

Memorandum on the Organization and Program
Of the Peiping Union Medical College

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MEMORANDUM
on the
ORGANIZATION AND PROGRAM
of the
PEIPING UNION MEDICAL COLLEGE

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I.

THE FOUNDERS' AIMS

The items below are derived, by condensation and paraphrase, from the address delivered by Mr. John D. Rockefeller, Jr., at the dedication of the College on September 19, 1921. For brevity's sake slight changes in wording have been made, but it is believed that the full intent of the several statements has been retained, and that no point vital to the purposes of this discussion has been omitted.

1. To develop in China a medical school and hospital comparable with that of the leading institutions known to Western civilization; and to offer thorough training in scientific medicine.
2. To stimulate the creation of similar institutions in various parts of China. In order that this - one of the foremost objects in setting up the College - may be attained, it is essential that the current cost of operation should be kept on a conservative level. Any policy other than this would be a disservice, not only to medical education and hospital development generally, but especially in China, where high maintenance costs will interfere with the building up of other like institutions.
3. To provide graduate instruction in the form of short courses in subjects for which the need is great. It is believed however that more prolonged and thorough training of those suitably qualified (for a year or even longer) will constitute a still more valuable service.
4. To prosecute research, for the influence it may exert upon standards and methods of medical education, the training of teachers and leaders, and the solution of problems of disease in China.
5. To permeate its work with the finest idealism, and to interpret to China the best of the West not only in medical science but in mental development and spiritual culture.

6. To make permanent the establishment on Chinese soil of the best in scientific medicine that the world can offer. What it may have to offer, however, will be of little avail to the Chinese people until it is taken over by them and becomes a part of the national life. We must look forward to a faculty of whom most if not all are Chinese, and to a Board of Trustees similarly constituted.

Discussion. It is important to re-examine at intervals the program and make-up of the College with respect to the hopes and expectations of the founders, as set forth above. In some part, these objectives are independent of time and local circumstance; the maintenance of high levels in educational performance and in the quality of scientific work, for example, is an unchanging principle, and, subject to the continuance of adequate support, may be counted upon as something already achieved and on-going. In another part, the attainment of the ends desired must depend upon factors which lie without the College - the march of governmental, social and economic events which are rapidly creating a new environment for the Chinese people. Some of its aims which are thus contingent upon the course that society as a whole is taking, are in current process of accomplishment. Decisive progress, for instance, has been made toward rooting the College in Chinese soil by transferring the Board of Trustees to China, by bringing into its membership a majority group of distinguished Chinese citizens, and by meeting all other requirements for registration in the Ministry of Education. Further steps in the direction of making the College really a part of the national life of the country, however, must await changes in organizational structure or in administrative policy before they can be taken.

Generally speaking, the College since its establishment has passed through two clearly discernible stages. The first, a period of construction and organization, covered the years 1915 to 1924; the second, carrying up to the present, has been a decade of production and of adjustment to requirements laid down by a rapidly evolving central government of modern type. We need to ask at this time, particularly in view of swiftly moving social and political developments in China, whether or not a third phase impends in the orderly course of achieving in full the ends sought by the founders.

The issues that call for careful review at this point, as they emerge from the foregoing list of basic aims, appear to be:

A. The scope of operation.

This is not so much a question of organization, or of cost, as it is of underlying policies that will determine the functions to be served permanently by the College, taking into account first the original objectives and second the effects of national developments in medical science. When these functions have been carefully circumscribed, the cost of realizing them may be estimated, and the program adjusted wisely and proportionately to the resources available.

B. The nature, extent and purpose of the graduate instruction to be undertaken.

Thoughtful inquiry into the relationship that the College should bear to the plans and program of the Chinese Government in medical education and in the development of medical services on a national scale, is urgently needed. This is not a matter which has to do merely with the maintenance of standards of scientific work or instruction, but with the possibility of using a great educational instrument to work out one small but vitally important phase of the Government's plan.

C. The corporate effort by the College, during the past fifteen years, to pervade the institution with a spirit of devoted personal and social idealism, and to reflect religious experience in a broad and sympathetic fashion.

A detached and objective appraisal of what is one of the most important elements of the original basis of the College is called for, particularly because of conflicting judgments as to what ends are really to be sought, and what methods are properly to be followed.

- D. The possibility of pressing further in "making permanent the establishment of the College on Chinese soil" by realizing more fully the organization of a Chinese faculty, as well as a Board of Trustees empowered with initiative and authority to control internal administration and educational activities.

Progress in this direction looks forward to the creation of Chinese executive leadership, not nominal but genuine, to slight but significant changes in the composition of the Trustee body, and to eventual, gradual re-alignment of the teaching staff.

- E. Alterations in the organization, membership and functions of the China Medical Board, Incorporated.

Consideration must be given to the part to be taken by the China Medical Board in forwarding the work of the College; its relationship on the one side to the Board of Trustees in Peiping and to The Rockefeller Foundation on the other side is to be defined more clearly than has been the case during the early and experimental years of its existence. In particular it is important to clarify the question of endowment, to determine if possible a stabilization point of the operating budget at which, by completing the capitalization of maintenance requirements, The Rockefeller Foundation may be free from the responsibility of making recurring appropriations toward the annual routine support of the College.

- F. Financial organization and administration.

A preliminary statement outlining problems of cost analysis, financial reports, and other outstanding questions calling for prompt solution, is submitted.

The points briefly set forth above are discussed in greater detail in succeeding sections. The memorandum as a whole is designed for submission to the China Medical Board for consideration and as a tentative basis for future recommendations to the Trustees of the College.

II.

THE SCOPE OF OPERATION

The limits of the functions to be served by the College have not as yet been definitely marked out. To do so has scarcely been possible during a

period of active expansion within and great political and social instability without; but with an accumulated experience of fifteen years of operation and with calmer conditions in the country as a whole, perhaps a clearer outlook may now be had of the program that lies before the College, as it crystallizes into more permanent form.

A forecast of its work under these conditions requires first of all that thought be given to the demands and opportunities for medical service arising from new forms of social organization that are appearing in China, and the degree to which they should modify (if at all) the conduct and methods of what has been up to this time a medical school of the conventional American pattern.

Secondly it is essential that the cost of the prospective stabilized program be derived in such terms that the China Medical Board will know what its financial responsibility is to be, and what is involved in capitalizing the enterprise at a point which will reasonably fulfill the founders' expectations. Obviously the data for this purpose cannot be assembled within a short time, for a careful review of all departments of the College in the light of the premises set forth above is to be made, and dependable estimates of cost must wait upon that review.

Granting that a painstaking scrutiny of departmental organization and activities will require considerable time for completion, there are certain generalizations which can be made at once with assurance:

A. The first is that whatever alterations may be found to be expedient in technics of education or in forms of organization, we must not lose sight of the fact that the greatest single contribution an institution like this can make to the culture of the Orient is to maintain a reservoir of that

inductive science which is distinctively a product of the West. This is our best gift, which must not be allowed to abate nor to decline in the quality of standards that already have been attained.

B. The second is that on the whole the College as it stands is admirably fitted to handle undergraduate instruction in the basic medical sciences, and in most of the clinical branches. In some respects there is a luxury of provision in professional and auxiliary staff which runs beyond that of most of the better medical schools in the United States. A sharper line may well be drawn, as time goes on, between what is ample for the purposes prescribed here, and what is superfluous - however useful and desirable they may be. As it stands now, the College is a well-balanced school-hospital teaching unit, reflecting creditably the standards of excellent schools of the West.

C. What is required for the preparation of physicians in Western countries may not, however, be appropriate for those who are to practice medicine in China. The most important differences between Chinese and Western cultures, insofar as they affect medicine, are:

1. The survival of an old empirical system of native medicine, which has a deep hold upon all classes of people, and competes insistently with modern medical science.

2. Confusion in medical education. No detailed account of the introduction and development of modern medicine in China is practicable in a brief statement of this kind, and yet the chaotic conditions of today cannot be understood without some reference to the historical factors that brought them about.

The sources of trained medical personnel available for practice and teaching in this country have been, generally speaking:

a. Japanese medical schools. While a handful of Chinese have been graduated during the past thirty years from one or another of the Japanese Imperial Universities, the great majority of medical students from China have been trained in schools of much lower standing; with few exceptions they have not represented a high degree of ability or achievement, because of poor foundational preparation, and inferior facilities for clinical experience. The total number is rather large, and they have organized their own medical association, which, until recently, has kept aloof from other medical groups.

b. English and American schools. These returned students are classed together because they speak the same technical language, albeit an alien one, and have had in the main the same sort of education. They tend on returning to China to keep together and to maintain among themselves the kind of solidarity and partisanship that the Japan-trained physicians have developed.

c. Continental universities. A somewhat smaller group is drawn from German, French and other European institutions. The use of a foreign technical vocabulary with them as with all of the others, is a barrier to the nurture of common interests and aims among Chinese professional men and women.

d. Indigenous schools. Apart from a few who have come from mission and other private medical colleges, these

men are the output of government schools that have originated during the past three decades. Although some of the more recently organized institutions have a great deal of promise, many of the others have been scarcely worth the name of medical schools, and their graduates regrettably have been in no sense representative of scientific medicine.

Out of this diverse supply of human material, the new China is trying to build up the personnel needed for modern schools, hospitals, welfare centers and the general paraphernalia of health service. With no comity between them, factions have developed, and internal, unsavory politics have appeared. It is difficult to set up common standards of content or method in teaching, and to find a path of progress in medicine that will unite these different elements for effectual service to society. The curriculum of a given school, its organization and its method of teaching reflect almost inevitably the source schools from which its director or the majority of its faculty members have come. The language of instruction, because of the incompleteness of the national standard nomenclature and on account of the comparatively large numbers of foreign teachers in many of the schools, has not been Chinese, except in two or three mission schools and in some of the government institutions.

3. A low economic level. The large fortunes of China, few at most, have been concentrating gradually in 'safe' cities like Shanghai and Hongkong, during the past two decades of

internal warfare and political disturbance. By far the greater part of China's population lives a village life, simple, remote from national affairs, making a meager living (or less) by farming and household handicrafts. Literacy is low, living conditions in general are medieval in character, and the margin between subsistence and starvation is unbelievably narrow. Entry into this intensely conservative area of society is difficult, and will be slow: and yet its permeation with medical service and notions of healthful living should be the principal objective of medical education, seeing that its peasantry comprises at least three-fourths of China's total population.

4. A society in flux. City life, by contrast with that of rural areas, is undergoing rapid change. The economic level is somewhat higher, perhaps, but the struggle for a bare livelihood is nevertheless acute. On the other hand, education has been making great strides in towns and cities, and urban populations are becoming increasingly accessible to modes of life and ways of thinking that may have been Occidental a few years ago, but now belong as much to the East as to the West. There is here a definite eagerness to adopt the fruits of scientific progress: in these centers public and private agencies are beginning to develop modern medicine through hospitals, health centers and by other means. In the main the prospects are promising, but the circumstances under which the practice of medicine (either private or

institutional) must be carried on differ so widely from those in western countries that comparisons are difficult. For the purposes of this particular discussion the conditions of private practice may be ignored, for thus far only five or six per cent of the graduates of the College have entered the private practice of medicine. The others are attached either to the public services or to other medical schools and hospitals. It is to the future of governmental medicine in China, therefore, that careful attention must be directed; for only through the organization and power of government can health agencies spread successfully from city and town centers to the villages and hamlets of rural regions.

D. What the College is to do in the future will inescapably be affected by the fact that the Chinese Government has embarked upon a plan of medical service differing radically from systems in other countries. In the following section a brief description is given of the National Health Administration and its undertakings, which will give support to the simple premise offered here, namely, that in order to bring medical instruction in this environment into proper relation to the needs and demands of this particular society, noteworthy changes in the balance and emphasis assigned to the several divisions of medical science will be necessary. Medicine in China is likely to be largely, if not wholly, a close combination of curative service, preventive medicine and public health, and of health education. It will be in the main a function of government, federal and provincial, although as far as it proves feasible to do so a comprehensive national system of state-managed medicine will be set up.

This shift to a highly socialized form of medical service, even though it may not in the end be as thorough-going a process as expected, must nevertheless be taken as an index of what the training of Chinese physicians is to be; while the fundamental learning upon which clinical applications rest must not of course be disturbed, and adequate exercise of diagnostic judgment must be furnished in wards and clinics, the balance of instruction and practical experience given to students will undoubtedly swing much more than it has in the past to public health aspects of medicine. It goes without saying that close inter-working between the department of medicine and public health is indicated, and that a re-study of the theory and practice of teaching medicine must be made, with particular respect to its social implications.

E. It seems certain that as the National Government moves forward steadily with its unique plan of state medicine (described in the following section) numerous questions of educational policy and method will arise. In such case the importance of having available an experimental center for the practical study of problems of curriculum and instructional technics is apparent. The College could serve admirably as such a laboratory, and by devoting its superb equipment and personnel to these ends give important assistance in the Government's undertakings. A more apt and fitting use of its facilities could scarcely be devised.

F. If these are indications of a positive kind as to future lines of activity in the College, there are negative indications quite as weighty. Reference has already been made to over-development in some of the departments; in much the same way apprehension may be felt over the easy possibility of multiplying projects. It is an unhappy task to bring any of these special enterprises into question, for doubtless they are all important and

worthy; but if they do not serve effectively the central purposes of the College, they should be sharply challenged.

These educational purposes, in my opinion, should include only the following elements:

1. The maintenance of departments of instruction on the whole as now constituted except that special emphasis should be given to general physiology, general medicine, public health, and pathology. The other units of instruction, vital as they are to student training, are in a real sense ancillary to these four groups. Instructional departments should be organized to care for teaching classes of not less than forty undergraduate students, and for supervising the studies of perhaps half that number of graduate students and advanced workers, annually.

2. The maintenance of sufficient hospital beds to serve as practical teaching ground for students, house staff, and graduates working in clinical fields. The number now available is enough to meet all current requirements: it is likely that rearrangements may be found necessary, but probably no additions.

3. Provision for practical experience in public health work and health education, analogous to the training ground which the undergraduate student finds for his clinical medicine in the wards and out-patient department of the hospital. This provision need not be elaborate, but it should be representative and varied. The fact that public agencies in China have been slow to create health and welfare centers has made it necessary in the past for the College to build up and operate health units which in other countries would have existed as municipal bureaus,

financed by government but freely accessible to medical schools for teaching purposes. The present situation, however, is doubtless a passing one. Health conservation in a great metropolis like Peiping, for example, has made a place for itself, and is recognized as a desirable - even necessary - part of the scheme of city government. In time, therefore, it is to be expected that the current health activities of the local government will be open to students and will be sufficient for many of their needs. Other requirements will have to be met in places like Tingsien and perhaps in specially planned (and supported) field units, as well. The necessity of having these centers where students may secure a practical insight into the problems and difficulties of applying medical knowledge and skill to large social units, is obvious.

4. A school of nursing. Nursing and the training of nurses has moved forward rapidly in this country during the past ten or twelve years, and has become firmly established at a satisfactory level of social and professional importance. The College may well reconsider its policy of nursing education at this point, I believe. The probability is that it is adhering too closely to American patterns and objectives which are not only ill fitted to current conditions in China, but which are even now subjects of doubt and debate in the United States.

5. Facilities for research. The prosecution of research by the staff of the College, as originally projected, was to serve stated ends - to influence standards and methods of medical education, to stimulate the scientific advancement of

teachers and leaders, and to work upon unsolved problems of disease in China. These general objectives are intimately connected with the routines of teaching, and are inseparably a part of medical schools of high quality anywhere. There is no presumption that research professorships as such are to be maintained, or that departmental institutes will be created. The provision for investigative work to be made, in the plans of the faculty and in the budget of the College, is altogether a nice matter of adjusting proportionately the resources of personnel and money to the program in view. Provision should not be niggardly and restrictive of urgently pressing problems, on the one hand, nor extravagant on the other. Decisions here call for wise restraint and faithful prudence.

Outside of the limits, rather strictly set, of the functions listed above, the College should not venture. Its funds and the labors of its staff must be sharply focussed within this area. Such projects as the Cenozoic Laboratory, for example, important as its results have been, and brilliantly promising as its prospects for the future may be, should be related to the College only by the ties of courtesy and extra-budgetary cooperation. As far as possible, extramural activities that are only vaguely related to the central program of the College should be shifted to other sources of support and control, leaving a clean-cut, carefully circumscribed piece of work to be done.

III.

GRADUATE INSTRUCTION

Historical. No intelligent discussion of the purposes and range of graduate teaching in the College can be presented without a brief summary of recent developments throughout the country, for within less than a decade remarkable changes have taken place in the whole field of medicine in China. From a point at which the National Government was dealing with modern medical science only through trifling and casual enterprises and the perfunctory preparation of paper regulations empty of any real meaning, a sweep of growth and development has eventuated that has resulted in the creation of a wide range of government units with power and authority for handling problems of health and disease.

In 1930 the Ministry of Health (since then altered to the National Health Administration) adopted a three-year program comprising:

- * 1. The formation of an efficient technical headquarters staff for the study of problems of public health in selected areas and for practical application in the field, as well as for the training of public health personnel and auxiliary staff;
- 2. The setting up of a network of medical and public health institutions in two or three areas as nation-wide training centers - limited in scope, however, to the possibility of effective realization;
- 3. An intensive study, jointly with the Ministry of Education, of the existing facilities for medical education, and of a program of reform within the immediate future;
- 4. The gradual establishment of a National Quarantine and Epidemic Diseases Prevention Service;
- 5. The initiation of control measures, on a cooperative basis, of smallpox and cholera in the Shanghai area.

* Excerpted from a statement by the Director of the National Health Administration, 1935.

Before the end of the time-limit set, practically every one of the foregoing items had been fulfilled satisfactorily. A Central Field Health Station and a Central Hospital, which will compare favorably with similar institutions in any country, have been built and are functioning as the nucleus of national medical and health services. The Central Field Health Station, with nine technical departments, has undertaken a large volume and variety of activities, which may be summarized briefly as follows:

- * 1. Epidemic control (bubonic plague in Shansi and Shensi during 1931, cholera during the epidemic seasons, cerebro-spinal meningitis and other more limited out-breaks);
- 2. Epidemiological investigations carried on in several provinces, on kala-azar, schistosomiasis, malaria, et cetera;
- 3. Practical researches on urgent problems carried on simultaneously in the several laboratories at headquarters, noteworthy among these studies being:
 - a. The occurrence of cholera bacteriophage in water from different sources in relation to case incidence; the serology of cholera vibrio and related vibrios; comparative studies of strains of typhoid bacillus isolated from different parts of the country and the Rawlings strain;
 - b. Pharmacological researches; bio-assay of such drugs as digitalis and strophanthus; investigation of a number of Chinese drugs and synthetic products, their physiological actions and clinical application;
 - c. Activated sludge sewage disposal plants; delousing and fumigation methods;
 - d. Sex ratios at birth; infant mortality;
 - e. The standardization of routine methods used in public health laboratories.
- 4. In the laboratory of Pharmaceutical Products the preparation in large quantities of more than a hundred different drugs and various types of medical supplies at low cost;

* Condensed from a statement by the Director of the National Health Administration, 1935.

5. Diagnostic services, which during 1934 consisted of 13,972 bacteriological, 13,989 serological, and 260 pathological examinations, made free of charge for hospitals and physicians in Nanking and its vicinity;

6. Analyses and control of patent medicines, drugs, biological products and water; toward the end of 1934 a National Bureau for the Control of Narcotic Drugs was established;

7. In the field, the operation of special research stations, including the following newly organized units: kala-azar research station at Tsingkiangsu, Kiangsu; units for schistosomiasis at Hangchow and at Chuhsien, for paragonimiasis at Shaohsing, and for fasciolopsis at Hsiaoshan, Chekiang; the Northwest Epidemic Prevention Bureau at Lanchow, Kansu; and vital statistics projects in Nanking and in Chujeng Hsien, Kiangsu;

8. Training courses for medical and auxiliary personnel, including:

- a. Five courses for public health officers;
- b. Three courses for sanitary inspectors;
- c. Two courses for public health nurses;
- d. Three courses in health education for teachers from various provinces;
- e. Permanent national institutions for midwifery training at the First and Central Midwifery Schools (Peiping and Nanking);
- f. Training of internes at the Central Hospital;
- g. Reorganization of the entire medical course at the Army Medical College;
- h. Assisting the Army Medical Service in epidemic control among the troops and civilian population in areas of army action.

9. Many other things have been done, or are in process of accomplishment. Assistance has been given to medical and public health institutions set up in the several provinces of Hunan, Kiangsi, Shensi, Kansu, Ninghsia and Kokonor. Aid has been given to local hsien (county) health centers in Shantung, Chekiang, and Kiangsu; cooperation has been extended to departments of Public Health in the National Medical College, Peiping, and in Hsiang-Ya Medical College, Hunan.

Commissions in Medical Nursing and Midwifery Education (recently amalgamated into one vigorous organization) have been established jointly with the Ministry of Education, for the purpose of formulating suitable minimal standards, and to devise ways for the training of personnel for later work of the Government.

It must be borne in mind that in all this, as in many other similar situations, the influence of gifted and unusual personalities has been very great. Three or four extraordinary men and women have accomplished what scores of average persons could scarcely have done in twice the time. In saying this, one reveals the weakest side of what is otherwise a stirring accomplishment; for the stability of these new creations, it must frankly be confessed, is open to some question - seeing that they have appeared less in response to any wide-spread expression of the country's medical or health needs than to the prophetic vision and energy of a small group at the center of political power. If this group for any reason should lose its influence and prestige, probably much of what has been gained thus far would quickly disintegrate, and rebuilding would be a long and difficult process. If on the other hand the good effects of the national health program become plain enough to evoke general satisfaction and an articulate demand, no further doubt need exist as to the permanence of what has been established; it may still be open to the fluctuation of political currents, but it will survive and grow. In the meantime there is imperative need that the Government forces should strengthen what has been built, by the use of all possible agencies. Governmental institutions, both federal and provincial, as a matter of course are being brought into line with what the National Health Administration is doing; in addition, private institutions should be utilized as far as practicable by drawing them into participation in the Government's activities.

A new schedule of expansion and improvement has recently been outlined by the National Health Administration, as a guide for the activities of the next few years. This includes as its first aim the training of personnel, in the following terms:

1. Medical Personnel. A program of state medicine will need doctors, nurses and midwives in large numbers. These people must be trained so as to have a conception of state medicine, and have inculcated in them a spirit of service to the State. In order to carry this out, certain steps to improve existing medical schools should be taken:

a. To work out a minimum standard curriculum, list of equipment, teaching methods, etc., for medical and midwifery schools. This is to be done by the Commission on Medical Education, together with its dependent boards on nursing and midwifery.

b. To assist medical schools to secure proper teaching personnel, administrators, and special fellowships.

2. Senior Health Officers.

a. To establish a national training center for senior health officers.

b. To provide other teaching facilities, such as a national normal medical university, a well-equipped central hygienic laboratory, hospital, municipal and rural health administration centers.

Discussion. There is an air of reality about the accomplishments listed at the beginning of this section, and the plans that are being devised, which is both hopeful and reassuring. A good start has been made, and with favoring conditions it may be expected to grow into an impressive demonstration of medical care, together with public health administration, as a function of government. Indirectly, the Peiping Union Medical College has contributed not a little to the emergence of what now exists in the National Health Administration. It is not possible, of course, to say how great a share the College has really had in the unfolding of these notable achievements; but its graduates, its staff members, its standards and ideals of social and scientific values, all have been involved to a greater or less degree in the dramatic procession of events during the recent years.

To be represented in such a movement, however, only by occasional

graduates who may be available and interested, and by the rarified atmosphere of high standards, is not enough. Thought must be given to ways in which immediate, practical and concrete assistance can be given, as desired and agreed upon mutually, to the Government's plans. Care must be taken, obviously, to avoid anything that would endanger undergraduate instruction as now given in the College, or affect adversely the provision made for scientific researches. Both of these may be assumed to represent basic aims which have now been satisfactorily realized, and which should be carried forward without impairment.

In graduate instruction and teacher training the College clearly has something of great importance to do, as an aid to advancing the hopes and plans of the Government. There are twenty-six medical schools in China under national or provincial control and support. Four of them are national schools of university grade, but only one of the four has been able thus far to meet the Government's requirements for that classification. Of the provincial schools, the majority are so ill-staffed and equipped, so lacking in all that has to do with medical education - even in its simplest terms - that they seem scarcely to merit the name. In many cases, perhaps in most, there is genuine anxiety on the part of the provincial officials to have an effective and useful school, but skilled and experienced personnel is almost nonexistent, there is little money for equipment and salaries, and often enough, ideas of what a medical school should be and do are rather vague. In the face of this discouraging situation the National Government finds itself under a constantly growing pressure for all kinds of trained individuals - doctors, teachers, nurses, inspectors, midwives, technicians, and the whole category of those necessary to make up a nicely balanced mechanism of medical service, public health and health education. The graduates of these feeble schools

are well-nigh useless for any purpose; when they have reached the end of their course they have had practically no clinical experience, and their grounding in the basic sciences has been pitifully meager. On the whole they are worth less than a nurse from any of the good training schools in the country; and yet they must be rated as full-fledged physicians. The plans of the Government look forward to the eventual adoption of a complete and thorough-going system of state medicine; at best it will be a slow and laborious business, but unless efficient training centers can be set up to supply the workers necessary for the system, the outlook for getting anywhere with it is very poor indeed.

There is nevertheless a brighter side to this somewhat gloomy picture. Here and there in faculty groups are found men of genuine ability and earnestness, who need only the stimulus of additional training in a good environment to bring out their talents and to fit them for productive work. In many of the schools there are teachers for whom a great deal could be done by giving them a careful and intensive review of the general content of their subjects, and practice in the presentation of them. Although the College has already opened its doors hospitably to such as these, little advantage has been taken of the opportunities offered, at any rate by those connected with the teaching staffs of provincial medical schools. Many of the men who have had their preparation in Japan, for example, (or in Japanese-taught schools in China), have a feeling that they would be unwelcome, or looked down upon, or that their handicap in English would be too great; some are definitely hostile to the College for a variety of reasons. Insofar as this arises out of the fact that the College is a purely private school, which is thought to have a condescending air and a holier-than-thou complex, little progress in finding common friendly ground with these teachers can be expected; but if the College

had semi-official standing, and was being used directly by the Ministry of Education for normal training purposes, much of the difficulty would vanish. Some adjustments would naturally have to be made; instruction for such a group would have to be in Chinese, and their outside reading would be mainly in languages other than English, but that is scarcely a major difficulty. There is nothing in the make-up of the several departments that would have to be greatly modified, nor would there necessarily be additional expenses of any moment, unless the College is to undertake the special training of senior health officers, and their preparation for leadership in the Government's scheme of state-controlled medicine. No such development as this was in view when the College took up its work in the new setting in 1921, and no provision exists for financing it, as the budget stands now. Whether or not this should be a component part of the College program, or whether it might better be located in the Capital and maintained directly under the National Health Administration, or as a joint enterprise, are questions which must be left to further inquiry. In any event, such a unit would fall outside of the original plan for the College, and must be considered, in a sense, as new business.

It is proposed, therefore, that an informal understanding be reached with the newly re-organized Commission on Medical Education, to make the Peiping Union Medical College available as a center devoted to the special training of men and women under actual or prospective appointment in various government medical schools, or in any of the divisions of the National Health Administration. One speaks of an informal understanding as the basis of such an arrangement because it would be inadvisable to contemplate an organic connection at this point with Government, even if it were feasible to do so. Nothing would be gained, from either side, by such a relationship; the main

thing is to find a way of bringing into a piece of educational work, which the College at this time is peculiarly well fitted to undertake, the authority and prestige of the National Government.

IV.

RELIGIOUS AND SOCIAL WORK

Historical. The College was one of the earliest examples of successful missionary union, having been organized in 1906 by six mission boards and maintained jointly by them until it was acquired in 1915 by the China Medical Board of The Rockefeller Foundation.

The terms of transfer provided among other things for perpetuating the name of the institution and for membership on the Board of Trustees of representatives appointed by each of the several societies making up the original union. But there were other understandings, quite as explicit, if less formal, that had to do with taking over the program and goodwill of the institution. Of these the most important was an assurance given to the parent boards that the Christian purposes of its work would be continued, although it was mutually agreed that faculty members would not be called upon to subscribe to a specific platform of religious belief. When the question of the maintenance of religious services arose, one or another of the missionary societies offered to furnish a chaplain to the College, the offer was declined, however, on the ground that the College itself ought to assume the entire responsibility for the work. Accordingly a Department of Religious and Social Work was established and a well-recommended young pastor was appointed to take charge of its activities. Regular weekly religious services were established and the promotion of friendly social relations between staff and students was carefully undertaken.

At that time there was a nucleus of senior staff members who were not only familiar with the early history of the College and with the conditions under which it had passed into the ownership of the China Medical Board, but were themselves deeply interested in medical missions; several of them had previously served in mission hospitals, and not unnaturally were constant in their support of and participation in the program carried on in the new department. In the New York office care was being taken, in the selection of new foreign appointees, to acquaint them with the relationship of the College to Christian medical enterprises in China and to ascertain their attitude toward these issues. Adherence to particular forms of religious belief was not in any way made a condition of appointment, but on the other hand, foresight was exercised to avoid bringing to China persons antagonistic to the broad principles of spiritual culture which the donor wished to see emphasized, and to the conservation of which his personal pledge had been given.

During the past seven or eight years various events have tended to modify the significance of the Department of Religious Work in the program of the College. The following are to be borne in mind:

A. The change from a Board of Trustees, in which six members out of thirteen were official representatives of mission boards, to a trustee body entirely without such a representation. The new Board has known, of course, about the undertakings assumed by the donor with respect to the basic Christian character of the institution, and as far as I know has been disposed to maintain them without impairment. It is obvious, however, that a Board made up as this one is cannot very well be expected to formulate policies and plans of a religious nature as constructively as the original trustee group would do it. One can have no doubt of their earnestness and

fine sense of responsibility in the matter, but the members of the present Board are not fully equipped to deal expertly with such problems.

B. Within the past few years the group of senior men who from the first were generous with interest and concern in religious affairs has dispersed, all but one of them having left for one reason or another the service of the College. Their places have been taken in the main by men unfamiliar with the origin of the institution and the aims of the donor, of whom some are passively hostile and others entirely indifferent to the maintenance of a unit within the College which appears to them to have no bearing upon scientific work, as such.

C. From 1926 to 1929-1930, China passed through a phase of intense nationalistic activity, in the course of which frankly anti-religious (and specifically anti-Christian) elements appeared. Although in its extremer forms this was a passing phenomenon, there can be no doubt that acts and attitudes of responsible Chinese organizations were reflected in changing reactions and policies within the College.

D. The routine of giving information to prospective candidates about the fundamentally Christian foundation of the College was discontinued several years ago.

The cumulative results of these varied changes of circumstance and policy have been of more than passing importance, and have led to incisive challenges from various quarters of the good faith of the College in taking over the name and goodwill of an institution which was distinctively Christian in its purpose. It must be said, however, that the shifts in policy and procedure noted above have not been furtive; the administration has been perfectly straightforward in taking these steps, from motives

that are entirely understandable. The desire has been to let nothing interfere with the building up of a highly qualified staff of productive scientists, and what has been done has been based upon a conviction that disproportionate stress on this Department might vitiate other important aims of the College.

The items referred to above, however, reflect only part of the difficulty surrounding this whole question. There are other issues, no less perplexing, that bear upon the conduct of social and religious work in such an environment as this:

B. First of all, the contrast of technics in education and science - practical, clear-cut, quantitative - with methods as unprecise and indirect as they must be in this sort of religious enterprise, is somewhat baffling. The cultivation of social and spiritual values has not been easy to integrate convincingly with medical research and teaching, or even with the practical conduct of social service. But it is even more disturbing to see that in reality the Department is something that stands apart - extraneous, alien, peripheral. How can it be otherwise if it is not a part of the normal life of the College, contributing from within something vital to institutional growth and well-being? It wears now an air of artificiality, of effort, and of detachment. The things that it does, be they ever so stimulating and alluring, are not inner elements of the place; they give an impression as of something added, or even imposed. Whether or not this state of affairs is inherent in the form of organization is a matter for debate. The gulf did not seem so wide a few years back, when at the core of the College staff were important men who constantly busied themselves with the Department's affairs, and took active part in them; and yet even under these favorable circumstances, I am not sure but that some of the official aspects of its religious work were gestural and empty. Now, with no such interest and

concern on the part of medical faculty members, the lack of any genuine unity with the main stream of College life is painfully apparent.

F. We need to bear in mind that modes and patterns of religious education are undergoing notable changes concurrently with the swift alterations of social organization and outlook that are taking place everywhere in the world, and are stirring most actively of all in the Orient today. The methods of religious work used as a matter of course in the teaching hospital of the College in the days before its reorganization, would be intolerable and unsound in any well-ordered mission hospital of the present time. One cannot be sure, indeed, that the plan worked out as recently as 1921 (when the present Department was organized) is well fitted to evolving needs and demands. Certainly it is not satisfyingly effective now, in spite of the devotion and effort that is being put into it. One is brought inescapably to the conclusion that a different approach must somehow be made. It has lost nothing of its importance, nor its urgency, but the machinery must be rebuilt on new lines and adapted to new currents of intellectual and emotional life. Just how and when these changes should take place is a matter for thoughtful reflection.

Before debating changes of practice or program it will be useful to review what is being done in the Department as presently constituted. In the annual report of the Department covering the period July 1, 1933 to June 30, 1934, Mr. Hayes lists the various activities under his direction as follows:

- (1) Sunday Services - Speakers and Music;
- (2) Lectures;
- (3) Library;
- (4) Employees' night school and social activities for employees;
- (5) Student Groups.

Of these only the Sunday services and the student group meetings are concerned specifically with religious work. The Sunday morning church service, it must be admitted, is something of a problem. For one thing, it has a rather restricted clientele, since it caters primarily to the staff and student body. It is true that outsiders attend from time to time, but other centers of worship in the city compete for church-goers; foreigners who enjoy such services are made welcome not only at the College but also in the Union Church and the British Legation Chapel, so that their number - limited at best - is diminished by scattering to different places, and their attendance at the College Chapel is often depressingly small. Few of the College staff members customarily appear at the meetings. Chinese who are regular worshippers are likely to make their connections elsewhere (unless they have a special interest in following services in English) through membership in Chinese independent or institutional congregations. Students come only in scattered twos and threes. On special occasions, and when eminent guest speakers are preaching, the chapel attendance is large: one should not convey an impression of futility in these services, but rather make the point that they do not appear consistently to furnish a successful groundwork of corporate worship in the College community.

Discussion groups, composed of medical and nursing students, have developed during the past years with genuine spontaneity, in response to needs consciously felt and clearly expressed. There is so little formality about them that they scarcely emerge into general view, and yet almost half of the entire undergraduate student body now attends the meetings and recognizes the important uses which they serve. There is no reason why they should not continue, under any altered plan for the conduct of the Department's work, much as they are today. Thought must be given to direction and leadership,

but that is a comparatively simple problem, if the cooperation of responsible staff members can be secured.

The remainder of the projects of the Department are social and educational. They too can be handled without great difficulty in an altered setting, and none should be let go, whatever changes may be made in the form of the departmental organization or of its work.

Discussion. The problem of religious education in this environment, however knotty it may be to solve, is not difficult to state. What is needed is to find a way of enriching the technical training of these young Chinese men and women, all of whom are potential leaders in the new life of their country, with interpretations of moral idealism, in social and personal expressions; and to present these interpretations as a natural outgrowth and accompaniment of their professional preparation, having an intimate bearing upon careers of future usefulness and success.

Just how this can best be accomplished is not easy to say. Thoughtful study and experiment seem to be called for, extending over a period of years, before a firm policy is adopted. It may be conceded, I think, that a frankly professional religious program is of questionable value in such a background as this: it is in the end likely to be barren of vitality and appeal, and to be viewed by a scientific faculty with some measure of impatience and distrust.

One or two suggestions are put forward tentatively, in the light of the foregoing analysis:

A. No spread of idealistic thinking of this sort is possible if at the center, among men who by the weight of their academic authority and their scientific leadership dominate students' minds, there is an atmosphere of

cynicism, materialism and indifference to the life of the spirit. Such a situation will over-ride anything else that may be set up, and will determine human relationships and the intellectual temper of the institution as a whole. Fortunately the converse is also true, and even a small number of men who exemplify a high level of social and moral standards will leaven the thinking of the entire place. The first requirement, therefore, is a nucleus of men interested in and ready to cooperate with the building up of religious and ethical idealism.

B. In attempting to avoid the detachment and artificiality that threaten a religious program as highly formalized as this has been, various alternatives should be weighed. None of the possible courses outlined below is recommended for immediate adoption: they are submitted as indications for exploration and cautious experiment, rather than as mature plans.

1. It may be, in the first place, that the soundest course will be to strengthen the position of the Department without changing its present organization or functions. If it is to be kept intact, however, a status of greater dignity and influence should be given to it, with a rating no lower than that of other departments: the head should be ex officio a member of the legislative bodies of the College, and the operating budget for its program should be adequately protected. If this move should conflict with the regulations of the Ministry of Education it might be desirable to alter the designation to "Department of Social and Moral Activities" thus bringing it into conformity with parallel organizations set up within the National Government itself. As long as purely religious exercises are kept upon a

voluntary basis the Government is unlikely to object, however, to a complete integration of the Department with other teaching and administrative units of the College.

2. Secondly, it might seem better as time goes on to do away with the present type of organization, and to find through another channel the fresh entry into student life which is so urgently needed. Any alteration would have to do with formal and outward aspects of the work, of course, rather than with inner and essential things. If it should seem wise to drop the official Sunday morning service, for instance, that would not mean doing away altogether with intramural religious gatherings. Experience of the past year has shown that the students themselves (a large proportion of whom come from Christian homes) are ready to take initiative in planning and carrying out devotional exercises on special occasions. Several meetings of this kind, with large attendances, have been held during the current year, and a further series is being planned. Spontaneous action in these directions is a reassuring index of the real interest that exists. What is needed from without is not management, but friendly cooperation, and such guidance and aid as may be asked.

Perhaps the simplest move of this sort would be to retain the name and general program of the Department as now constituted, but to appoint as its head a physician, gifted and experienced in religious and social work among young people, but also fully qualified to undertake part-time responsibility in a clinical department. Such a man would be in a peculiarly

favorable position to interpret religious idealism in such a setting as this, and to be a ferment within rather than an acquisition from without. There are doubtless many members of the present professional staff who, although they are genuinely devoted to social betterment and interested in the promotion of high moral standards, are nevertheless unwilling to relate themselves to organized religion. A leadership sensitive to such attitudes as these might win sympathetic support from many who are entirely indifferent to the Department in its present form.

3. A more radical move would be to shift all of the work of the Department into one of the units of the medical school proper, where it could be absorbed, without straining, into a secular setting.

If a department of medical sociology and economics, for example, (for which a real need exists) were to be set up under mature and inspiring leadership, moral and ethical ends might be served with more reality and effectiveness than is possible under a pastorate or chaplainship. Everything would depend, of course, upon the person at the head, who would have to possess a variety of unusual gifts in order to meet acceptably the requirements of such a post.

Alternatively a chair of historical medicine might afford opportunities for studying the social and religious customs of China as they are related to medicine, and out of this there might be built upon a scientific basis a natural expression of social and moral life for the present-day student. Fundamental

values are likely to be found in historical studies of this kind, particularly insofar as early Chinese medicine was intimately bound up with temple life and with religious philosophies and speculations.

4. Another possibility would be the creation of a general welfare department, under the direction of a man or woman (non-medical) technically equipped for social service in its broadest aspects, and with training and experience in religious education as well. The scope of a department like this would have to be wide enough to include not only the medical social work of the hospital, but also social, recreational and intellectual service to the varied types of people within the body of the College - students, junior staff, clerical and technical employees and servants. Religious activities under such an organization would be indirect and would be expected to meet demands arising naturally out of a socially favorable environment. The same may be said, of course, with respect to the suggestions made in the preceding paragraph.

C. The time has not yet come, in my judgment, to make changes as great as these. To the minds of many people, within the College and without, abolishment of the name of the Department, the abandonment of the regular church services on Sunday morning, the discontinuance of conventional ministerial functions, and the removal of headquarters from their present location to offices in the hospital, would suggest a frank retreat, and to take steps so radical and abrupt at a time when other readjustments are being made, would manifestly be unwise.

For the time being, therefore, the pattern of religious and social work now being followed should continue, with wider range and greater encouragement being given to voluntary activities of staff and student groups. If it should appear reasonably certain, at any subsequent time, that the ends originally in view can be more satisfactorily realized by one or another of the modifications suggested above, the changes should be made without hesitation.

In the meantime, also, the original purposes and undertakings of the founders should be made known fully and accurately to staff and Trustees, and their support and goodwill in fulfilling those purposes should be asked. The participation of all of them is not of course to be expected, but those who feel unable or unwilling to share in the development of an idealistic atmosphere of this type within the College should at least keep friendly silence.

V.

IDENTIFICATION OF THE COLLEGE
MORE FULLY WITH ITS ENVIRONMENT

In the early stages of its existence the College was frankly a foreign institution; with few exceptions the important teaching and administrative posts were held by men and women from other countries, and although Chinese candidates were eagerly sought, it has been only in recent years that the balance of highly trained professional personnel has swung to the Chinese side. From the beginning, however, it has been assumed that the College can leave no lasting mark upon emerging medicine here unless it becomes thoroughly welded to Chinese society, and so unified with the life of the country that its foreignness is no longer apparent. To bring this about as fully as can be done at this time is patently an obligation, and one of the first steps toward achieving it is to draw a clear line between what is exotic and passing in the make-up of the College and what is local and permanent. To say this does not mean at all that foreigners on the staff should be dispensed with, either abruptly or gradually. For a long time ahead there will be need of Western personnel in various posts, since there are elements in the program to be contributed by them which cannot as yet be supplied by a Chinese staff alone. On the other hand, a much greater degree of responsible participation in management must be laid before long upon the younger Chinese who will be actively concerned in the transition that is approaching.

To initiate this stage of devolution I recommend that the professional staff be reconstituted so as to create a central permanent Chinese faculty fully and regularly organized in the usual form. No changes in current appointments are contemplated, apart from promotions to headships or acting

headships as may be desirable and practicable. Foreign teachers, not less important to the scientific life of the College because less concerned with departmental administration, would be an auxiliary part of the general faculty. This group should be carried over, in the first instance, from the foreign staff now under appointment. Scrupulous care should be taken to safe-guard existing commitments, and to avoid any moves that would tend to injure the status or prospects of foreign faculty members. Those who have been making significant contributions to the growth and progress of the institution should continue on permanent appointments as now, and retain their regular standing. No changes in academic rank, of course, would be made, but foreign department heads should serve only in an advisory capacity and the executive control should shift to a Chinese colleague designated for that responsibility. The posts held by foreigners would thus become professorships extraordinary, somewhat after the usage of German universities. Notification of these changes, if approved, should be given not less than a year in advance.

New foreign appointments would originate only upon appropriate action of the Director and Trustees, but in the actual operation of the plan it would probably be found that the services of the China Medical Board can be helpfully used in meeting requirements for Western teachers, including visiting professorships.

The foregoing proposals are offered for the following reasons:

1. In my judgment, there is now a nucleus of well-trained mature Chinese staff members large enough to make up a basic faculty, and to warrant without anxiety this fresh move toward one of the founders' objectives. Not all of the departments are prepared for Chinese leadership at present, and this fact must

be clearly recognized; it is apparent that some posts involving administrative responsibility must continue to be held by foreigners, in the absence of available Chinese with the necessary maturity, specialized training and experience, or administrative aptitude. As a general principle, however, the permanent and responsible nature of the Chinese faculty is to be emphasized.

2. In the College faculty as it stands now there are more than a few foreigners in secondary posts, men who although highly trained and carefully chosen seem in some cases to be little more mature than the Chinese colleagues whom they out-rank. Situations like this, which appear to block the advance and promotion of well-qualified Chinese, make for resentment and inter-racial friction. A frank recognition of the status of these foreign appointees as visitors for longer or shorter periods should cancel further uneasiness in this respect. In the course of time, indeed, one would expect to see all junior posts taken over by Chinese, and the foreign group represented only by eminent visiting scientists who would bring to the College a contact with the great minds of the world in medical science, stimulating and intimate, no matter how brief or extended it might be. These visitors, being free from administrative burdens, would have exceptional opportunities of studying carefully the organization and program and problems of the departments they serve. No small part of the value to be had from their presence would be found in the appraisals of departmental work which they would be expected to furnish to the Chief concerned and to the Director.

On the other hand, the authorities of the College should be free to select responsible teaching personnel in the highest interests of its program without reference to race or nationality. In doing so it is possible - indeed it is likely - that some long-term appointments will be given to men from other countries. As long as they do not constitute a group that controls the balance of administrative authority, they should fit easily and naturally into the body of the institution, and continue to be a highly important asset in the scientific, intellectual and cultural life of the College.

3. A third reason for proposing this change is an economic one. It is wisely pointed out in the founder's address that the financial basis of operation must not be greatly out of line with the normal life of the country, for if it should be so the result would be disservice rather than helpfulness. As the College has developed thus far, the scale and manner of payments to a mixed staff has caused the salaries of Chinese faculty members to rise, somewhat artificially, above the levels of other similar institutions in this country.

The carrying of foreign salaries in a special division of the budget, and the readjustment of foreign personnel as proposed herein should give the Trustees an opportunity gradually of modifying salary schedules, as new appointments are made, so as to bring them into reasonable conformity with economic conditions prevailing in China, and to do so without difficulty or embarrassment. Compensation should be higher in the College, I think, than in other institutions, in order to maintain here an

outstanding group of scientists and teachers, but the disparity in the long run should not be as great as it is now. No downward revision of existing salaries should be made, of course, but new schedules for future appointments could appropriately be set up by the Trustees. At the same time, the By-laws should be modified so as to give official recognition to a special salary rating for posts filled by appointment from abroad. Commutation provisions, as now constituted, should be discontinued.

4. The creation of a central Chinese faculty will gradually bring about a solution of the difficult language problem, especially if at the same time a plan of teacher training is adopted. In undergraduate courses it is essential to have English emphasized, in order that the students may have access to a wide range of scientific literature, and after graduation may be fitted if the opportunity offers to continue special studies abroad. For this relatively small body of students who are potential leaders, intensive training and constant drill in English is indispensable. But that does not preclude a gradual extension of the use of the national language in teaching, especially in laboratory courses and in demonstrations. Vigorous efforts should be made to see that every department becomes adequately bilingual for teaching purposes as soon as possible. A breaking down of the barriers that now exist because of language problems is one of the most important tasks that faces the College.

5. The College is now generally considered to be a foreign institution. This is not an unnatural reaction,

seeing that for many years the senior appointees have been from other countries, and the organization and institutional routines have been taken over from alien models. Modern medicine is not yet thoroughly cosmopolitan in China, indeed, so that outside of the great cities (where the pattern of world culture already has been adopted) it will continue for a long time to be thought of as an importation; but eventually that will pass and the distinctions of East and West will tend to fade out. In the meanwhile it is worth while to take every step that will emphasize the essentially Chinese nature of what has been set up here.

In connection with changes to be made in the form of faculty organization, a discussion of other administrative units and personnel is indicated:

A. The Administrative Council. This is a standing committee which is in effect a Director's cabinet having to do with administrative affairs that lie outside of educational and scientific boundaries. It is made up of the Director (or Acting Director), Treasurer, Superintendent of the Hospital, Dean of the School of Nursing, - all ex officio - and in addition two elected representatives of the medical faculty. It legislates upon all ordinary matters of business, and submits recommendations upon them, if necessary, to the Trustees for action. One of its principal duties is to scrutinize and transmit the annual operating budget, and to submit to the Trustees such revisions of the budget as may be required from time to time.

The Council seems to be an effective and appropriate administrative instrument, and no changes in its composition or functions appear to be

urgently needed except that the Controller (v.p. 44) should be added to its membership, and that the representation of nursing education should be shifted to the Academic Council, as described below.

B. The Committee of Professors. The Committee is an ex officio body made up of all full professors, dealing particularly with appointments to the teaching staff, although it acts also in an advisory capacity in educational concerns generally. The spread of its action and powers has diminished somewhat by comparison with earlier years, possibly because it has been felt that a group of faculty members, preoccupied with teaching and clinical duties and with the administrative conduct of their own departments, should not be called upon for routine service of this kind.

In my opinion, the Committee of Professors should be reorganized into an Academic Council restricted in membership to the heads and/or acting heads of teaching departments and divisions, and endowed with genuine powers of legislation on internal educational affairs. The Council meetings should serve as a clearing house for all information about educational and scientific policies, and should be made a center of responsible participation by department heads in the work of the College. It should concern itself with educational interests as the Administrative Council does with business matters.

With a deliberative and legislative organ thus set up to deal with educational affairs, and to represent in council the several departments of instruction, the usefulness of an executive committee of the Medical Faculty disappears, and the By-laws of the College should be amended accordingly. One may question indeed, whether the Medical Faculty itself might not better abandon its deliberative functions and become wholly a titular body, conferring academic status upon its members, but meeting only upon the occasion

of formal convocations, or upon special call by the Director for extraordinary purposes.

C. The General Officers.

Director. Chinese leadership - able, powerful, eminent - should be made a reality at the earliest possible moment.

While there will be unanimous agreement with this proposal in principle, among those who are concerned with the welfare and development of the College, considerable difference of opinion will exist as to the time at which it should be made effective. Perhaps all that can be said at this point is that a Chinese medical directorship is highly desirable, but an immediate selection may not be possible. The present Director, who has been inactive since his appointment to the post, cannot very well be recalled into this service. He is the principal medical officer of the National Government; his presence and powers are imperatively needed at the Capital; in many ways it would be inadvisable for him to return to the narrower functions of administering the College even if it were practicable for him to do so. As a Trustee he can and should give invaluable assistance, however, and he should be closely in touch and in harmony with the Director who succeeds him. In the interval, while the search is being made for a permanent appointee, he should be urged to continue in office, even though it be only a nominal position.

Although the selection of a Chinese head would make no real difference in the technic of administering the affairs of the College, the psychological effect would be most important. It would show to the country at large that the time is already here when a great school and hospital can be manned and directed by Chinese; it would demonstrate a real acquiescence - in place of an empty gesture - in the Government's ruling that the chief administrative

officer is to be Chinese; it would give a sense of solidarity and of permanence to the staff organization; it would be a long step forward in achieving the purpose for which the College was designed. Against this point of view it will be argued that there is no particular reason for departing from the plan that has been followed during the past few years; that a nominal directorship held by Chinese with the actual control in the hands of a foreigner is not frowned upon particularly by the Government, and that such an arrangement is helpful in that it puts a buffer into situations that might be made difficult and embarrassing for a Chinese, who would perhaps be less able than a foreigner to withstand political and other pressures. Quite apart from these considerations there is the undoubted fact that, if a choice is made from within the staff, to take one of the senior Chinese out of his teaching post would be a serious loss to the scientific and educational assets of the College; it would be a great sacrifice, moreover, for the individual concerned to make, for he would be giving up an established professional career for the uncertainties and hazards of a difficult administrative post.

In spite of these objections, which are not without substance, it is my opinion that Chinese leadership should be an objective to be diligently pursued, and made effective at the earliest practicable time. The difficulty of finding someone ideally qualified for this exacting position should not be a bar to moving ahead with it. Much can be allowed for the constructive and conservative influence of a faculty council properly set up as a deliberative and advisory body, to say nothing of the steadying power of the Board of Trustees. The new Director should be one, however, who can bring to his work a clear insight into the professional and scientific status of all departments, and a capacity for discriminative judgment as to their comparative weights and values. His responsibility as time goes on will be

less involved with routine functions of administration, of finance, and maintenance, than with keeping a sound balance between the several departments, with weeding out ineffective personnel, with controlling the proper distribution of funds for scientific purposes, and with eliminating or preventing sterile research activities.

Treasurer. No change in organization with reference to this post is indicated. The Treasurer should be in charge of local business and accounting, stores and purchase, and should be responsible to the Director and Trustees, as heretofore.

Controller. A new financial officer should be added, answering directly to the Trustees, to supervise appropriations and disbursements, to pass upon all commitments of a financial nature, and in general to exercise control of the income and expenditures of the College under its budget.

A tentative and determinate appointment of this kind has already been put into effect by the Trustees of the College, as of June 8, 1935. The By-laws should be amended to add this position formally to the administrative machinery of the institution.

Superintendent. No variation from the organization now in force is called for; the Superintendent should continue to be the secretary, ex officio, of a strong hospital committee, and its executive officer. It is probable as time goes on that an opportunity will be found to do something important in the way of training hospital executives (for which a serious demand exists), through formal courses worked out in cooperation with other institutions in Peiping and through practical experience provided in the hospital itself.

Other Employees. Special reference should be made to non-professional technical and clerical personnel - those who because of the present scarcity

of well-trained and available Chinese, must be found in the local foreign communities in China or imported from abroad. Probably no hard and fast line can be drawn with respect to the conditions of their employment, because the nature of their work and responsibility varies so greatly. In general, however, it may be suggested that foreigners resident in China, selected for non-professional posts in the College, should be paid in silver, especially if they are doing something that is likely to be taken over later by trained Chinese. Technical experts, brought in from other countries for narrowly specialized jobs and to assist in training local personnel, should be appointed in the same way as the foreign teaching staff, and paid in United States dollars from the New York budget of the College.

VI.

CHINA MEDICAL BOARD, INCORPORATED

Historical. In its present form the Board was designed first of all to be a property holding body, responsible for investing endowment funds and for extending financial support to the College and/or other similar institutions in the Far East or in the United States.

In 1928 The Rockefeller Foundation gave to the China Medical Board, Incorporated, (then newly organized) a capital sum amounting to U.S.\$12,000,000. It was estimated that the income on this investment would amount approximately to U.S.\$600,000. Since this was insufficient to meet the annual budget of the College, The Rockefeller Foundation has been making supplemental grants over a period of years to the China Medical Board for this purpose. These annual grants have been continued and are still in effect; latterly, indeed, they

have been increased in amount, since income from endowment has lessened during the recent years of economic depression.

Another function of the China Medical Board, incidental but not inconsiderable, has been to act as general agent for the Peiping Union Medical College in the search for and selection of foreign personnel, in making arrangements for salaries, travel and in other ways as help has been asked. The facilities of the Board's office in New York have been available to the fellows sent over from time to time from the College staff, and assistance has been furnished in connection with their programs of study.

The China Medical Board, however, has been more than a property holding institution. It has a basic responsibility for the wise and useful expenditure of the funds controlled by its Trustees, and in the discharge of this responsibility its Trustees must be satisfied not only that its income is being effectively used in the support of the College, but that there is no other project to which its funds could better be given.

Careful definition of the functions and scope of action to be assumed by the China Medical Board and of its relationship to the Trustees of the College is imperative if smooth and effectual inter-working of these two bodies is to be preserved.

As far as its responsibility within the College is concerned, a recent communication from the Chairman of the China Medical Board, Incorporated, to the Chairman of the Board of Trustees of the College states the situation clearly:

"The Peiping Union Medical College, although registered by the Chinese Government as a private medical school of university grade, is incorporated in the State of New York, and holds a temporary charter under the Regents of its University. The College leases, for a nominal consideration, the property of the China

Medical Board, Inc., and has the duty, under its Trustees, of conducting in that property a program of education in medicine, public health and nursing. The principle objectives of the founders were laid down at the time when the new plant of the College was formally dedicated, and these were intended to serve as a basic program for the institution; but it is clearly recognized that full powers of initiative and direction in the internal management of the College are vested in its Board of Trustees. In guiding its affairs the individual members of the Board can not, of course, be expected to burden themselves with administrative detail, since they are preoccupied with many other duties, and in any case, few of them are intimately familiar with the technical aspects of medical education. Perhaps the most important service they can render lies in furnishing the director of the College (whom they choose and who is responsible to them alone) with their collective judgment, as they meet from time to time, on the general principles and procedures that will achieve the fundamental aims of the institution.

"However, it can not be too strongly emphasized that the responsibility for the administration of the Peiping Union Medical College rests with its Board of Trustees. The Trustees of the China Medical Board are not concerned with particular problems of internal management. They necessarily exercise a right of review from time to time in connection with general trends and quality of performance. They, or their representatives, may, when their advice is definitely requested, express an opinion on some particular technical point. But they can not, and do not wish to, assume any responsibility for the management of the institution. That burden belongs exclusively to the Trustees of the Peiping Union Medical College."

The detachment of the China Medical Board from the internal control and management of the College is thus complete. With the general progress of its work and achievements the Board will of course be concerned; it must stand ready, also to be the agents in New York of the Director and Trustees, and as such to look after the interests of the College in America.

If the findings of this report are adopted, the alterations of organization and relationship that are proposed will be reflected in changes of composition and functions of the China Medical Board, Incorporated. In such case the part to be assumed by the Board in the prospective program would be:

A. Fiscal. The holding of property and endowment; determination of general financial limitations; making of gold appropriations to cover silver budget requirements; preparation of and action upon a supplementary budget for maintenance of the auxiliary (foreign) staff, upon requisition of the officers in Peiping; consideration of the transfer of capital sums to silver currency for investment in China.

B. Administrative.

1. In New York. The search for and selection of supplementary foreign personnel including visiting professors at the request of the Director and Trustees of the College. The handling of arrangements for the terms of their appointments, salaries, honoraria, travel, physical examinations, and similar routine duties.

2. In Peiping. Obviously the chief service of the Board's representative when he is in China will be that of acting as a personal channel of communication between the China Medical Board and the Trustees of the College. He should spend a part of each year in China in order to be fully familiar not only with the activities of the College, but also with general movements in medical education and public health throughout the country, maintaining at the same time close contact with the enterprises being carried out by The Rockefeller Foundation in China, and aiding whenever opportunity offers in the correlation of programs.

C. Deliberative. The review of basic policies, and appraisal of the progress of the College through regular reports made by its special representative and others.

At the time of creating a new Board of Trustees in China, a small Advisory Committee was established in New York, for the purpose of passing upon special questions that might occasionally be submitted for consideration by the Trustees of the College. This function may appropriately be taken over by the China Medical Board when it has been reorganized for the duties described above; it will be in order then to dissolve the Advisory Committee.

VII.

FINANCIAL ORGANIZATION AND ADMINISTRATION

Questions of cost and financing are of major importance, both in relation to the continuing program of operations, and to the long-range objectives looking toward autonomous control of the College. These programs can be properly considered from the angle of finance, however, only when a record of experience in two essential categories is available:

1. The operating expenses of the plant, expressed in the currencies actually used for payment of salaries, supplies, and expenses. This statement, furnished by the College, will reflect the fluctuations in plant expenses on a comparable basis. Gold and silver currencies at no point change their identities: exchange does not come into the picture.

2. The cost of these currencies in terms of the funds available for supporting the enterprise. This information is to come from the financing organization, the China Medical Board: over a period of years it will show the fluctuations in financing costs due to the necessity of furnishing United States and Chinese currencies in proportions differing from those in

which endowment and other funds are held.

Since these two forms of expense (cost of operations and cost of Peiping currency) have no common basis of fluctuation, they should be dealt with separately. Up to the present time, however, this separation has not been maintained, and except for what now appears to be a very brief and recent period, the data cannot be secured from past records. The amounts furnished by the China Medical Board can of course be ascertained, but they cannot be identified in terms of currencies actually expended. In the effort to arrive at comparable figures of plant expense in which exchange costs were included at average or arbitrarily selected rates, the actual plant expenses and the financing expenses have been obscured in a maze of recorded hypothetical values. The Treasurer and Controller of the College join in recommending the adoption of a system based upon identified currencies, in order to obviate obscurities and to make possible the preparation of truly comparable statements.

Under this method the budget would be presented by the plant authority (the Trustees of the College) to the bankers (the Trustees of the China Medical Board or any other corporation responsible for financing the enterprise) for the necessary guarantee, in terms of two currencies in the amounts needed. The financing corporation would underwrite and furnish the funds in these currencies, and the exchange rate as such would be solely its concern: that is one of the ways in which its own resources and obligations must be measured.

Preliminary steps in setting up a record of plant expense with the exchange element eliminated have already been taken, to the following extent:

1. Reconstruction of the College Balance Sheet, doing entirely away with hypothetical exchange valuations.
2. Closing out sundry bank accounts held in currencies other than their asset valuation on the Balance Sheet.
3. Reformulating the 1935-1936 Budget in terms of actual currencies to be used.
4. Adjustment of salary, expense and store-keeping records to preserve the identity of currencies throughout.
5. Physical inventory of the stores division at June 1, 1935: and adjustment of the Balance Sheet figure to meet this at June 30, 1935. The inventories of materials and supplies represent the proceeds of a special Trust Fund. At June 30 the inventories and the Trust Fund have been taken out of the main Balance Sheet and shown as a separate item as other Trust Funds are.
6. Adjustment of this Trust Fund and the China Medical Board, Inc., remittance account has been effected as at June 30, 1935.

In addition the accounting procedures are being carefully analysed with a view to possible improvements in the distribution of expenses. It is expected that in the hospital division a more effective comparison can be obtained between the various classes of income and the cost of the various services producing them.

Appropriations under the College budget. The practice has been to make appropriations on a net basis: that is, total cost of operations, less hospital and other revenues. Under this system the operating expenses of the plant can go forward each year on an expanding scale, showing no net increase if the gross increase is offset by a larger estimated income. But the increased income can come only from the hospital division, while the expenditure may be (and generally has been) in departments of instruction or research.

An illustration of this is afforded by the procedure relating to the 1935-1936 budget and appropriation. The China Medical Board expressed its willingness "to consider a budget for the year 1935-1936 which shall not exceed the totals for 1934-1935." The appropriation made was the same as for 1934-1935. But within these totals, the following changes, expressed in terms of one currency, had occurred.

Year 1935-1936

Increase in gross expenses

Medical School	CS \$49,867
Administration and General Expenses	<u>9,595</u>
	CS \$59,462

Less: decrease in gross expense

School of Nursing	CS \$8,463	
Hospital	4,933	
Religious and Social Work	8,354	
Contingent	<u>487</u>	<u>22,237</u>
		<u>CS \$37,225</u>

Income Increased

Medical School	CS \$ 2,325
Hospital	<u>34,900</u>
	<u>CS \$37,225</u>

It will be seen that the school advanced to a higher level of expenditure in the amount of approximately CS\$50,000, which was offset by decreases in other divisions and by increased hospital earnings. The new level may be thoroughly justified, but it is here submitted that the advance should be recognized by everyone positively rather than negatively or by default, which is what happens when the estimates are drawn up on a net basis.

It is difficult to see how the capacity of the hospital can be enlarged without extensive rearrangement of the physical layout, so that further increases in income can come only from the intensive scrutiny of free service charges and adjustments in the scale of fees. But if these results are

obtained they also will be obscured by the net method of appropriations.

For these reasons it is recommended that appropriations be made on a gross expense basis: all revenues would then revert to the guarantors.

It should however here be pointed out that from CS\$180,000 in 1929-1930, the revenues have increased to CS\$420,000 in 1934-1935, and as already stated the hospital capacity has probably now been reached. If the experience of other countries in recent years is any indication of the course of events in North China, the recent difficulties of certain banking institutions here may quite likely mark the beginning of economic conditions seriously affecting the collectable revenue of the hospital, and in this event the increasing level of expenditure over the past years will receive less support from that source.

Savings on budget estimates. The College has followed a routine practice of retaining for its own purposes the amounts by which the operating expenses for each year are less than the maximum amount guaranteed by the China Medical Board.

The theory is that the College is entitled to claim this amount because it has been produced by economical management, and that failure to claim it would discourage economies. It may be argued on the other hand that the retaining of this unused balance by the College encourages liberal budget estimates for the purpose of making savings available to the College for its own disposition.

But both of these theories do the management and the budgeting less than justice in regard to the first essential upon which the relationship between the College and the owners is actually based: i.e. - good faith. The assumption that "findings is keepings" and the temptation to add

unendorsed projects to the program both tend to cloud this relationship. The spirit of the undertaking is that economy on the one hand and endorsement on the other are implicit.

For this reason it is recommended that any portion of the guarantee for a fiscal year actually unused at the close of that year shall lapse.

Chinese and foreign salary adjustments. Another financial problem arises out of the economic and social relationship of Chinese and foreign professional personnel assembled in a common task. In the early days of the College, when Chinese in major professorial posts were few by comparison with Westerners, these questions were less trying than they are today, but they existed even then because of differences in the manner and scale of living and in the nature of the financial responsibilities assumed by the two groups. Latterly the difficulties have grown more acute because of the increase of the proportion of Chinese in higher academic ranks, and especially because of the fluctuations of gold/silver exchange. In 1930, it will be remembered, the Trustees of the College authorized payment to foreign staff members to be made wholly in gold, whereas Chinese salaries were issued in silver, with the provision that certain groups might claim twenty-five per cent of the amount in gold at the fixed rate of 2/1. When the price of silver fell to the unprecedented low figure of 5/1 - as it did in 1933 - the effects of this regulation were very disturbing to staff morale, for the discrepancies in foreign and Chinese salaries came to be painfully noticeable. The following examples, taken at random from a budget when exchange rates were at 4/1, illustrate typical situations:

Foreign Nurse	
Total compensation, paid in gold, equals	CS \$10,080
Foreign Technician (glass blower)	
Total compensation, paid in gold, equals	12,600
Ranking Chinese, Department of Medicine	
(Associate Professor) Total compensation	9,102
Acting Head, Department of Roentgenology	
(Associate Professor) Total compensation	10,502
Ranking Chinese, Department of Obstetrics	
(Associate Professor) Total compensation	8,400
Ranking Chinese, Department of Anatomy	
(Associate Professor) Total compensation	7,840

Admittedly this comparison does not state the whole case: at the present time for instance the silver value of gold salaries is little more than half that shown above, while the silver salaries are not affected by the exchange rate. In addition many of the foreign employees have obligations in the United States or elsewhere for dependents, insurance, children's education, and the like, all of which must be met in gold, and savings against the day when the "foreigner" returns to challenge the home employment market must be made in gold: therefore only that portion of the gold salaries used for current living expenses in China can be applied in silver currency. But the opportunity for exchange of gold salaries into silver has at times been so favorable as to cause dissatisfaction among Chinese members of the faculty over what they feel to be unbecoming distinctions within the staff.

Differing adjustment of salary to exchange rates has not been the only financial distinction, however, between Chinese and foreign members of the staff. It is conceded that the salaries of senior Chinese appointees are higher in this College than in other similar institutions in China; but even so, the maximum salary level is below that prevailing in American universities, so that when teachers are imported from important institutions abroad they must be offered amounts larger than the maximal salaries of the budget.

To meet this situation a commutation system was devised whereby foreign professorial staff members are given an additional sum in gold currency. This is paid directly by the China Medical Board, and no record of it appears in the budget of the College. The commutation appropriation was combined, in 1928, with that provided for the engagement of visiting professors. The existence of this item for excess salaries is generally known in the College. It gives rise to irritation and criticism, not as a thing in itself but because it is felt that however necessary it may be under proper conditions, the present application (for reasons set forth elsewhere in this memorandum - vide page 38) is faulty.

In order to mitigate the difficulties of a double salary scale and discriminative exchange rate privileges, both of which are destructive to staff morale, a change in financial administration is proposed, as well as the modification in the form of staff organization already referred to in this memorandum. The suggestion here made is to issue gold salaries of foreign members of the staff in New York rather than in Peiping. During the transitional stages of developing a Chinese administration and administrative faculty it seems to me wise to make this separation. The budget of the College would then be made up in two sections, one covering field operations, the other gold expenses having to do with the foreign staff. The second section would be prepared in New York by officers of the China Medical Board acting under instructions from the administrative bodies of the College. Salary contracts under this section would be made, salaries issued, and all of the accounting handled in the New York office as set up and directed by the authority of the College administration. It is felt that this would not only minimize friction concerning gold compensation

paid to foreign personnel, but would reduce administrative burdens in Peiping.

In these circumstances the appropriations of the China Medical Board for its own expenses would be made under such headings as these:

- (A) Peiping Office
 - (1) Salaries
 - (2) Expense; travel and office maintenance
- (B) New York Office
 - (1) Salaries
 - (2) Expense; pro rata of overhead, et cetera
- (C) General
 - (1) Insurance
 - (2) Reserves, for
 - (a) Depreciation and replacement
 - (b) Major repairs and alterations
 - (c) Exchange
 - (3) Fellowships
 - (a) Abroad - staff members
 - (b) Local - selected advanced students

Appropriations made by the China Medical Board for the Peiping Union Medical College would be as follows:

- (A) General Budget
Prepared in Peiping and approved by the Trustees;
- (B) Foreign Personnel in Peiping
Prepared in accordance with instructions from the Director and Trustees of the College, by the officers of the China Medical Board.

Other questions. Certain other questions relating to financial aspects of the operation of the College suggest themselves for careful and unhurried study. They include such matters as the suitability (or otherwise) of the Teachers' Annuity System in a Chinese institution; the possibility of shifting group insurance from gold to local currency (and to an insurance company located in China, or perhaps of carrying it intramurally under a participative agreement); a review of the fire insurance question, and a re-study of reserves.