down by the Japanese, during a return trip from Hong Kong to Chunking.

12/5 At the 129th Meeting of the Executive Committee, Director H. F. Sun reported his findings on the survey of educational and research institutes in the southwestern region of China.

1939

4/22 At the 15th Annual Board Meeting, the late Trustee Sing-loh Hsu was succeeded by Director H. F. Sun. The Board approved the Ad-hoc Committee of Five's preliminary report. C\$10,000 and US\$20,000 were approved as science research prizes for that year. Grants for the following year were approved with the provision that the Foundation would mainly support applications in the field of applied science. It was resolved that all grants received by institutions would be conditional on the success of the Foundation in borrowing from the Government. The expenditures and subsidies for institutions in the southwest region would be paid from either Chunking or Kunming, and grants to other regions would be paid from Shanghai. During the period when the remission was to be halted, the Board decided to accede to the proposal by the Ministry of Finance as follows: (1) interest and dividend income from the endowment fund was to be used for current expenditures; (2) the deficit amount could be borrowed from the banks with the Ministry of Finance's guarantee; (3) the monthly borrowing limit was based on the monthly anticipated remission ; (4) the total borrowing limit for the year was set at C\$1,500,000 to cover the deficit of the year.

4/23 At the 132nd Meeting of the Executive Committee, the Director was authorized to establish an office in Chunking.

1940

3/5 Yuen-Pei Tsai passed away.

4/16 At the 16th Annual Board Meeting, W. W. Yen and Monlin Chiang were elected to succeed the late Trustee Yuan-Pei Tsai and Yu-Ying Li, who had resigned. W. W. Yen was elected Chairman. The Chairman of the Educational Enterprises and Programs Special Committee, Wen-hao Wong, presented a report on future preliminary administrative guidelines for the China Foundation. As this was a matter for serious thought, it was decided that instead of making a hasty decision, the report was to be referred to all Trustees for consideration and referred for further discussion at the next Board Meeting.

1941

4/18 At the 17th Annual Board Meeting, emergency measures taken included the establishment of The Emergency Committee in Chunking and approval of the steps to be taken in handling business in the U.S. H. C. Zen's comments on the Draft of the China Foundation's Future Administrative Guidelines were sent to the Board for discussion and decision.

1942

1/13 A Special Committee in America was established. The composition of the Committee included: Hu Shih, Alfred Sao-ke Sze, Paul Monroe, Roger S. Greene and Charles Bennett. The main business for the committee was to handle the Foundation's business in the U.S.

1/18 The 1st Meeting of The Emergency Committee in Chunking was held in Chunking, with Wen-hao Wong as Chairman; Y. T. Tsur as Secretary; H. C. Zen and C. Y. Young as Treasurers; H. C. Zen as Director; Sun Fo and Monlin Chiang as executive members.

3/6 The Special Committee in America held its 2nd Meeting.

6/6 The Committee for the Extraordinary Period (formerly known as the Emergency Committee in Chunking) held its 2nd Meeting.

10/12 The Special Committee in America held its 3rd Meeting.

12/9 A Special Meeting of the Board was held in the U.S. According to the emergency measures, the tenure of trustees and officers of the Foundation was extended according to the needs of wartime financial management.

1943

January The Sino-American New Treaty was signed and the remission of the Boxer Indemnity officially ended. As a result of this new development, some Government officials proposed closing all Institutions Receiving the Boxer Indemnity Remission.

1/18 At the 3rd Meeting of the Committee for the Extraordinary Period, the future of the Foundation was discussed. The Board reemphasized the *raison d'etre* of the Foundation and the profound significance of the continuing existence of the

Foundation for Sino-American long-term friendship. The Board steeled its resolve to fight the Government and ensure the Foundation's survival. The fiscal year of the Foundation was changed in line with the Government's fiscal year, that is, from January 1 to December 31.

- 3/6 The Special Committee in America held its 5th meeting.
- 6/30 The Committee for the Extraordinary Period held its 4th meeting.
- 12/3 The Special Committee in America held its 6th meeting.

1944

- 1/16 At the 5th Meeting of the Committee for the Extraordinary Period, attending Trustees and proxies from Trustees residing in the U.S. voted to accept the resignation of Trustee Paul Monroe and elected Donald M. Brodie to succeed him.
- 6/21 The Special Committee in America held its 7th meeting.
- August The Supreme National Defense Committee of the Government decided to abolish all Institutions Receiving the Boxer Indemnity Remission.
- September The Secretariat of the Executive Yuan notified all Institutions Receiving the Boxer Indemnity Remission to disband at the end of that year. The activities of the China Foundation were to be taken over by the Ministry of Education.
- 9/11 The Special Committee in America held its 8th meeting.
- 9/30 The Special Committee in America held its 9th meeting.
- 12/28 The Special Committee in America held its 10th meeting.
- December The Secretary General of the Executive Yuan notified all Institutions Receiving the Boxer Indemnity Remission to maintain the status quo until further notice.

1945

- 3/1 The Special Committee in America held its 11th meeting.
- 6/2 At the 12th Meeting of the Special Committee in America, according to the by-laws, Trustees in China who could not attend the meeting gave proxies to Trustees in the U.S. to act for them. T. F. Tsiang, Arthur N. Young, Zue Fan and Ssu-nien Fu were elected to replace W. W. Yen, John Leighton Stuart, Sao-Ke King and H. F. Sun who were trapped in the Japanese occupied region and therefore could not perform their duties.
- 8/14 Japan announced their unconditional surrender and the Sino-Japanese War ended.
- 10/19 The newly elected Trustee, Zue Fan passed away.
- 12/1 At the 18th Annual Board Meeting, the late Trustee Zue Fan was replaced by Chiu-Yi Bay. The Board accepted the proposal by the Director for the next year's recovery budget. The Committee for the Extraordinary Period and the Special Committee in American were abolished. The Board returned to its usual functions.

1946

- 2/13 The 143rd Meeting of the Executive Committee was held in Chungking. Newly elected Trustee, Chiu-Yu Bay resigned due to illness with his vacancy to be filled at the next Annual Board Meeting.
- 3/14 The 19th Annual Board was held in Nanking. Ming Li was elected Trustee to succeed Chiu-Yu Bay. Trustees Charles Bennett, James Baker and Arthur N. Young resigned, John Leighton Stuart, Claude B. Hutchison and J. T. S. Reed were elected. Monlin Chiang was elected Chairman; Wen-hao Wong and John Leighton Stuart, Vice Chairmen of the Board; Ming Li and Donald Brodie, Treasurers; H. C. Zen, Director. It was decided that the accumulated interest for the period from 3/1/42 to 12/31/46 amounting to US\$500,000 be paid to Tsing Hua University for post-war reconstruction expenditures.
- July The Foundation re-established its office in Shanghai. The Director's Office and the Department of Funds shared the same office building at Chiu Chiang Road to centralize management and to minimize expenses.

1947

- 3/27 Roger S. Greene passed away.
- 4/19 At the 144th Meeting of the Executive Committee, John Leighton Stuart was elected Vice Chairman to replace the late Roger S. Greene and Greene's vacancy as member of the Finance Committee was filled by Charles Bennett. Y. T. Tsur, H. C. Zen and T. F. Tsiang were appointed to form a special committee to discuss revision of the constitution and by-laws. The Committee considered H. C. Zen's memorandum concerning the guidelines for supporting the Program of Faculty Fellowships for Research Abroad. The Committee determined which fields of science would be approved.
- 7/26 At the 145th Meeting of the Executive Committee, it was decided that all assets of the Ting Ven Kiang Endowment Fund under the custody of the Foundation should be returned to the Geological Society of China.
- 12/12 At the 20th Annual Board Meeting held in Nanking, Paul S. Hopkins and P. H. Ho were elected Trustees to succeed the late Roger S. Greene and Alfred Sao-ke Sze, who had resigned. The revised constitution and by-laws drafted by T. F. Tsiang, Y. T. Tsur and H. C. Zen were approved. It was also decided to lend a sum not exceeding US\$250,000 from the foreign assets of the Foundation to a small number of universities (not more than four) to purchase laboratory instruments the following year.

1948

- 4//26 At the 146th Meeting of the Executive Committee, a resolution made at the January 20th meeting of the Executive Yuan was reported. The six principles drafted by the Ministry of Finance relating to abolishing, combining or continuing subsidiaries and joint-ventures of the Institutions Receiving Boxer Indemnity Remission was also appended to the minutes.
- 7/15 At the 147th Meeting of the Executive Committee, the U.S. dollar loans to four universities (Peking, Central, Chekiang and Wu-Han) was reported. The result of the negotiation with the Ministry of Education to have the Government

take over the payment of salary to Fan Memorial Institute of Biology staff from July of that year was also reported.

9/18 At the 21st Annual Board Meeting, it was reported that the total assets of the Foundation were US\$1,350,000 and C\$3,070,000 at book value. In July, US\$250,000 was loaned to four national universities. Pre-war bank deposits were repaid according to the payment regulations of the Government. As a result the Foundation's foreign currency assets decreased, while national currency assets increased.

1949

1/5 At the 148th Meeting of the Executive Committee held in Shanghai, due to the unstable political situation, it was decided that during the emergency period, the head office be moved to Shanghai, treasury functions be moved to the U.S. and a special committee in America should be formed.

April Communist armed forces occupied Nanking and the Foundation stopped operation.

1950

3/7 Monlin Chiang flew from Taiwan to Washington D.C. and along with another six Trustees went to Bethesda Navy Hospital to meet John Leighton Stuart who was being treated for illness there. The quorum for the meeting was reached and I. C. Mei was then elected Trustee to replace Ssu-nien Fu. With the stipulated quorum, the special meeting continued that afternoon in the Chinese Embassy. James A. Mackay was elected Trustee to replace J.T.S. Reed. In the meantime Paul Hopkins and P. H. Ho were appointed Treasurers; I. C. Mei, Secretary; Hu Shih, Acting Director. Thereafter, the operations of the Foundation returned to normalcy. The first business was the approval of the China Foundation Fellowships Program to the National Taiwan University for a period of two years.

1951

9/29 At the 22nd Annual Board Meeting held in Washington D.C., the Rules on Fellowships Program were approved and it was decided to continue the Foundation's support for National Taiwan University. Wellington Koo and Kan Lee were elected Trustees to replace Wen-hao Wong and H. C. Zen. T. F. Tsiang was elected Vice Chairman. The Special Committee on the China Foundation Research Grants was formed.

1952

9/27 At the 23rd Annual Board Meeting, the Rules on Fellowships Program were revised. Acting Director Hu was authorized to survey the current circumstances and demands of higher education and research in Taiwan during his trip there. He was also directed to report to the Board on the possibility of expanding the Foundation's project to other educational institutions than National Taiwan University. Shih-Liang Chien was elected Trustee to replace Y. T. Tsur.

1953

9/26 At the 24th Annual Board Meeting, Trustee Stuart resigned and was replaced by Kenneth L. Isaacs. Claude B. Hutchison was elected Vice Chairman. Hu Shih reported the joint efforts by the Foundation and the Rockefeller Foundation to provide a grant to assist the Institute of History and Philology, Academia Sinica in preserving invaluable treasures excavated from the An-yang Yin ruins and a subsidy for construction of buildings and equipment.

1954

10/2 At the 25th Annual Board Meeting, it was decided to subsidize the National Palace Museum and the Central Museum for installation of dehumidifying systems for the treasures evacuated to Taiwan. Discussion was undertaken regarding the possibility of restarting the program for research professorships.

1955

10/1 At the 26th Annual Board Meeting, it was decided to establish visiting professorships at National Taiwan University. Hu Shih reported the reactivation of the Foundation's activities in the U.S. He also made a review of the Foundation's efforts over the past five years.

1956

10/6 At the 27th Annual Board Meeting, Hu Shih was formally appointed Director. Partial repayments of the loan made to the National Central University were accepted. The Board terminated Graduate Scholarships for National Taiwan University. Several educational and cultural subsidies were approved, such as support for the remodeling and purchase of books by the National Central Library and subsidies for the China House Association, Berkeley, California. The Board discussed the request of a loan from the Tsing Hua University Fund by Tsing Hua University.

1957

10/5 At the 28th Annual Meeting, it was agreed to lend Tsing Hua University US\$350,000 and to increase the level of the Foundation's support to the China Foundation Fellowships Program. Grants to the following institutions were approved: the Chinese Association for the Advancement of Science, the Chinese Association for the Advance of Natural Science, the Chinese Association of Engineers and the China Institute in America. Paul Hopkins resigned and K. C. Li succeeded him as Trustee. Donald Brodie was appointed Treasurer.

1958

April Hu Shih and Ta-You Wu returned to Taiwan to draft guidelines for the National Science Development Project.

9/5 At the 29th Annual Board Meeting, the Board discussed the extension of a loan to Tsing Hua University and other grant matters. It was decided from the following year, up to 75% of the Foundation's surplus could be used with the rest be ploughed back to the principal.

1959

- 9/4 At the 30th Annual Board Meeting, the Trustees in Taiwan proposed that in order to fully support the National Council on Science Development (established in January 1959), and grant for Fellowships Program be diverted to support National Research Professorships sponsored by the Council.

1960

- 9/2 At the 31st Annual Board Meeting, at the request of the President of National Taiwan University, it was decided to provide a grant to support the program of Emergency Aid to Scholars, National Taiwan University.

1961

- 6/14 At the 158th Meeting of the Executive Committee in New York, various grants and appropriations were approved. The committee also decided on the guidelines for the Tsing Hua University loan.

1962

- 4/18 At the joint 159th Meeting of the Executive Committee and 75th Meeting of the Finance Committee in New York, Vice Chairman T. F. Tsiang was appointed concurrently as interim Acting Director to replace the late Hu Shih. It was also decided to authorize the Financial Secretary to sign documents on behalf of the Acting Director. Various grants and appropriations were approved. Principles to provide emergency aid to the faculty of various universities in Taiwan were approved. Mon-lin Chiang, T. F. Tsiang, Shih-Liang Chien, Kan Lee and Lueng-Tsai Yip were appointed to form a five-man screening committee to review the applications for this project.

- 9/14 At the 32nd Annual Board Meeting in Washington D. C., a memorial service was held for the late Hu Shih, Y. C. Mei and K. C. Li. New Trustees, Ta-You Wu, L. T. Yip and Everett F. Drumright were elected to succeed them. It was decided to set up Hu Shih Memorial Chairs. Upon the suggestion of T. F. Tsiang, Kan Lee was appointed Associate Director to assist with activities in Taiwan. The feasibility of holding the next Annual Board Meeting in Taipei was taken into consideration. The Board also discussed the proposal by the Minister of Education, Chi-Lu Huang to use the income from the Chinese Social and Political Science Association Library Endowment Fund.

1963

- 5/22 At the joint 160th Meeting of the Executive Committee and 76th Meeting of the Finance Committee in New York, budget and grants were appropriated. The Committees agreed with the proposal by the Chairman of the National Council on Science Development that the unused grant for the National Research Professorships Program accumulated over the years be used partially to subsidize the council's staff salaries and the rest of fund to be used to set up a Dr. Hu Shih Memorial Fund.

1964

- 4/6 At the 33rd Annual Board Meeting in Taipei, the late Trustee P. H. Ho was replaced by Tse-Kai Chang. T. F. Tsiang was elected Director, Ming Li and James A. Mackay, Treasurers. It was decided that part of the revenue of the Chinese Social Political Science Association Library Endowment Fund be used to subsidize the research and publishing costs of the Institute of International Relations. It also approved a special grant to the Ancient History of China Project undertaken by the Institute of History and Philology, Academia Sinica. The proposal of the Ministry of Education to increase the budget to Tsing Hua University was also taken into consideration.
- 9/17 At the joint 161st Meeting of the Executive Committee and 77th Meeting of the Finance Committee in New York, grants were approved. A sum of US\$100,000 as special subsidy to Tsing Hua University annually for the next 3 years was approved.

1965

- 4/15 At the joint 162nd Meeting of the Executive Committee and 78th Meeting of the Finance Committee in New York, grants and appropriations were approved. Investment analysis was reported.
- 9/24 At the 34th Meeting of the Board in Washington D. C., Trustee Isaacs resigned, and Trustee Monlin Chiang passed away; J. Reed Hummer and Ko-Chung Chen were elected to succeed them. T. F. Tsiang was elected Chairman and Director, Shih-Liang Chien, Vice Chairman. It was discussed whether the Foundation should discontinue small grants in order to make funds available for large project grants. It was decided that the support to the Institute of Botany, Academia Sinica be derived from the surplus income of the Fan Memorial Institute of Biology Endowment Fund. It was decided to continue support for programs of National Research Professorships and Special Chairs of the National Council on Science Development.

1966

- 4/8 At the joint 163rd Meeting of the Executive Committee and 79th Meeting of the Finance Committee in New York, budgets and grants were approved. Ta-You Wu was elected Secretary and Kan Lee, Acting Director. Investment results were reported.
- 9/19 At the 35th Annual Board Meeting in Washington D. C., Liu Chieh, Raymond A. Kathe and Joseph B. Platt were elected Trustees to replace T. F. Tsiang, J. Reed Hummer and Donald Brodie. Sun Fo was elected Chairman of the Board.

1967

- 6/5 At the joint 164th Meeting of the Executive Committee and 80th Meeting of the Finance Committee in New York, grants and appropriations were approved. Based on the Acting Director's proposal, staff pensions were established. Investment results were discussed.

1968

- 2/29 The joint 165th Meeting of Executive Committee and 81st Meeting of Finance Committee were held in New York. The National Council on Science Development was authorized to use the surplus balance in the Foundation's grant for Hu Shih Memorial Professorships and National Research Professorships and Special Chairs. Liu Chieh and Raymund A. Kathe were appointed Treasurers to fill the vacancies left by the late Li Ming and James A. Mackay, who had resigned.
- 4/8 Trustee Ming Li passed away on 1966 and in the 36th Annual Board Meeting in Taipei Kuo-Hwa Yu was elected to replace him. The National Council on Science Development was reorganized into the National Science Council. Ta-You Wu made a request to the Foundation to continue support for the National Research Professorships and Special Chairs programs of the National Science Council.
- 5/31 The joint 166th Meeting of the Executive Committee and 82nd Meeting of the Finance Committee were held in Taipei. Grants and appropriations were approved. Views were exchanged on the investment policy.

1969

- 1/6 At the joint 167th Meeting of the Executive Committee and 83rd Meeting of the Finance Committee in New York, grants to the Hu Shih Memorial Scholarship Fund and Emergency Aid to Scholars were approved. Shu-jen Yang was appointed Associate Director.
- 5/26 At the joint 168th Meeting of the Executive Committee and 85th Meeting of the Finance Committee in New York, grants and appropriations were approved.
- 9/26 At the 37th Annual Board Meeting, Trustee K. C. Chen resigned and Chen-Hsing Yen was elected to replace him. Various grants and appropriations were approved.

1970

- 5/27 At the joint 169th Meeting of the Executive Committee and the 85th Meeting of the Finance Committee in New York, grants and appropriations were approved. It was decided to contact the U.S. Treasury Department to clarify the Foundation's tax-exempt status in the U.S.
- 6/5 The U.S. Treasury Department reaffirmed the Foundation's tax-exempt status.
- 6/8 The Canadian tax authorities also affirmed the Foundation's tax-exempt status in Canada.

1971

- 4/5 – 6 At the 38th Annual Board Meeting held in Taipei, grants were approved and officers appointed. To revise the constitution and by-laws and also to protect the safety of the Foundation's assets, a special Board Meeting was convened in the afternoon on April 5th and it resolved to direct Liu Chieh, V. K. Wellington Koo, Shih-Liang Chien, Everett F. Drumright and Raymond A. Kathe to form a Committee on Revision of Constitution and By-laws to study this matter and report their findings at the next Board Meeting.

- 8/11 At the joint 170th Meeting of the Executive Committee and the 86th Meeting of the Finance Committee held in New York, it was resolved that both Financial Secretary and Acting Director consult separately with auditors and the Ministry of Education regarding setting up reserves and payment for the outstanding balance of the 1948 loans to National Central, Chekiang and Wuhan Universities.
- 10/9 The Special Board Meeting in Taipei revised Articles: 2(a), 2(d), 6, 7, 8 and 11 of the constitution.
- 10/9 At the 171st Meeting of the Executive Committee in Taipei, it was decided to set up a head office in Taipei. Acting Director Kan Lee resigned and Shu-jen Yang was appointed as interim Acting Director.
- 12/2 At the joint 172nd Meeting of Executive Committee and 87th Meeting of Finance Committee in New York, it was decided to open accounts in Citibank, Geneva and also retain the Geneva office as investment advisor.

1972

- 2/21 At the 173rd Meeting of the Executive Committee in Taipei, it was discussed whether to open accounts at Citibank's Taipei Branch.
- 5/24 At the 88th Meeting of the Finance Committee in New York, the motion was moved and carried that bad debt reserves totaling US\$129,601.50 for loans extended to National Central, Chekiang and Wuhan Universities be set up and the Executive Committee be advised of this matter. The meeting also suggested revising the by-laws.
- 6/21 The 174th Meeting of the Executive Committee was held in Taipei.
- 8/21 – 22 At the 39th Annual Board Meeting, Robert F. Chandler, John Exter and George K. C. Yeh were elected to succeed Claude B. Hutchison, James Mackay and Kan Lee. Everett F. Drumright was elected Vice Chairman and Chen-Hsing Yen, Secretary. Wang Chi-wu was appointed as Acting Director. By-laws were amended. It was decided to close accounts at Citibank, New York and open accounts at Citibank, Taipei. From then on all the meetings of the Foundation would be held in Taipei.
- September The Foundation's head office in Taipei was established.
- 9/15 The Uniform Tax Identification Number for the Foundation was obtained.
- 9/30 Accounts at Citibank, New York were closed, while accounts at Citibank, Taipei were established.
- 10/2 Taipei Head Office opened an NT Dollar account at the Postal Savings Administration.
- 12/19 At the joint 176th Meeting of the Executive Committee and the 90th Meeting of the Finance Committee, the proposal that the Executive Committee would be authorized to make interim appointments for the Finance Committee was approved. Citibank, Taipei was appointed to be the Foundation's investment advisor. The meeting reconfirmed the Acting Director's report presented at the October 25th luncheon meeting.

1973

6/16 At the joint 177th Meeting of the Executive Committee and 91st Meeting of the Finance Committee, grants and appropriations were approved. It was decided to have all the records and files of the Foundation transferred from New York to Taipei in due course.

1974

1/3 – 7 At the 40th Annual Board Meeting, Shu-jen Yang and Huo-Yao Wei were elected to succeed Sun Fo and V. K. Wellington Koo. Shih-Liang Chien was elected Chairman; Ta-You Wu, Vice Chairman; and Chen-Hsing Yen, Secretary. Robert F. Chandler, Tse-Kai Chang and Chen-Hsing Yen were appointed to form a special committee to study the grant policy of the Foundation. Grants and appropriations were approved. The Foundation would from then on hold two Annual Board Meetings in three years to minimize expenses. The loan proposal made by the National Tsing Hua University for the purpose of augmenting and strengthening the newly launched engineering and technology program was conditionally approved.