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THE ROCKEFELLER FOUNDATION

49 WEST 49th STREET, NEW YORK 20

OFFICE OF THE PRESIDENT

April 27, 1948

Dear John:

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I am enclosing a report which Tom Appleget made for me on the Mass Education Movement in China. As you will see, he has gone into the thing pretty thoroughly, and I am in accord with his recommendation that the Foundation should not make a further contribution to this project until it has been studied on the ground in China by a member of our staff. Yen's figures simply do not hold together, and it is impossible to construct a budget out of any information with which he has supplied us.

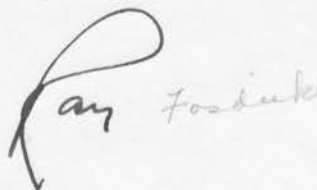
Everybody loves Jimmy Yen, but everybody says the same thing - i.e., he is more of a prophet than an administrator. Roger Evans of our staff, who lived in China for many years, is strongly opposed to a contribution at this time unless we know just what the Mass Education Movement is doing. That feeling is shared by Dr. Balfour, and others with whom we have talked. I am enclosing a clipping from The Shanghai Evening Post of March 27th, which gives strong expression to the doubts that are widely shared even by Yen's friends.

2. April 27, 1948

I saw Yen's Movement in action in 1935 and was deeply impressed by it; but we have no information as to what it is doing now, and I think we would be unfair to ourselves, as well as to Yen, if we made an appropriation without a careful check-up.

Fahs is now in Japan, and my inclination would be to cable him, asking him to go to China to look this thing up when he finishes his present assignment.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Fay Foadak". The signature is written in dark ink and is positioned to the right of the typed name.

Mr. John D. Rockefeller, 3rd
Room 5600
30 Rockefeller Plaza
New York 20, New York

INTER-OFFICE CORRESPONDENCE

FROM: TBA

DATE: April 26, 1948

TO:

RBF		

COMMENTS:

SUBJECT: The Chinese Association of the Mass Education Movement.

During the decade ending in 1945, the Foundation has given the Mass Education Movement a total of \$242,000, or an average of \$24,200 annually. Aid to the Mass Education Movement was terminated in connection with the liquidation of the China program in 1945.

In 1945, James Yen presented the following budget:

	<u>Capital Outlay</u>	<u>Annual Expenditure</u>
I. General Administration	\$ 250,000	\$ 150,000
II. People's University		
A. Schools		
1. People's Education	350,000	250,000
2. People's Health	1,000,000	300,000
3. People's Livelihood	350,000	200,000
4. People's Government	250,000	150,000
B. Regional Experimental and Demonstration Centers		
	200,000	200,000
III. People's Press	350,000	160,000
IV. People's Films	300,000	120,000
	<u>\$3,050,000</u>	<u>\$1,530,000</u>

He asked the Foundation for a contribution of \$500,000 toward capital needs, a contribution of \$250,000 annually for ten years toward maintenance and also asked the Foundation to provide six foreign fellowships a year for ten years. This request was declined.

He asked Mr. Rockefeller, Jr., for a contribution of \$80,000 annually over a period of five years toward the maintenance of the People's Press. Mr. Rockefeller declined the request for \$400,000 toward the maintenance of the Press.

Under date of April 16, 1948, Mr. Yen presents the following budget:

Central Administration	\$ 50,000
College of Rural Reconstruction	165,000
West China Experiment Station	130,000
People's Press	100,000
People's Films	<u>100,000</u>
	\$545,000

These items are not all in the same category. The first three, in one form or another or in one place or another, have been integral parts of Mass Education Movement since its early years. The last two are ideas, projects on paper only. It seems clearer to discuss the last two first.

Toward the People's Press, Yen reports a contribution of \$100,000 from the Field Foundation in his letter to you of April 16, 1948. This is actually a personal contribution from Mr. Marshall Field, III. I discussed this contribution with Mr. Field. The pledge is unconditional. It is also, Mr. Field said, not technically designated for the Press. Although Mr. Field has long been interested in this project and actually made a conditional

pledge, never met, of \$350,000 toward the People's Press in 1945, he felt that designation might now lead Yen to buy capital equipment which he could not afford to operate. He is quite willing to have Yen use the money for the Press if Yen so decides or to devote it to any useful purpose of the Mass Education Movement if Yen should find that more practicable.

Yen considers the Field contribution as designated and plans to use it for the Press.

In the meanwhile Yen reported a new and additional contribution to the Press. He tells me that DeWitt Wallace has pledged \$120,000 payable in November. I have not verified this contribution, but it would seem a natural one. The Readers Digest has been much interested in Mass Education Movement and has given it much publicity.

Toward the People's Film project, estimated as needing \$100,000 in 1948, Yen reported a pledge of \$100,000 from Nelson Rockefeller in his letter to you of April 16, 1948. This is actually a pledge from the American International Corporation. It is conditional. Mr. Rockefeller wrote Yen that he agreed to contribute \$100,000 "provided you can obtain the necessary funds to carry out your program. I would want to approve your budget and your plans before making payment." Mr. Rockefeller suggested that Mr. Yen confer with leaders in the motion picture industry. We understand that Mr. Rockefeller's contribution is non-recurring.

Yen says that Mr. Rockefeller's pledge is conditional on his securing \$100,000 from other sources for the same purpose. He is optimistic that this can be done. He has interviewed a number of motion picture producers and says he is sure of \$50,000 and reasonably certain of \$100,000 from these sources.

Toward the two special and new projects which require \$200,000 in 1948, Mr. Yen seems actually to have secured \$320,000 and possibly \$370,000 to \$420,000.

The first three items of the budget, totaling \$345,000, represent the routine and long-term activities of Mass Education Movement. With respect to these, Yen has not been so successful. From American and Chinese sources he estimates that he can secure \$103,500. Toward the balance required for 1948 of \$241,500, he asks the Foundation to contribute \$200,000 and, in addition, to support four foreign fellowships.

Mr. Yen wishes assistance at this time from the Foundation in order to prepare and strengthen the Mass Education Movement in expectation of an expanded program which he hopes will be made possible from Congressional Funds. In 1948, Mr. Yen reports that Congress passed a bill providing \$338,000,000 for economic aid to China, of which not more than \$33,800,000 may be devoted to rural reconstruction. Aid of this magnitude, Mr. Yen states, would make further Foundation support unnecessary.

Mr. Yen estimates that illiteracy may be wiped out at a cost of \$1 per capita; reconstruction taught at a cost of \$5 per capita. In a memorandum prepared at the request of Secretary Marshall, he proposes the following program for China over a ten-year period. While he hoped the Mass Education Movement would assist in this mass application, he realizes that the whole task is too vast for a private agency.

1st. Year - Train 5,000,000 young people	\$ 30,000,000
2nd. Year - Train 10,000,000 young people	60,000,000
3rd. Year - Train 15,000,000 young people	90,000,000
4th. Year - Train 20,000,000 young people	120,000,000
5th. Year - Train 30,000,000 young people	180,000,000
6th. Year - Train 40,000,000 adults	240,000,000
7th. Year - Train 50,000,000 people	300,000,000
8th. Year - Train 50,000,000 people	300,000,000
9th. Year - Train 60,000,000 people	360,000,000
10th. Year - Train 70,000,000 people	<u>420,000,000</u>
	\$2,100,000,000

(Two billion, one hundred million U. S. Dollars.)

He originally hoped that Congress would appropriate funds in 1948 to cover the first three years, or \$180,000,000. The appropriation of \$540,000,000 for the second three-year period was to be based on the experience during the first three years. The program having been demonstrated over the first six years, he would expect the Chinese Government to assume the cost for the third and final period of four years, - a total of \$1,380,000,000 for that period. Actually, of course, Congress has appropriated for one year only.

In this connection I called Mr. William W. Butterworth, Far East Desk, State Department. He stated that the Congress had actually passed the bill appropriating \$338,000,000 for aid to China, of which not more than 10 per cent may be devoted to rural reconstruction. He emphasized that this latter provision is permissive and that no part or all of the 10 per cent must be expended for this purpose. The State Department is now engaged in

setting up the commission of five - three Chinese and two Americans - who are to make recommendations. Mr. Butterworth said that although the Mass Education Movement was not specifically mentioned in the bill, it was certainly not precluded. It was his personal opinion that Mass Education Movement would receive some part of these funds, - how much he could not guess. Yen has been doing some effective lobbying in Washington. Final determination is in the hands of Paul G. Hoffman, Administrator of the European Relief Program, of which this is now a part. Mr. Hoffman, incidentally, is also a Director of the American-Chinese Committee of the Mass Education Movement!

I discussed the Congressional appropriation with Yen. He has talked Mass Education Movement with President Truman, Secretary Marshall and numerous members of Congress. The Committee on Foreign Affairs gave a luncheon in his honor. President Truman told Yen he would like to make every cent of our economic aid to China available to him and the Mass Education Movement.

Yen has retreated very much from the grandiose plans outlined in the memorandum to Secretary Marshall. He hopes, probably justifiably, that he will be one of the three Chinese appointed to the joint Commission. He hopes, again probably justifiably, that Mass Education Movement will play a major part in the Commission's recommendations and share in the Congressional funds. He visualizes Mass Education Movement's function as one of leadership, demonstration and training. In connection with this he would hope to resuscitate the North China Council for Rural Reconstruction, a plan of university cooperation which had such a hopeful beginning in the early days of the China program. Present travel conditions in China might make this impossible.

At all events, Yen realizes that mass application must be under government auspices.

In 1945, Mass Education Movement listed capital needs, excluding the press and film projects, of \$2,400,000. Toward that amount literally nothing has been secured. As Yen said, "we haven't built even a mud hut since the war." In 1945, Mass Education Movement listed annual needs, excluding the press and film projects, of \$1,250,000; in 1948, for the same purposes, of \$345,000. None of these estimates are realistic; none bears any useful relationship to actuality. They are indications only of Yen's desires and hopes as of the time they were put on paper.

Actually, with miserable equipment and understaffed, the College for Rural Reconstruction and the Demonstration Area have been leading a hand to mouth existence. Only Yen's heroic and desperate fund raising in America has kept them alive. Yen told me that he had succeeded in raising a total of \$180,000 last year from Chinese and American sources. I am inclined to discount even this figure.

Conclusions

Y. C. James Yen

Yen has lost none of his vigor, charm and enthusiasm. William Butterworth of the State Department, who knows him well and admires him greatly, characterizes him as "more of an evangelist than an organizer." This is probably true. On the other hand, Mass Education Movement originated in his mind and developed under his leadership. Single handed he has raised the funds which have kept it alive; single handed he seems to have succeeded in obtaining substantial sums from Congress.

Yen's tendency to be expansive and scopey has not moderated with the years. Indeed it seems to have increased. His plans are now not only covering China, but the world.

Julian Huxley of UNESCO is deeply interested in Mass Education Movement. At his invitation, Yen, in 1947, lectured at UNESCO's Summer Seminar in Paris. Dr. S. Y. Chü, a veteran member of Mass Education Movement, has been asked to become director of UNESCO's Fundamental Education project. Yen has been invited to visit India and the Middle East on behalf of UNESCO. Indeed, one item in Mass Education Movement's 1948 budget reflects what is considered to be Mass Education Movement's global responsibility.

Other Leadership

Although Yen has been the "front man" for Mass Education Movement and the man solely responsible for promotion and fund raising, the leadership in China according to neutral testimony, is able and devoted. Men like S. Y. Chü, formerly director of the research program and now head of Mass Education Movement's Nanking office, Sun Lien-ch'üan, magistrate and director of the Experimental Area in Szechuan, Lu Tsu-ying, district director in Peip'ei, Liang Chung-hua, acting president of the Rural Reconstruction College, have carried the load during Yen's long absence in America. These are the key men. Subordinate leadership is still desperately inadequate.

Program

The Mass Education Movement has greatly expanded its program in the thirty years since Yen devised the now famous farmer's vocabulary of 1000 words. The College of Rural Reconstruction has four departments, -

Education, Agriculture and Economics, Sociology and Social Welfare, and Hydraulic Engineering. Work is on a primitive scale, adapted to a primitive culture. Public Health, formerly emphasized, has not been developed since the war. It remains, however, an objective.

The Experimental Station is not only combatting illiteracy and teaching rural reconstruction. Its men occupy magistracies and other government posts. Through them it is attempting to improve local government. In weaving cooperatives and warehouse and credit cooperatives, Mass Education Movement is attempting to combat usury and improve the economic status of the peasant. Through cooperative farms it is attempting gradually to break up large land holdings, to destroy absentee landlordism and to increase land holdings. In simple demonstrations of water power and irrigation, it is promoting the use of electric current and reducing the effect of seasonal drought. It is making some progress in basic improvements in agriculture and in sanitation and public health. These efforts must not be visualized in American terms. Improved is attempted at a very low level and must be in terms understandable to a medieval society and within the financial resources of that society. The areas in which Mass Education Movement can work, with present funds and personnel are an infinitesimal part of the vast area of China. In many senses, Mass Education Movement is better known in America than in China.

Recommendation

It is impossible to resolve the doubts which arise in connection with this request. In its consideration, I have talked with Marshall C. Balfour, Roger F. Evans, Arthur W. Packard, W. Walton Butterworth of the

State Department, Marshall Field, III, and, at length and very frankly with Yen himself. MCB feels that the Foundation, having supported Mass Education Movement through the formative years, has already made its appropriate contribution. MCB believes that Mass Education Movement has completed its experimental and demonstrational period. RFE feels that a contribution to Mass Education Movement at this time would be out of line with our current policy on China and would be misunderstood by other Chinese friends. He thinks any consideration should include a survey of Mass Education Movement in China. MCB, RFE and AWP all report some doubts in Chinese quarters as to the present effectiveness of Mass Education Movement.

The pledges of Nelson Rockefeller, Marshall Field and DeWitt Wallace are indications of their enthusiasm for Yen and his work. Yen also undoubtedly has considerable other American support in high government quarters.

Logically, I think we should decline Yen's request. In dealing with Yen, however, it is hard to be entirely logical. I think there is somewhat more of an excuse for considering a contribution now than at any time since China Program was liquidated in 1945. The bases, already suggested in this report, on which a contribution could be considered, are subject to serious question, unanswerable at this time. It comes down to a question of desire. If the Trustees on the grounds of a long Foundation interest and friendship, wish to help Yen, I think we will not find a more propitious time. I would, however, not wish to make any contribution until a Foundation officer, - perhaps Fahs - had a chance to visit Szechuan and inspect Mass Education Movement in operation. Yen's work in China has not been observed for a number of years. If the report were favorable, I would suggest a final contribution of \$50,000.

If the Foundation decides to make no appropriation at all, I am quite sure that Mass Education Movement will survive and receive its share of American aid to China.

B.B.