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March 17, 1975

Mr. J. E. Stepanek
United Nations - ESCAP
Asian Institute of Technology
P. O. Box 2754
Bangkok, Thailand

Dear Mr. Stepanek:

I was glad to hear from you again.

I have been here almost half a year now and one of the frustrations, as contrasted to the many great things about this job, is that we have no influence in the visa process.

Because of the multi-lateral nature of your proposed visit, I think you should make a strong pitch to the PRC Mission to the U.N. headed by Ambassador Huang Hua.

For tourist visas, though they are very hard to come by, there have been some successful applications made to the PRC Liaison Office, 2300 Connecticut Avenue, N.W., Washington, D. C.

It would be great to see you here in Peking, and I hate that this letter is negative sounding, but I do want to give you a realistic picture of how things stand. Your work sounds very interesting.

I am liking this new assignment every bit as much as my work at the U.N., which I enjoyed immensely.

Sincerely,

George Bush

P.S. Please give my warmest personal regards to Ambassador Maramis.

UNITED NATIONS



NATIONS UNIES

E S C A P

ECONOMIC COMMISSION FOR ASIA AND THE FAR EAST

SALA SANTITHAM
BANGKOK 2, THAILAND.

TELEPHONE : 8 1 3 5 4 4

CABLE : ECAFE BANGKOK

Mailing address:
Asian Institute of Technology
P O Box 2754, Bangkok.
Thailand
December 16, 1974

Mr. George Bush
U S Liaison Office
Peking, China

Dear Mr. Bush,

As Ambassador to ECOSOC you visited UNIDO in Vienna when I was a director and later the senior U S citizen in the organization.

Before helping establish UNIDO my involvement in international development, after being a consulting engineer in Texas, started in Shanghai in early 1947. UNRRA loaned me to the Government to establish a program of industrialization in the interior provinces. For the first time in Asia modern science and engineering were applied to the design of simple and cost saving industrial technologies. It would appear that the present "local industry" evolved, at least, in part, from our early work. A 1948 brochure (copy attached) was used to prepare the briefing material for President Nixon's visit to China.

I consider it important to establish contacts in China with the objective of later making better known over the world their accomplishments in industrial development. A request to Mr Pu Ming, with whom I also had meetings in Vienna, has not been answered and neither has a more recent request for a tourist visa. (copies attached.)

This is an appeal for your assistance in obtaining visa, as tourists or as an un-paid consultant to the Liaison Office, for my wife and myself - preferably for early May 1975.

After taking early retirement from UNIDO I have become a consultant to Maramis, Executive Secretary of ESCAP, and Hal Hoelscher, President of the Asian Institute of Technology in Bangkok.

I appreciate any assistance you can give us.

Sincerely,

Joe Stepanek
J. E. Stepanek

NATIONAL PROGRESS THROUGH REGIONAL CO-OPERATION
JUNE 1947 - JUNE 1972

Photocopy from George Bush Presidential Library

Documents attached:

The Bulletin of A.I.S.
Progress Report A.I.S. (English & Chinese versions)
New Perspectives
Ford Foundation paper for New Delhi
Managers for Small Industry

15 May 1973

Sir,

I want to express the pleasure I have received in talking to you and to your colleagues during your two visits to UNIDO. Our meetings, together with the comments from a number of countries during the Seventh Session of the Industrial Development Board, have strengthened my desire to revisit China.

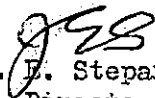
I would like to spend a number of months working with your officials:

- (a) to exchange views on international small industry development, and
- (b) to prepare jointly written publications which would make your tremendous accomplishments in China even better known throughout the world.

This summer, after five years with UNIDO, I will be returning to my normal profession of international consultant on industrial development. Thus I will soon be free to carry out such special studies.

..... I am taking the liberty of attaching a short biographical history as well
..... as copies of certain of my publications.

Accept, Sir, the assurances of my highest consideration.


J. J. Stepanek
Director

Industrial Services and Institutions
Division

His Excellency
Mr. Pu Ming,
Department Chief,
Ministry of Economic Relations with Foreign Countries,
Alternate Representative of the People's Republic of China
to the UNIDO Industrial Development Board.

BIOGRAPHICAL SKETCH

Joseph E. STEPANEK, Director

Industrial Services and Institutions Division

United Nations Industrial Development Organization, Vienna

After having served as a consultant to the petroleum industry and as an Associate Professor of Engineering, Dr. Stepanek joined the United Nations (UNHRA) staff in Shanghai, China, in 1947 as Associate Director of the Agricultural Industry Service. This service adapted modern technologies for the special needs of manufacturing and processing companies in China.

After leaving China in late 1949 and through 1967 he led industrial development missions or served as a consultant on industrial development problems in over twenty countries in Asia, Latin America, Africa and the Middle East, under programmes of the United Nations, the Ford Foundation, or the U.S. Government.

During 1957-58 he was a consultant on the staff of the United Nations Bureau of Economic Affairs in New York and for an additional year worked with an industrial research group at Stanford Research Institute. In 1968 he joined the United Nations Industrial Development Organization (UNIDO) in Vienna as a Special Technical Adviser to the Executive Director and since 1970 has been Director of the Industrial Services and Institutions Division.

In 1957 he was the recipient of the Yale Engineering Association award for the advancement of science and in 1969 gave the annual Olin Lectures at Yale. Three books plus twenty-five monographs on various aspects of industrial development have been published.

Dr. Stepanek holds a B.S. degree from the University of Colorado and an Eng. D. degree from Yale University, both in chemical engineering.

UNITED NATIONS



NATIONS UNIES

ECONOMIC COMMISSION FOR ASIA AND THE FAR EAST
SALA SANTITHAM
BANGKOK 2, THAILAND.

TELEPHONE : 813544
CABLE : ECAFE BANGKOK

28 September 1974

China International Travel Service
Hsitan Building
Peking, China

Dear Sirs:

My wife and I would like to apply for a tourist visa for a visit to China en route from Hong Kong to Vienna during April or May 1975 for a period of approximately two weeks.

For almost 30 years I have been with the United Nations working on problems of industrial development. Currently I am an adviser to Mr Maramis, Secretary General, the UN Economic and Social Commission for Asia and the Pacific (new name for ECAFE). Previously I have been an engineer with UNRRA in Shanghai (1947-49), have worked in 30 of the developing countries, and helped establish the United Nations Industrial Development Organization in Vienna as the senior U S citizen. While in Vienna I had the pleasure of working with Mr Pu Ming who led delegations from the People's Republic to UNIDO.

I number myself among the old international friends of China including Edgar Snow and Rewi Alley both of whom I have known well.

We do hope you will be able to send us application forms for a tourist visa.

Sincerely yours,

A handwritten signature in dark ink, appearing to read 'JES' or 'JES8', written over the typed name 'J E Stepanek'.

Industry Division

From the desk of Joe Stepanek

Asian Institute of
Technology, Box 2754
Bangkok
December 16, 1974

Dear Mr. Bush,

To further introduce myself to your
office I am enclosing a UN P 11 form.

Sincerely,

JES
Joe Stepanek

INSTRUCTIONS Please answer each question clearly and completely. Type or print in ink. Read carefully and follow all directions.	 UNITED NATIONS PERSONAL HISTORY	Do Not Write In This Space						
1. Family name: STEPANEK First name: Joseph Middle name: E Maiden name, if any: —								
2. Date of birth 29 October 1917	3. Place of birth Kansas, USA	4. Nationality at birth USA						
5. Present nationality USA	6. Sex M							
7. Height 72"	8. Weight 175lb	9. Marital status: Single ☐ Married ☒ Separated ☐ Widower ☐ Divorced ☐						
10. Entry into United Nations service might require assignment and travel to any area of the world in which the United Nations might have responsibilities. Have you any disabilities which might limit your prospective field of work or your ability to engage in air travel? YES ☐ NO ☒ If "yes", please describe.								
11. Permanent address 1622 High Street, Boulder, Colorado, 80302, USA		12. Present address						
		13. Permanent telephone no. —						
		14. Present telephone no. —						
15. Have you any dependents? YES ☒ NO ☐ If the answer is "yes", give the following information:								
NAME	Date of Birth	Relationship	NAME	Date of Birth	Relationship			
Antoinette F. Stepanek	1917	Wife						
Debra L. Stepanek	1956	Daughter						
3 non dependent children								
16. Have you taken up legal permanent residence status in any country other than that of your nationality? YES ☐ NO ☒ If answer is "yes", which country?								
17. Have you taken any legal steps towards changing your present nationality? YES ☐ NO ☒ If answer is "yes", explain fully:								
18. Are any of your relatives employed by a public international organization? YES ☒ NO ☐ If answer is "yes", give the following information:								
NAME	Relationship	Name of International Organization						
Dr. D.D. Solomon	Brother-in-law	FAO, Rome						
Mr. James B. Stepanek	Son	IMF, Washington, D.C.						
19. What is your preferred field of work?								
20. Would you accept employment for less than six months? YES ☒ NO ☐		21. Have you previously submitted an application for employment with U.N.? If so, when?						
22. KNOWLEDGE OF LANGUAGES. What is your mother tongue? English								
OTHER LANGUAGES	READ		WRITE		SPEAK		UNDERSTAND	
	Easily	Not Easily	Easily	Not Easily	Fluently	Not Fluently	Easily	Not Easily
French		X						X
Spanish		X						X
German		X						X
23. For clerical grades only Indicate speed in words per minute					List any office machines or equipment you can use			
	English	French	Other languages					
	Typing							
Shorthand								

24. EDUCATION. Give full details				
A. University or equivalent				
NAME, PLACE AND COUNTRY	YEARS ATTENDED		DEGREES and ACADEMIC DISTINCTIONS OBTAINED	MAIN COURSE OF STUDY
	FROM	TO		
University of Colorado	1935	1939	B.Sc.	Chem. Eng.
Yale University	1939	1942	Doctor of Eng.	" " "
(Doctoral research for 3 years half-time was on industrial pollution of rivers financed by the Conn. State Water Commission)				
B. SCHOOLS OR OTHER FORMAL TRAINING OR EDUCATION FROM AGE 14 (e.g. high school, technical school or apprenticeship)				
NAME, PLACE AND COUNTRY	TYPE	YEARS ATTENDED		CERTIFICATES OR DIPLOMAS OBTAINED
		FROM	TO	
25. LIST PROFESSIONAL SOCIETIES AND ACTIVITIES IN CIVIC, PUBLIC OR INTERNATIONAL AFFAIRS				
American Institute of Chemical Engineers				
Sigma XI, Tau Beta P1				
Various panels of the US National Academy of Engineering				
26. LIST ANY SIGNIFICANT PUBLICATIONS YOU HAVE WRITTEN (Do not attach)				
Three books on industrial development. Two re-published in India and one or more in French, Spanish, Japanese, or Arabic editions.				
Published over 40 articles, monographs, etc. on problems of international economic development.				
27. EMPLOYMENT RECORD: Starting with your present post, list in reverse order every employment you have had. Use a separate block for each post. Include also service in the armed forces and note any period during which you were not gainfully employed. If you need more space, attach additional pages of the same size.				
FROM	TO	SALARIES PER ANNUM		EXACT TITLE OF YOUR POST:
MONTH/YEAR	MONTH/YEAR	STARTING	FINAL	
May 1970	Sept. 1973	D.2/II	D.2/III	Director, Industrial Services and Institutions Division, UNIDO
NAME OF EMPLOYER: United Nations Industrial Development Organization				TYPE OF BUSINESS: UN
ADDRESS OF EMPLOYER: Lerchenfelderstrasse 1, A-1070 Vienna, Austria.				NAME OF SUPERVISOR: Dr. I.H. Abdel-Rahman
				NO. AND KIND OF EMPLOYEES SUPERVISED BY YOU: 110 in Vienna plus experts in 90 countries
				REASON FOR LEAVING: see below *
DESCRIPTION OF YOUR DUTIES				
Responsible for the administration and development of one of three substantive divisions of UNIDO which grew in operational activities from \$3.9 to \$8.5 million from 1970 to 1973. (Details given in attached job description of 3 August 1973.)				

* Reason for leaving: Full time to writing, consulting and management of U.S. based

FROM		TO		SALARIES PER ANNUM		EXACT TITLE OF YOUR POST:
MONTH/YEAR		MONTH/YEAR		STARTING	FINAL	
Sept. 1968		May 1970		L.7/I	L.7/II	
NAME OF EMPLOYER: United Nations Industrial Development Organization						TYPE OF BUSINESS: UN
ADDRESS OF EMPLOYER: Lerchenfelderstrasse 1, A-1070 Vienna, Austria						NAME OF SUPERVISOR: Dr. I.H. Abdel-Rahman
						NO. AND KIND OF EMPLOYEES SUPERVISED BY YOU:
DESCRIPTION OF YOUR DUTIES						
Undertook special assignments related to the application of rapidly expanding UNIDO resources to the needs of the developing countries.						
FROM		TO		SALARIES PER ANNUM		EXACT TITLE OF YOUR POST:
MONTH/YEAR		MONTH/YEAR		STARTING	FINAL	
April 1967		June 1968		L.6	L.7	
NAME OF EMPLOYER: UNIDO and UNDP						TYPE OF BUSINESS: UN
ADDRESS OF EMPLOYER:						NAME OF SUPERVISOR:
						NO. AND KIND OF EMPLOYEES SUPERVISED BY YOU:
DESCRIPTION OF YOUR DUTIES						
1. As a member of an IBRD mission, prepared the industry chapter of the Third Five Year Plan and assisted the chapters on regional development and agriculture. 2. As a consultant to the UNDP Fund for the Development of West Irian, made two trips to Indonesia and one to Papua-New Guinea during the period to prepare a report on industrial development and to assist the establishment of the Joint Development Foundation in Irian.						
FROM		TO		SALARIES PER ANNUM		EXACT TITLE OF YOUR POST:
MONTH/YEAR		MONTH/YEAR		STARTING	FINAL	
May 1965		April 1967				
NAME OF EMPLOYER:						TYPE OF BUSINESS:
ADDRESS OF EMPLOYER:						NAME OF SUPERVISOR:
						NO. AND KIND OF EMPLOYEES SUPERVISED BY YOU:
DESCRIPTION OF YOUR DUTIES						
1. Established new Department of University Industry relations at the University of Colorado as an adviser to the President (half-time). 2. Founder and Chairman of Executive Committee of the Colorado Industrial and Research Campus, Inc., Boulder, Colo. 3. Established family owned corporation for land development. 4. Private consulting.						
FROM		TO		SALARIES PER ANNUM		EXACT TITLE OF YOUR POST:
MONTH/YEAR		MONTH/YEAR		STARTING	FINAL	
NAME OF EMPLOYER:						TYPE OF BUSINESS:
ADDRESS OF EMPLOYER:						NAME OF SUPERVISOR:
						NO. AND KIND OF EMPLOYEES SUPERVISED BY YOU:
DESCRIPTION OF YOUR DUTIES						

EMPLOYMENT RECORDJ.E. STEPANEK

FROM	TO	EMPLOYER	DUTIES	SALARY
Sept. 64	April 65	Ford Foundation	Group leader, ind. dev. mission to India	\$18,000
May 64	July 64	USAID - Stanford Research Institute	Consultant in Peru	\$20,000
Feb. 64	May 64	United Nations	Consultant in Colombia	
Dec. 59	Jan 64	Ford Foundation	Group leader, ind. dev. mission to India	
		During the same period was also short-term consultant in Saudi Arabia, Pakistan, Iran, Ceylon, Malaysia, etc. under the Ford Foundation and other agencies.		
July 58	Nov. 59	Stanford Research Institute	Wrote two books under Ford Foundation grant.	\$14,000
			Established inter. course in small business management under an Asia Foundation grant.	
			Collaborated in research on entrepreneurship	
June 57	July 58	United Nations	Consultant to Bureau of Economic Affairs on various economic dev. problems including ind. management.	
Feb. 55	May 57	United Nations	Group leader, ind. dev. mission to Burma	
Jan. 54	Feb. 55	Denver Research Institute	Consultant to the President on problems of research for industry.	
Feb. 51	Dec. 53	United Nations	Group leader, ind. dev. mission to Indonesia	
July 50	Jan. 51	U.S. Government	Consultant to US mission to Indonesia to establish ind. dev. programme.	
Jan. 50	July 50	Denver Research Institute	Consultant to the President	

<u>FROM</u>	<u>TO</u>	<u>EMPLOYER</u>	<u>DUTIES</u>	<u>SALARY</u>
March 47	Oct. 49	U N R R A	Assoc. Director of the Agricultural Industry Service, Shanghai	
Sept. 45	April 47	University of Colorado	Assistant & Associate Professor of Chem. Eng.	
July 39	Sept. 45	Stearns-Roger Mfg.Co.	Design engineer of Denver (except for period at Yale)	petroleum plants

28. HAVE YOU ANY OBJECTIONS TO OUR MAKING INQUIRIES OF YOUR PRESENT EMPLOYER? YES ☐ NO ☒

29. ARE YOU NOW, OR HAVE YOU EVER BEEN, A PERMANENT CIVIL SERVANT IN YOUR GOVERNMENT'S EMPLOY? YES ☐ NO ☒
If answer is "yes", WHEN?

30. REFERENCES: List three persons, not related to you, who are familiar with your character and qualifications.
Do not repeat names of supervisors listed under Item 27

FULL NAME	FULL ADDRESS	BUSINESS OR OCCUPATION
For references suggest contacting Mr. Geoffrey R. Holmes, Chief of Personnel Services, Division of Administration, Conference and General Services, UNIDO, Vienna.		

31. ~~STATE ANY OTHER RELEVANT FACTS. INCLUDE INFORMATION REGARDING ANY RESIDENCE OUTSIDE THE COUNTRY OF YOUR NATIONALITY.~~

1956 - Received annual award of the Yale Engineering Association for "contributions to science".

1969 - Gave Olin Lectures at Yale University.

Professional interest and recent experience lie in the design of and testing of new approaches to economic growth as, for example: 1. Strategies of industrialization to increase employment and for the development of regions. 2. Identification and development of technologies more in harmony with their social and economic environments with particular regard to capital and energy saving technologies. 3. Application of the behavioral sciences to development with particular regard to entrepreneurship. 4. Design of industrial information systems, supervised credit plans and similar mechanisms for the extension of the modernization process. 5. Administration of industrial development.

32. HAVE YOU EVER BEEN ARRESTED, INDICTED, OR SUMMONED INTO COURT AS A DEFENDANT IN A CRIMINAL PROCEEDING, OR CONVICTED, FINED OR IMPRISONED FOR THE VIOLATION OF ANY LAW (excluding minor traffic violations)? YES ☐ NO ☒
If "yes", give full particulars of each case in an attached statement.

33. I certify that the statements made by me in answer to the foregoing questions are true, complete and correct to the best of my knowledge and belief. I understand that any misrepresentation or material omission made on a Personal History form or other document requested by the Organization renders a staff member of the United Nations liable to termination or dismissal.

DATE: 11 September 1973 SIGNATURE: *J. E. Stapanian*

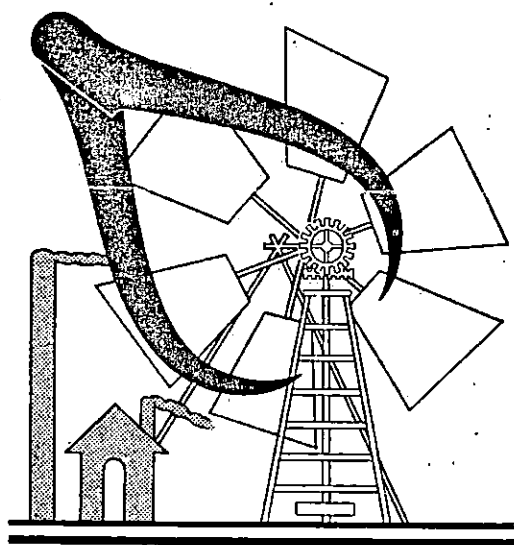
N.B. You will be requested to supply documentary evidence which supports the statements you have made above. Do not, however, send any documentary evidence until you have been asked to do so by the Organization and, in any event, do not submit the original texts of references or testimonials unless they have been obtained for the sole use of the Organization.

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VOLUME ONE • NUMBER 1

SEPTEMBER, 1948

THE BULLETIN OF A.I.S.



AGRICULTURAL INDUSTRY SERVICE

185 SZECHUEN ROAD (C)

SHANGHAI (0), CHINA.

AGRICULTURAL INDUSTRY SERVICE

of

The Board of Trustees for Rehabilitation Affairs

and

The Commission on Rehabilitation Affairs

185, Szechuan Road (C), Shanghai (0), China

Telephone: 13470

Cable: "AGRISERVE"

Director

DR. CHIEH MA

Associate Director

DR. JOSEPH E. STEPANEK

Deputy Director

MR. K. HO

Chief Secretary

MR. T. H. LI

Associate Secretary

MR. JACK NORTON

Head, Technical Division & Chief Engineer

MR. STROH C. WANG

Head, Supply & Transport Division

MR. Y. T. TSAO

Chief Accountant

MR. S. L. CHOK

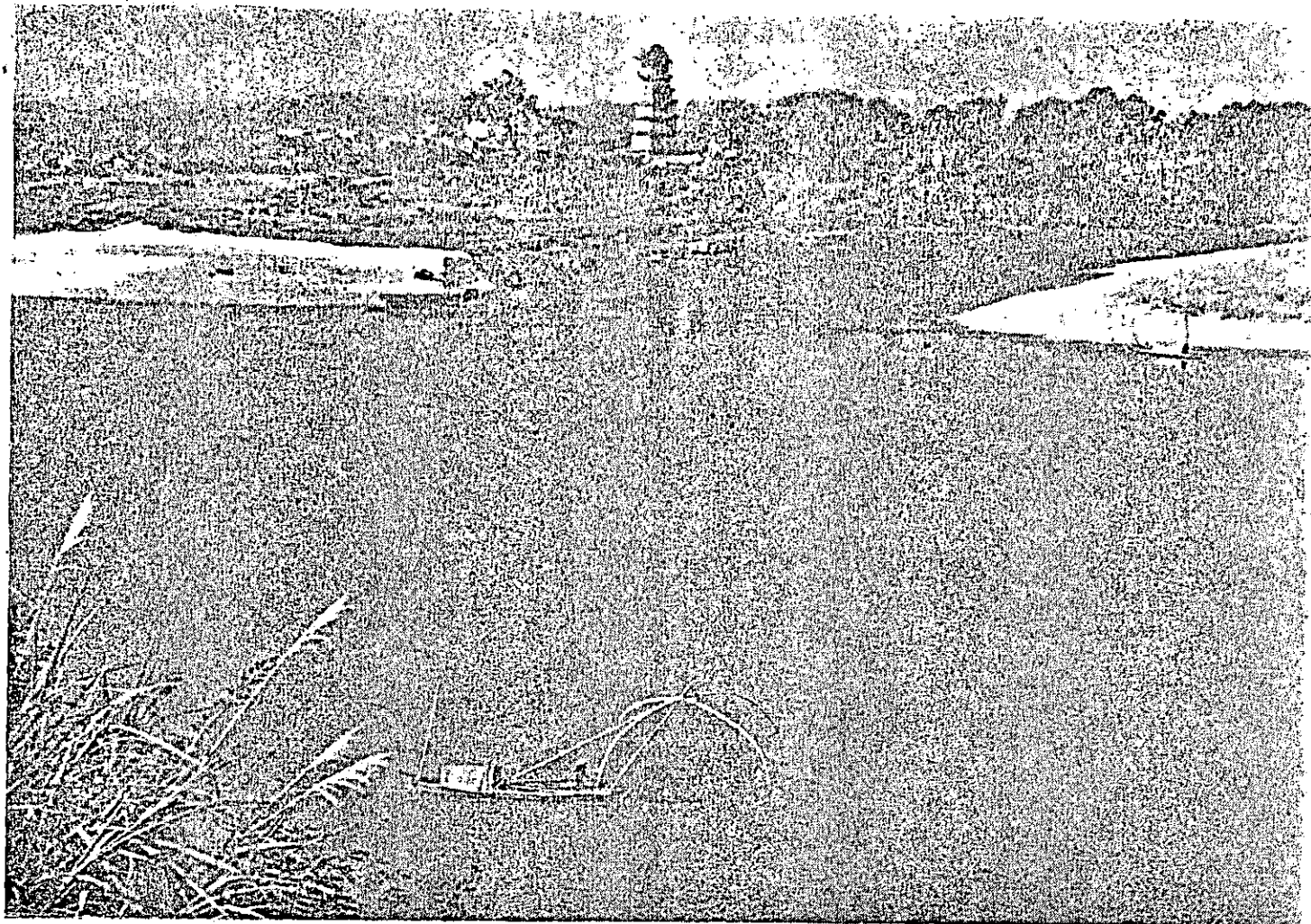
Economic Analyst

DR. CARL E. HOPKINS

Regional Director,

Central China Development Base

MR. HOWARD LO



Shaoyang, Hunan. The Tze River. 15 August 1948.

TABLE OF CONTENTS

Rural Industrialization in China

Background

Work of the Central China Development Base:

Equipment and Process Development

Plant Development Work

Auxiliary Operations

Training Program

The Plan

PREFACE

We are attempting to meet a need that has existed for some time of acquainting the public with the Agricultural Industry Service. To some this will be an introduction to a new organization. To others it will be a presentation of information closing gaps between items of news that have come to them through official documents or through the press.

This Bulletin is the first of a series, intended for general reading, to be published at frequent intervals to discuss and inform on the research, experiment and demonstration activities of AIS.

The history and growth of AIS are traced through a tangle of ideals, plans, mistakes, frustrations, the impositions and limitations of emergent conditions, of changing personnel and conflicting approaches; and of interwoven threads of continuing endeavor and achievement that have served to keep the project alive. The outline of the structure of present operations and a statement on future planning and policy which will guide that planning will encompass the purpose of this initial publication.

It is hoped that this bulletin and others which will be published in sequence will provide informative reading and arouse more general interest in our endeavor to improve China's rural economy.

CHIEH MA

Shanghai,
September, 1948.

Rural Industrialization in China

There are many organizations operating in China, having diverse attitudes to Chinese problems, differing in methods of approach, but identified by a common intention: to better the lot of the Chinese citizen. Whether one sees China as a country suffering from internal strife and only recently freed from partial occupation in the major conflict, or as a country that suffers more than others from natural crises; or whether it appears as an unlimited field for industrial development, the function of those who feel the challenge is that of undertaking operations from which the common citizen is the ultimate beneficiary. AIS represents an effort of the Chinese government to utilize modern engineering and administrative methods to accelerate the economic development of China.

Modern industry has concentrated in the larger ports of China—those on the coastline or easily accessible along the three great river arteries traversing the country from the western mountains. These vantage points were favorable and tempting to foreign investment and exploitation from both economic and political viewpoints. Had those conditions remained in effect foreign capital would still flow eagerly towards industrial development in these footholds, for given political stability the economic margins are so broad as to encourage industrial ventures by foreign or native capital. However, China and the world now lack this stability, and China is additionally handicapped by her geographic location. For not only has she but one coastline to feed her vast interior, but her western approaches are almost inaccessible and border on regions of minimum development.

It is in the interior that the great need for industrial development exists. There the centers of development are limited to a few large towns situated at vantage points along rivers navigable by vessels of a few thousand tons or in areas connected with the coast ports by the fragile network of

railways. In limiting its scope of activity to the more remote industrially undeveloped districts, AIS will have to endure the limitations imposed on native tradesmen who serve the rural communities. AIS attention will therefore be focussed on small scale industrial plants.

A severe limitation to industrialization of rural China is inadequate transport. The rivers, where navigable, provide a slow means of conveying cargo and, by reason of the small capacity of the available vessels, the movement of materials and produce cannot be so copious as to overcome the disadvantage of slowness. Roads are poor or non-existent, and powered vehicles few. The railheads are far apart and on the fringe of the areas where development offers greatest scope. Air transport is limited, costly, and restrictive of quantity and type of cargo. Applicable to all forms of transport is the high cost and hazard of shipping which latter necessitates that a supercargo accompany every consignment. These transport difficulties restrict the movement of commodities into or out of rural areas and it follows that the simple consumption requirements of the rural population are even less than in most countries that are predominantly agricultural. The building up of supply, demand and the purchasing potential of these rural districts will be a slow and undramatic process, essentially dependent on the ability of industries to make full use of local raw materials and resources and seek first to meet local needs.

The unit capable of achieving this end will be one that depends as little as possible on imported equipment and skills and as much as possible on local unskilled labor and local managerial experience. The attractive conditions of labor in coastal centers defy competition from inland industrial units and skilled labor cannot easily be enticed away. Unskilled labor is available at low cost in rural areas where large numbers of people are unskilled or underemployed and are ready to leave jobs that are contributing little to the local economy.

and their own welfare. At the same time there are managers and executives available with experience in the operation of businesses employing up to fifty workers.

In determining what is the optimum unit in any industry or locality, it is misleading to use as a yardstick foreign industrial units in the United States or elsewhere. Nor is it necessary that the product of any local plant be cheaper than its imported equivalent. In every instance the plant must seem to be feasible in relation to the local conditions bearing upon it. Rarely do contributors* advance in the interior of China with a pioneer, nor can they be expected to be positive to change in interior areas of China as they might be in other countries of more uniform development. The higher cost of production that can be expected in the earlier stages of any new enterprise will be permissible so long as China's adverse export-import balance necessitates the conservation of foreign exchange. The gradual integration of industries and progressive improvement of contributories, such as communications or power supply will tend towards the proving of the optimum unit.

It is equally mistaken to define by any commonly accepted measurements what

* See Training Program.

is a small industrial unit. This is fundamental to AIS since the policy calls for development of *small industrial units only*. Determination is not by arbitrarily limiting the number of workers, the quantity of production, the amount of capital investment, but by establishing the relationship of the plant to local needs, local resources and personnel.

To ignore these limitations would detract from the value of the AIS contribution to China's program of industrialization. It has to be recognized that change in the interior of China is inevitably slow. There is no doubt that the revolution in the interior is inevitable. This has been proved to AIS in expensive experience. Progress to date has not been commensurate with the volume of funds, supplies, equipment and hours of skilled labor that have been expended in operations. Nevertheless there has been progress. The productivity of the Shaoyang area of Hunan has been increased; unused manpower has been put to work in new industries; home products have replaced imports and have cut costs; and the consumption potential of the farmer and small industrialist has been increased. This is the blue-print and prototype of a program of rural industrial development.

Background

The AIS name and idea were brought to China from the Office of Inter-American Affairs by Mr. Harry Clement, who was with the U. S. Department of Agriculture and later became head of AIS planning in Washington. The O.I.A.A. had started work of a similar nature in Honduras, where a cement plant, charcoal burning refrigerator, and corn processing and storage facilities had been constructed. Two of the engineers who had taken part in this work came to China to work with AIS.

The UNRRA-CNRRA agreement to commence a program under the title of Agricultural Industry Service was entered into in May, 1946. Shaoyang, in Central Hunan, was chosen as an area for a model development. It had been battered in front line warfare and was in need of rehabilitation. It is rich in raw materials and generally suited to the introduction of small modern industrial units such as appeared to be the logical next step towards development of rural China. The mistake made at the outset was that there was a tendency for working plans to be drafted in Washington, U. S. A., where the idea originated. These reflected an inadequate appreciation of the specific conditions at Shaoyang and of the overall difficulties of operations in an under-developed area of the size and remoteness of China. Thus

the operation was programmed to include production of sulphuric acid, cement, coke, and fertilizer, a water supply system, food processing equipment design and a machine shop. These units were to become financially self-supporting within a year and were to be promoted as companies selling shares to co-operative organizations or private entrepreneurs. It was found as a result of bitter experience that working drawings must be completed on the site, that proper adjustment of plant organization and design to local conditions requires a slow and tedious process of experimentation, and that a program that called for a recurrent use of capital—by establishing new plants on the income derived from the disposal of operating units—was not practicable as a short-term project. At that time AIS could expect no longer life than that of UNRRA-CNRRA.

Before the closure of UNRRA and CNRRA the long-term nature of the work had been appreciated and plans were then made for an organization that would carry on the work of AIS. These resulted in the Commission on Rehabilitation Affairs and Board of Trustees for Rehabilitation Affairs assuming sponsorship of the AIS project on 1 February 1948.

Work of the Central China Development Base

It was early seen that AIS activities must emphasize basic industries and be attentive to local needs. The word "limitation" has been used in describing this definition of AIS work. However, the boundaries of that limitation are well beyond the reach of AIS as it is today. The needs are extensive. In perspective, they might be broken down into food and clothing, better housing, improved communications and so on. There is no need to go further. The contribution that AIS is making is presently limited to improving the quantity and quality of life's first essentials—food, clothing and shelter. The large field of communications is on our operational horizon.

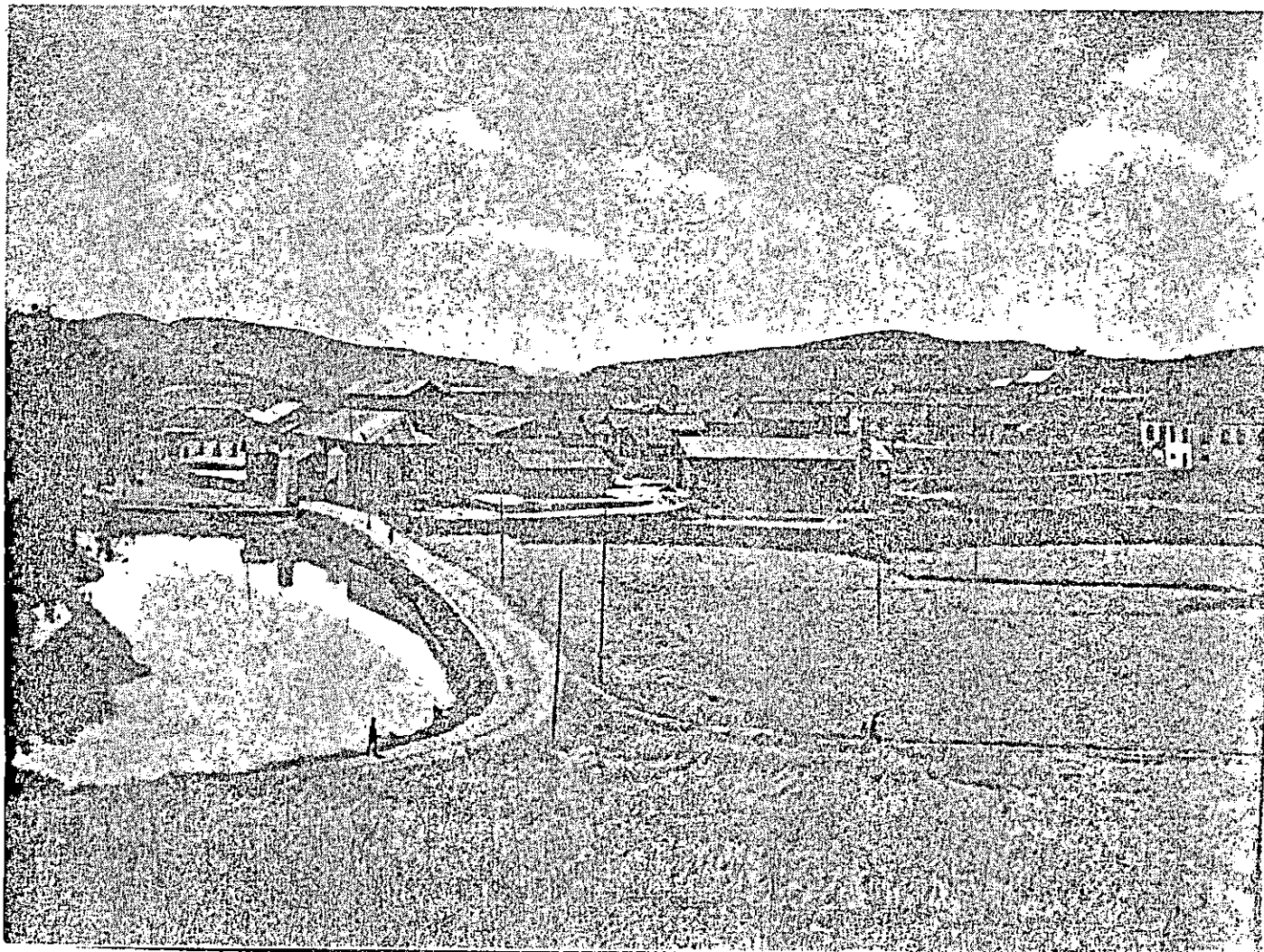
Let us then explore what has been attempted and what done. The Central China Development Base at Shaoyang is where work has so far been concentrated.

EQUIPMENT AND PROCESS DEVELOPMENT

Textiles. A study is under way to improve the carding, spinning and weaving of cotton. The loom development technique which is typical of that used for the other steps in the operation has been very successful.

Two popular native looms were acquired—one from Shantung in the North East, the other from Pingkiang in Hunan. These looms were run side by side for several

A. I. S. Central Development Base, Shaoyang, Hunan. From the west. 16 August 1948.



weeks. Important comparisons to be made were speed of operation, quality of cloth produced, ease of operation, durability of moving parts and fatigue of the operator. These comparisons would facilitate the design of an improved loom comprising the better qualities of both of the given examples. If such a loom could be produced at a marketable price an achievement could be recorded.

The Shantung loom was speedy in operation, and light, causing little fatigue, but a complicated mechanism had been used to work the heddles and wind the finished cloth. This mechanism added heavily to the cost of manufacture. The Pingkiang loom was slow, having only half the speed of the Shantung loom, but the woven fabric was of good texture. Its simple design permitted cheap reproduction. The AIS loom designed and manufactured after the completion of this study is simple in construction. It incorporates some of the Shantung loom's features, but substitutes a cam operation for the latter's gears. Its speed is slightly less than that of the Shantung loom. Its performance is otherwise comparable. The cost of construction is considerably less.

A trial order for this loom has been placed with the National Agricultural Engineering Corporation. It is hoped that mass production will be reached in the near future. The loom design is being distributed to interested organizations throughout China and small local shops will be encouraged to undertake fabrication.

Sugar. Improvement in sugar processing was more obvious and easy to achieve. Throughout the South, where sugar is a large crop with a quick cash return, a primitive method of crushing has remained unchanged. Heavy stone rollers are rotated by a long lever arm drawn by a heavy draft animal. A cheap and easily effected improvement was made by substituting cast iron rollers for the stone. Precision-made rollers ensured maximum extraction from the cane. Wrought iron parts have been added where cast iron

cannot take the strain. AIS has demonstrated the crusher during the 1946 and 1947 seasons and has taken orders for production of more. The cost is about GY500,* four times that of the old stone mill; but it is estimated that the capital investment is repaid in one season by the extraction of six per cent more juice.

After crushing the cane, the farmer takes the juice to an open-pan evaporator. It was observed that the separate stages of evaporation were wasteful of fuel since at each stage a fire is built under each kettle. A series of kettles in U-shape formation was constructed, so that one fire could be used to heat six kettles concurrently. On experimentation it was found that the kettles most remote from the fire were not adequately heated and that operation was slower than by the established practice. Ribs similar to cooling ribs on air-cooled motors were added to the kettles to increase the heat transfer surface and proved successful, bringing all the kettles to the required temperature in time to permit efficient evaporation.

Vegetable Oil Processing. The extraction of oils from seeds is a long-established practice in China. The methods employed, however, are equally well-established, and whilst often effective, are not always the speediest and most productive. The native method of processing seeds follows a routine of drying, grinding, steaming and pressing, in which the grinding is done by an animal-propelled chase mill from which the meal is carried to the steamer. Finally it is pressed by being fed into a hollow log into which wedges are driven. Although the drying and steaming processes are wasteful of fuel, the grinding and pressing processes suggested the most likely opportunities for improvement.

AIS designed and constructed a complete oil mill in which a combination drier-steamer served to eliminate some of the fuel wastage. The grinding was improved by the introduction of a five-roll mill powered by a small engine. It is unfor-

* Four Gold Yuan (G.Y.) are equivalent to one U.S. dollar.



A. I. S. Agricultural Extension Work. Comparing fertilization results on rice plots. Shaoyang, 16 August 1948.

tunately found impracticable to adapt this mill to the simple and cheap motive power of the ox or mule, and the installation of the grinding machinery is limited to locations where power is easily available. The extra cost of production and operation is offset by a better and speedier processing of the seeds.

Alternatives to the wedge type of press are the toggle, screw and simple hydraulic systems. The former has been tried, one model having been in use for several months and a second recently completed. A sample of a screw-type has been acquired. This was manufactured in Taiwan and is being tested to determine whether reproduction is advisable or whether an improved model can be made, and how this type of press compares with the toggle press. It is admitted, however, that the cumbersome method of battering the wedge into the hollow log is quite effective, but improve-

ments have so far been made in speed and ease of operation with an eight per cent increase in yield. Both AIS presses are made from cast iron obtained and fabricated locally.

Experimentation in cotton seed processing has proved that the extraction of cottonseed oil is increased if the lint and outer hull of the seed are removed before the pressing stage is reached. An estimate of the increased yield justifies the introduction of this additional operation.

Rice Milling. Efforts have been made to improve the design of hulling and polishing equipment. Prototypes have been manufactured and testing is now in progress. Plans have been formulated for a comprehensive study of rice processing. Attention will be paid to the problems of storage, drying, mould prevention, vitamin loss, etc., as well as to the hulling and polishing steps. A small compact mill requiring

not over 10 horse-power is indicated as best for rural China.

Insecticides. The use of insecticides by the inland farmer is not widely practised. Either the need for prevention of damage by pests is not felt or the farmer is assured that witchcraft and magic are effective. Natural curiosity and the pragmatic attitude of the Chinese farmer are some assurance, however, that the introduction of a more general use of insecticides and fungicides might be practicable. Such raw material as arsenic oxide, lime, sulphur and tobacco are readily available, from which chemical treatments for trees and plants can be manufactured locally.

AIS has operated a plant using the wet method to produce up to one hundred pounds of calcium arsenate per day. With assistance of engineers from the Pesticides Plant of the Ministry of Agriculture and Forestry a dry process plant had been completed and is now under test. The production cost can be cut drastically through the elimination of nitric acid as a raw material. The production of this first unit will be two hundred pounds per day.

Lime sulphur has been produced and can be manufactured in commercial quantities. Experiments with nicotine extraction are progressing although it is found that Chinese strains of tobacco have a low nicotine content and are more suited to the common usage than to insecticide production. An efficient method of extraction would facilitate production of nicotine sulphate and tests will continue with this objective in view.

Water Raising Equipment. Despite the heavy rainfall in Hunan province, the hilly land presents irrigation problems which have so far remained unsolved by the native farmer. His water wheel or foot-powered paddle pump is rarely capable of lifting the water more than a few feet, so that ordinary seepage and slowness of operation defeat the intention to take the water supply far up the slope of the hill. Co-operatives in Lanchow, Kansu, have been experimenting with an improved animal-powered pump. AIS has offered technical advice in this research. At the same time

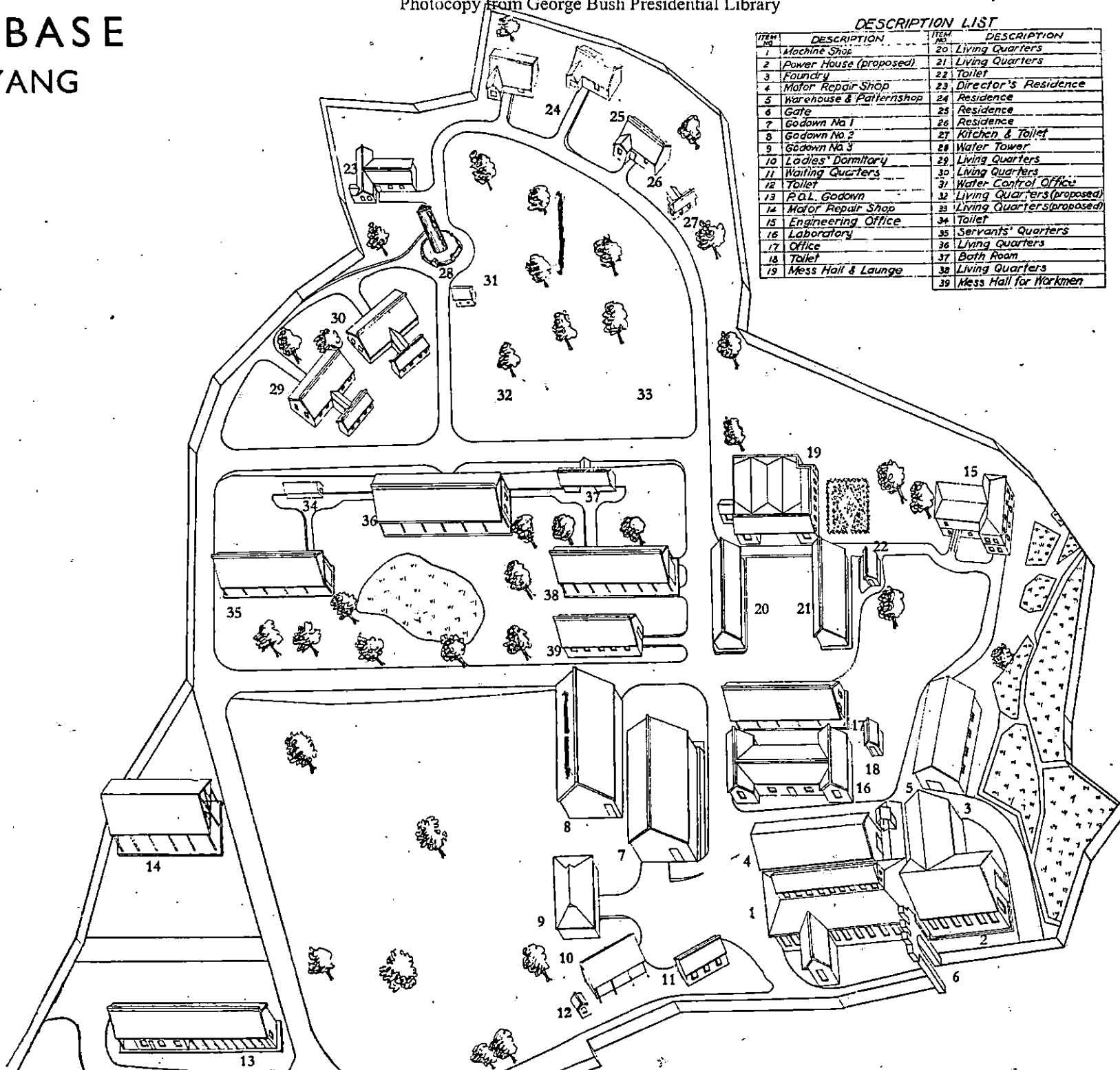
AIS is seeking to produce woven cotton hose that will be effective and cheap enough to admit general use in irrigation work. In this connection AIS is maintaining liaison with the National Agricultural Engineering Corporation and the Agricultural Machinery Operation and Management Office, BOTRA organizations also working in development and production of farm machinery.

Gasogen Engines. AIS plans to develop gasogen power units in preference to gasoline or diesel engines. The considerations are: gasoline and diesel fuels are expensive; they are in scarce supply throughout the world; and they must be imported from overseas or transported overland from Kansu. Improved designs should not be difficult to produce since there are large resources of experience in China upon which to draw.

Chemicals Manufacture. The manufacture of several chemical compounds has been incidental to experimentation or development of larger AIS plants. On the scale of production thus attempted it has not been possible to prove whether or not the finished product is made more cheaply available than by importation from other areas. Nor has it been practicable to experience conditions applying to "normal" plant operation. It has merely been proved that indigenous materials are available and that they can be used to produce chemical compounds that are not presently being manufactured near Shaoyang.

Salt, manganese dioxide, lime, sulphur, pyrites, are easily available, together with adequate coal supplies. When the Shaoyang Water System required chlorination, for instance, bleaching powder was made experimentally so as to avoid delay and importation of chlorine. Again, it was demonstrated that the native glass plants can make excellent water glass which can then be used as a soap filler, cloth size, water-proofing for concrete and in treating bricks for acid resistance. Experimentation has also been undertaken to make use of sodium sulphate, a waste product at the local salt wells. A reverberatory furnace constructed at the Base holds a one hundred

A. I. S. BASE SHAOYANG



pound charge and produces sodium sulphide and soda ash, which can be used to advantage in glass, paper and soap industries.

As industrialization of the locality progresses the factfinding of AIS experiments will be at hand for prompt use when capital is free to move beyond the industries of immediate necessity.

Agricultural Extension Work. As AIS industries are to be allied with the economy of a rural area, the agricultural work of the project serves two functions: an attempt to understand the needs of the farmer and his resources, and an approach to his education in the use of new materials and equipment, and new processes of cultivation. This is especially essential in an inland area of China where the farmer is operating with a minimum of capital and where the harvest is barely sufficient to provide the day-to-day necessities. Farmers everywhere have a tendency towards conservatism, even in times of plenty, and when gambling with the means of existence an exaggeration of that conservatism becomes a justifiable caution.

Information has already been collected on the local pests and plant diseases, and instruction in the use of insecticides and demonstration of their effectiveness are progressing. The work develops gradually. The lack of the simplest equipment for applying dusts or sprays limits the value of educational work and the volume of chemical treatment that can be undertaken. It is therefore essential for AIS to acquire or manufacture the apparatus of application and to make it available to the farmers at a price or in a way that will encourage them to use it.

Fertilization demonstration has been taken to the farms neighboring the Shaoyang Base. Farmers who have agreed to cooperate with our agriculturists follow our directions in planting and cultivation and use of fertilizers and have the experience of self-trial and experimentation. The results are their own. Our data are taken for scientific comparisons. Absolute results are not obtainable in one season of experimentation because farming is subject to so many uncontrollable factors. Never-

theless, improvements can be recognized and the shrewd farmer can be relied upon to take advantage of whatever is proven to him in these demonstrations.

AIS expresses the intention to make use of existing agencies wherever possible. Our program is as much one of extending and perfecting what already exists as of introducing new methods, new equipment or new industry. Joint ventures in agriculture are particularly useful, and the location of a Ministry of Agriculture and Forestry branch station not far from Shaoyang affords the opportunity of cooperation. A long-range experiment in rice fertilization was begun in 1947 and is being continued and expanded at the MOAF station.

Of practical immediate assistance to the farmers is the production of new tools and the remodelling of unsuited importations. UNRRA brought large numbers of ploughs to China for free distribution. Unfortunately the western type of plough is not ideally fitted for work in Hunan rice paddies. A major disability is its excessive weight. Farmers are accustomed to shoulder their ploughs at the end of the day and carry them home. Other differences exist in harnessing the plough to the water buffalo rather than to the horse and in the general "feel" of the instrument in action. AIS adaptation of one hundred UNRRA models has been completed and they are ready for distribution. Other tools are being designed for manufacture. Mass production of these tools will not be undertaken by AIS, but by NAEC or private machine shops.

PLANT DEVELOPMENT WORK

Five plant operations were included in the original AIS program. Work on two—the by-product coke plant and night soil plant—has been discontinued. The Municipal Water System has been turned over to city authorities. The cement and sulphuric acid plants are now in production.

By-Product Coke Plant. Hunan province is rich in semi-bituminous coal deposits. Mining is still at a stage of primitive development, and the lack of transport has

discouraged improvement or expansion. The coal is shipped down-river from Shaoyang by barges that are so flimsy that as many as three out of ten fail to survive the trickier stretches of the course. Distribution by road is almost entirely dependent on human labor. Coking is equally inefficient and wasteful. It is done at the mine-head in a crudely devised pit. No attempt is made to recuperate the valuable coal tar and ammonia by-products liberated in the process. It is estimated that 200 tons of coal are coked *daily* in this way and that the amount of tar and ammonia lost are over thirty barrels of the former and of the latter the equivalent of two tons of fertilizer.

A two-oven Curran-Knowles type coking unit was designed and construction began in April 1947. In July the first coke was turned out. Then for eight months there was continuous experimentation to improve coke quality, reduce heat losses and increase recovery of the by-products. Actual improvements resulted from the experiments, but the plant did not become economical. Better coke was being produced. Some wastage of by-products was being averted. Yet the inability of the plant to do more than meet operating expenses necessitated radical changes or discontinuance of operation. It was therefore decided to concentrate on the design of a modified beehive oven of greater capacity than the Curran-Knowles (twenty tons of coal daily as against five) and to venture upon construction only if the cost estimates prove the design to be potentially profitable. The firing of the Curran-Knowles was discontinued at the end of March, 1948.

Night Soil Plant. In most rural areas of China night soil is a principal fertilizer and it is used without any sort of processing. In some cases faeces and urine are stored separately, but the predominant practice is to store only the faeces. In the Shaoyang area night soil is stored in open stoneware jars until it is used at planting time. In some other southern areas a sort of composting is practised by adding straw, rice hulls, garbage and animal manure. Only

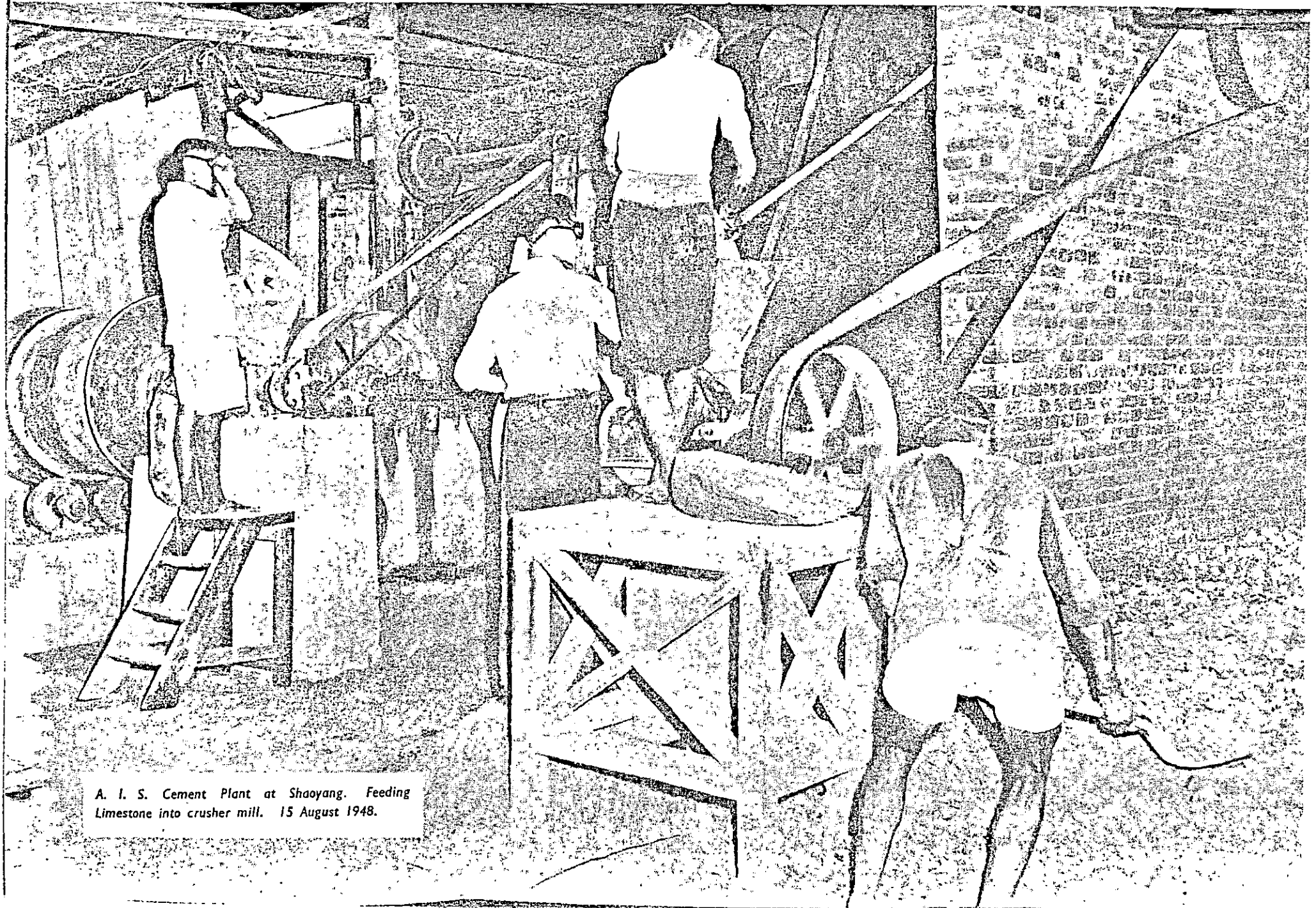
a portion of the nitrogen of the night soil is passed on to the land since this is lost in the slow decomposition of the faeces. Unfortunately, the pathogenic organisms that exist in the night-soil live on undeterred. Even where native methods of composting are used the temperature is seldom sufficient to destroy these organisms.

AIS, at the request of the UNRRA Sanitation Section, undertook experiments to determine an economical method to ensure retention of the night soil's fertilizer value and exterminate harmful bacteria. In conjunction with the National Institute of Health, Nanking, designs were drawn up for an anaerobic composting tank, a Bacarri process unit and an Imhoff continuous digester. Shaoyang was chosen as the location, and an UNRRA engineer was assigned to AIS in January 1947, to begin construction work. The plant was in operation within three months.

The more advanced methods such as the Imhoff and Bacarri were found not practical owing to the small scale of the plant. The expensive equipment could never be amortized from the small income of the operation. A method was needed that would provide safe fertilizer at near the market price of night soil. The farmer could not be expected to pay a higher price unless there was an obvious advantage to be gained. It was finally decided to use an open pit composting method under carefully controlled conditions. Using this method it was found that a temperature of 70 degrees Centigrade could be maintained, summer or winter, which was sufficient to kill the ascaris eggs. Since eggs of both hookworm and schistosomiasis are easier to exterminate than those of the ascaris parasite it was safe to assume that the resulting compost was sanitary.

Finely chopped straw is added to the night soil. The compost ferments and is then fortified with ammonium sulfate, bone meal and potash, which is available locally. The processed night soil is dried and pressed into cakes. In this form it is stable, sanitary and acceptable to the farmers.

AIS acquired night soil by making contracts with local schools and by erecting



A. I. S. Cement Plant at Shaoyang. Feeding
Limestone into crusher mill. 15 August 1948.

public toilets that were cleaned daily. From these sources approximately forty piculs* of night soil were collected daily. This represents an estimated ten per cent of the available supply in Shaoyang, so that the net effect on plant fertilization in the locality and the lessening of the danger to public health are comparatively small. The plant was found to be too small for economical production.

It is possible that a larger plant could acquire a high enough percentage of Shaoyang's night soil on a commercial basis to satisfy the three requirements: retention of fertilizer value, production of a sanitary compost, and economic operation. It would be preferable to have an intensive health education program and to have the municipality assume more responsibility for the undertaking. A practicable suggestion might be made: that the authorities have all night soil collected and processed, charging against local taxes the cost of collection and asking the farmers for the cost of processing. The AIS plant discontinued this experimental operation at the end of June 1948.

Municipal Water System. Water systems are the exception rather than the rule in China. Adequate municipal plants are to be found only in the largest cities, especially where there has been pronounced foreign influence. The source of water is usually the river or a well, from both of which water may be carried a considerable distance by ox-drawn cart or in buckets slung from carrying-poles. Hunan province does not have a town supply even in the larger centers of population such as Changsha, the capital.

The installation of a water supply system requires large quantities of imported materials, as well as considerable labor. In many of the rural communities plumbing as it is known in more industrialized countries would be neither practicable nor possible. Housing structures are unsuited to plumbing, being only a short-term investment of bamboo, bricks and thatch.

*One picul is the equivalent of twelve U.S. gallons.

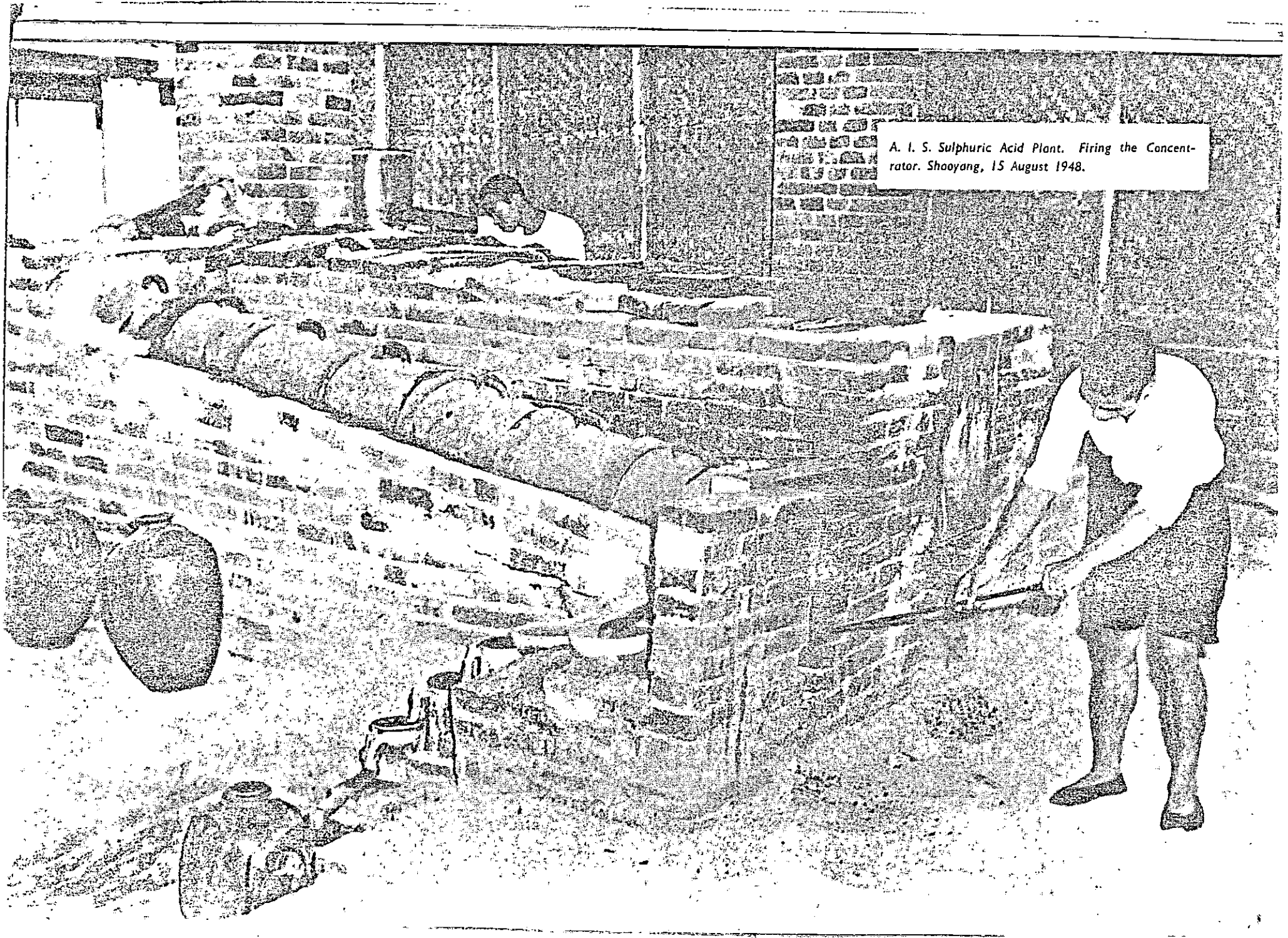
The AIS plan was to make water more accessible. Ten 'filling stations' were set up where good drinking water can be bought cheaply. This involved the use of 11,366 feet of pipe, mostly of 3" and 2" diameters. The water first flowed through the pipes in July 1947.

Work on the chosen site began in January 1947. A sedimentation tank, a sand filter and a 40,000 gallon reservoir were constructed. Pumping is done by an electric motor connected with the town power supply. The reservoir is at the top of the town hill and water is fed through the pipes by gravity flow.

At the pumping station the water is chlorinated and daily tests are made to determine the chlorine residual. Frequent laboratory examinations of the water are performed to ascertain the presence of E. Coli bacteria.

The 'stations' are kept open for nine hours each day when water is supplied on surrender of a prepaid coupon, purchased at the AIS sales store or at the Shaoyang Banks. The charge for a gallon of water is kept in line with the cost of a gallon of water carried from the river. Sales were small at first because of suspicion that the water was impure and did not make good tea. The chlorination of the water necessitated an educational drive to overcome local buyer reluctance. The middle schools cooperated to this end and newspaper, handbill and motion picture advertising has been used to good effect. The sales of water have been increasing steadily, from 37,000 gallons in July 1947, to 426,000 gallons in June 1948.

Cement Plant. Cement was not widely used in Shaoyang Hsien (county) before the war. It was an UNRRA/CNRRA idea that extensive reconstruction of the war-battered city could best be undertaken if cement were available. Lime concrete is popular and has replaced much of the mud and gray brick construction work. Cement concrete provides a sound reinforcement where there is stress and strain or heavy wear. The limestone and coal deposits around Shaoyang ensured an



A. I. S. Sulphuric Acid Plant. Firing the Concentrator. Shaoyang, 15 August 1948.

adequate supply of raw materials which were inadequately exploited and could be used to improve the local economy. Accordingly the plant began to take shape in the early spring of 1947 and in June was all set for production.

The size of this plant proved to be too small for economic operation. It had a capacity of twenty bags of good quality Portland cement daily. AIS construction work gave a good practical test of the cement. A number of bags were sold locally to test the market and to seek the criticism of the purchasers. From these tests it was found that the product was not as strong as imported cement, but was strong enough for all general purposes. The potential difference in price at an economic scale of production would be more than sufficient to encourage purchase of the local product. It has since been proved that AIS cement is acceptable for hospital and store buildings in the town, for highway bridges, hollow cement blocks, street slabs, sills and lintels, troughs and sewer tiles; but demand from the farmers has not yet developed. Apparently the farmer still finds cement too expensive, or he is not yet aware of the advantages to be gained from its use. In the province of Kwangtung, further south, the farming community has created a great demand for cement. Threshing floors, pavings and irrigation conduits have been made and some of the wealthier farmers have built houses of concrete. It should be possible to bring cement within the purse of the more prosperous Hunan farmers and to educate them to appreciate the advantages of using it.

The data gathered from the first pilot plant led to design of a larger unit with a production capacity of 60 bags daily. This new plant left the drawing boards in August 1947, but suffered several setbacks in construction which delayed commencement of operation until 10 May 1948. The clay and limestone are ground in a Hardinge mill, tube mill, and jaw and roll crushers, all of which are steam driven. They are then mixed by a pug mill and made into briquettes for firing. Finally they are fed into a vertical kiln.

Efforts have also been made to reduce the amount of manual labor between processes. Bucket elevators to the storage bins are one example of such an improvement. Winch and cable hoist buckets to the top of the vertical kiln. Although manually operated they eliminate a tedious and cumbersome stream of laborers climbing the steps of the kiln tower. A full report on the cement plant will be made for a subsequent BULLETIN.

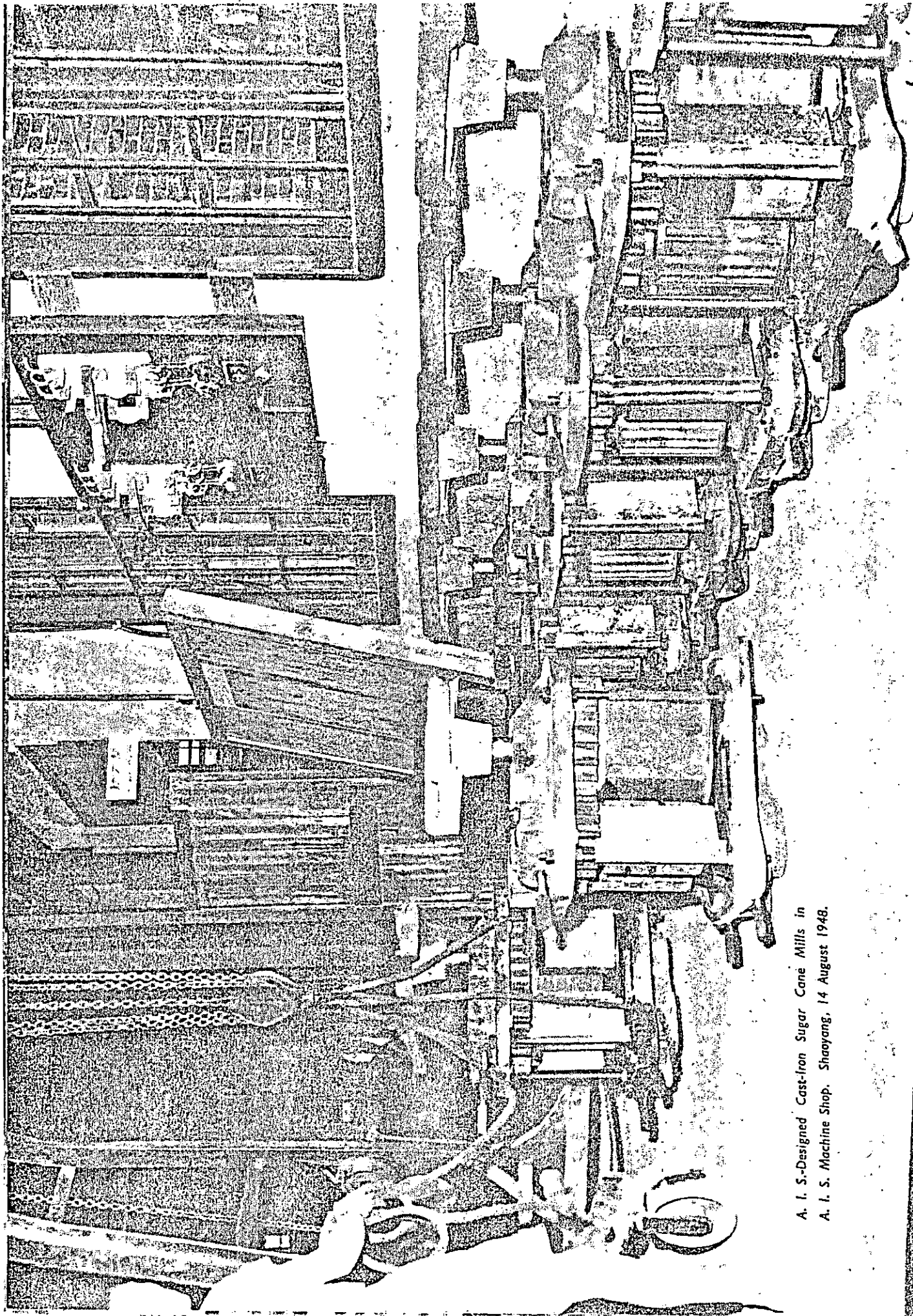
Sulphuric Acid Plant. Industrialization in Central China could not progress far without sulphuric acid production. Industrially it is the most important acid and is as fundamentally essential to modern production as coal, steel and petroleum oils. However, this in itself would not justify the erection of a plant at Shaoyang. It was the existence of raw materials, and ascertainment of a demand for the acid and of potential uses in Hunan province that were sufficient reasons for work to be commenced in January 1947. It was also at that time the intention to add to the productive capacity of the area as restitution for damage suffered during the Pacific war.

Construction of the five-chamber plant was completed in April of the same year and production begun. The plant was designed to burn either sulphur or pyrites, but sulphur burning was used throughout the first year of working, partly because sulphur was readily available.

The capacity of the plant is 1,000 pounds of 62 deg. Baume acid daily. This has proven an achievable working capacity. The production record does not, on the face of it, bear this out; but there have been frequent stoppages for improvement and experimentation as well as occasional repairs.

The March production of 26,000 pounds of acid in 28 working days, which is the best return of the operation to date, represents a potential equivalent to \$750 (US) and would be sufficient to amortize the plant in 16 months of similar production, the estimated cost of constructing the plant being US\$12,000. The margin for profit is considerable, since the market

A. I. S.-Designed Cast-Iron Sugar Cane Mills in
A. I. S. Machine Shop, Shaoyang, 14 August 1948.



price is well above the AIS cost of production. The plant has been prevented from making a much lower-priced acid available to the end-user by the practice of dealers to buy available stocks for resale. The acid is now being sold a little cheaper than "what the traffic will bear" so as to provide no margin for resale. This should have the desired effect of creating a home market at a price nearer to the actual value as determined by production and distribution costs.

In Shaoyang, the main use for the acid exists in the chrome leather tanning industry. Other markets exist in the dyeing industry and at the coal mines, where lead storage batteries are now being used to provide lighting in the shafts. Similar markets exist farther afield at Changsha. The railroad is also buying acid for storage batteries.

Sin Hua Paper Mill. Work on equipment and process development for the paper industry has been restricted by a shortage of testing apparatus. This deficiency is being remedied by procurement of equipment in the United States which will ensure adequate laboratory testing and the construction of a small model papermaking unit.

Meanwhile, at the request of the Sin Hua Hsien (county) government AIS has undertaken certain responsibilities for the restoration of the publicly-owned paper mill. These responsibilities are for technical and engineering direction towards restoring the mill to an efficient operating condition. The mill management remains in charge of finance, operations, marketing and supply. During the period of the agreement AIS will offer free engineering services and will make Base facilities available at cost.

The process of papermaking at the Sin Hua mill is essentially the same as that for handmade paper. It is improved by the employment of a Hollander type beater for pulp treatment. This gives a more uniform pulp, which when suitably sized is strong and resistant to water and ink penetration. AIS has remodelled and re-

built these beaters and there has been a resulting improvement in efficiency.

Two stages of development of the mill are planned to be effected under AIS direction: the introduction of pressure digestion and installation of a complete set of Yankee type paper machinery. The former increases the variety of stocks that can be used. Young bamboo is all that is used at present. To this could be added old bamboo, cotton waste, jute and other fibers. The Yankee type paper machinery produces a continuous web of paper.

AUXILIARY OPERATIONS

Base Machine Shop. The influx of machinery into the rural area of Shaoyang gave work that was well beyond the capacity of the local machine shops and foundries, where machine tools are hand-driven. The local shops were not only too slow but their equipment was too small for large-section work, and assistance to the established industry could not effectively meet the need. The foundries did not turn out a machinable casting. The nearest established shop capable of meeting the requirements of AIS work was 250 kilometers away at Changsha. It was therefore essential for the Base to bring in its own machine shop. This is comparatively small but has modern equipment.

The AIS Base Shop has in no way replaced the local shops, there being no competition for work. In fact, it was the first intention that the shop serve the needs of the base only, and the demands on its services have done much to make this essential. However, it has also been found that cooperation with local shops is possible and that they are eager to have AIS do work which they find too complicated or too large.

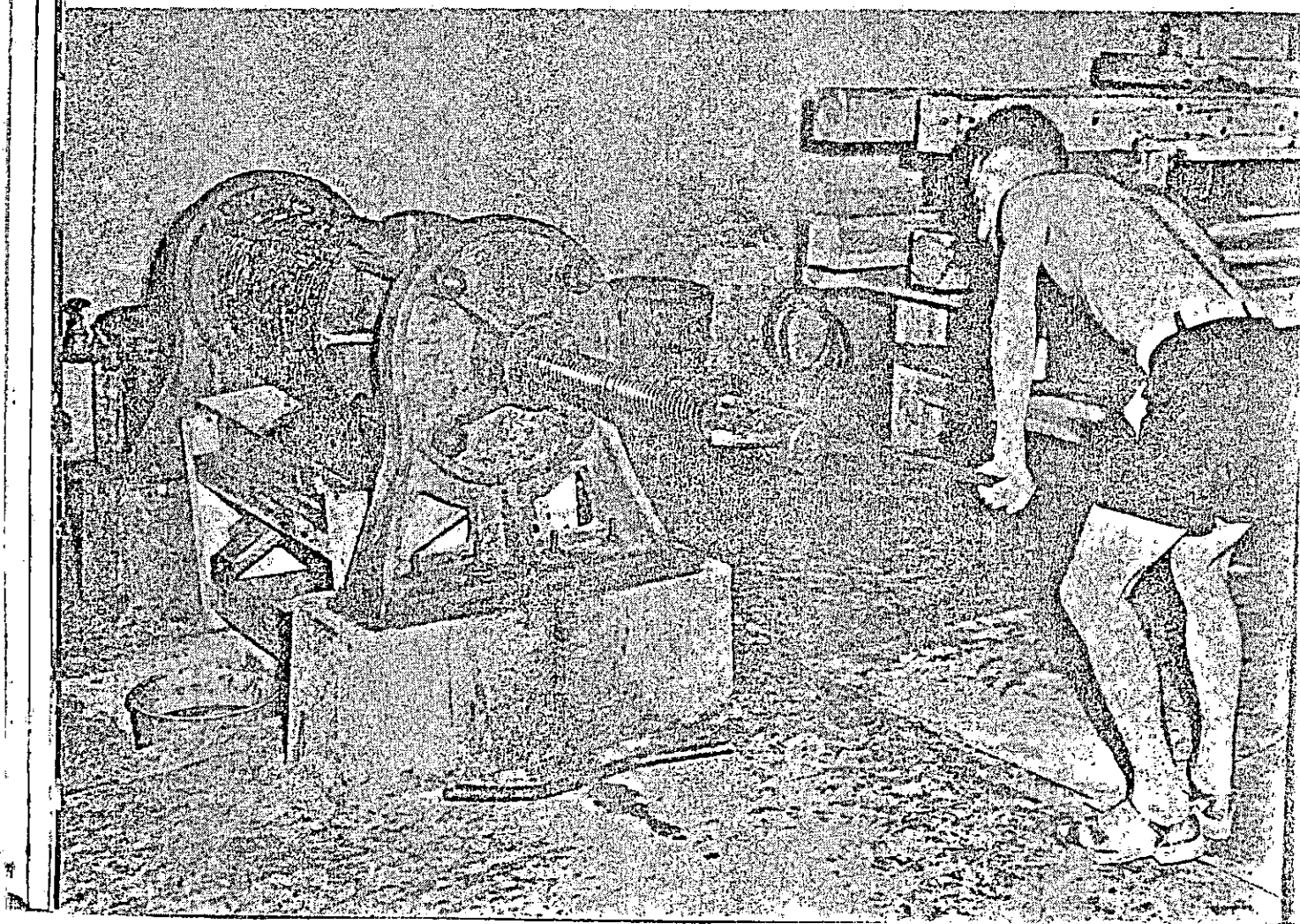
AIS-designed sugar presses and looms are now filling out the list of jobs to be done. There is no shortage of work, but rather a problem as to how new equipment and skilled labor can be supplied to cope with the increasing demand. A desirable alternative solution and one that would ensure that the specialized machinery in

the shop be put to most effective use is that of reciprocating the demand of the native shops for large or complicated jobs by turning over to them the smaller ones that are well within their scope. This will at once stimulate the business of this group of local enterprises and encourage them towards developing shop facilities. It is also planned but not immediately possible that mass production of equipment such as our sugar crusher and the new loom will be done in the workshops of the National Agricultural Engineering Corporation. Both these measures would free the Base Shop for more specialized jobs and for development work. In following this course the AIS policy of encouraging and assisting established local industry and of using plant and equipment principally for demonstration and experimentation will be implemented.

The Base Shop is independent of AIS to the same extent as any of the plants. Its overall policy is controlled but otherwise organization and management rest with the staff chiefs on the spot. Other AIS projects are charged for its services. Local shops can have large and complicated jobs done in the Base Shop and be assured that they are being given the same quality of workmanship and are paying the same price as the AIS-sponsored plants that have taken a place in the community.

Motor Transport. A central transportation service is maintained within the Operations Division. Maintenance and repair of vehicles is handled in the Motor Transport and Automotive Repair Shop. This shop charges projects for its services, as does each section of the base, so that a realistic assessment of the financial position is assured.

A. I. S. Experimental Oil Press. Shaoyang, Hunan. 15 October 1948.



Training Program

The speed with which industrialization takes place is dependent on the availability of contributory factors such as natural resources, machinery, and skilled and experienced technicians. Modern technicians are scarce in China for the obvious reason that they have not been in large demand. More recent attempts by the universities and colleges to provide training in the applied sciences have been limited by shortage of equipment and a traditional approach to learning. Graduates have succeeded in acquiring a comprehensive theoretical background but through lack of opportunity or incentive have seldom gained a complementary practical knowledge. The latter is vital to the success of an industrialization program and it has been necessary and desirable to provide the opportunity and give encouragement to young students to round off their training and fit themselves for an integral part. Five college graduates and fifteen technical middle school students qualified by examination for apprenticeship at Shaoyang. Expansion of the training scheme is planned so that a larger group of college men can be trained at the base.

Meanwhile the apprentices already admitted have entered on a one year course of basic training, the pattern of which is the same for both groups, although more advanced for the college graduates than for the middle school boys. The course is divided into three equal periods of four months. The first is "shop practice"; the second "operation experience"; and last "specialized experience".

During the first period almost all the time is spent in the shop operating machinery. In groups of two or three they take a share in each phase of the shop work. Their rotation of assignments includes machine shop practice, foundry, forge, welding, lead burning, pipe fitting and repair of mechanical equipment. This is a large field for four months and it is not expected that high proficiency will be achieved in any phase of the work. It is

intended only that the student learn the potentialities and limitations of mechanical equipment. It would be possible and useful to have a larger staff and more equipment than is available at Shaoyang so that this part of the training could be extended. The middle school trainees are also given an introduction to engineering calculations, engineering drawing and the English Language during this period.

Drawing and English Language are continued into the second period, when work is otherwise concentrated in the development projects of the base. This brings each apprentice in touch with all phases of AIS operations. At the plants equipment is operated and production tests made. Some simple development work is undertaken by the apprentices. Here again, the boys work in twos or threes spending a relatively short time at each plant.

At the end of the second period it should have been possible for the student to develop his particular aptitude—or discover lack of it—for some branch of the base activity. Shortage of skilled workers and continuing expansion of the undertaking assure vacancies for all of the trainees in AIS, and all are being absorbed into the Service. Later, it is planned to have a large enough group of graduates from the AIS course to make it feasible to release some for local industry, especially for those industries in the neighborhood of our bases, or in which there is a special need for technical skill such as can be provided in this short apprenticeship.

The third stage of the training therefore consists of an assignment to a specific shop or operation, where the boy may later prove his ability and become a permanent staff member. The apprentice is permitted some choice in this decision and will generally be offered an assignment to a task for which he is fitted. Some have already been accepted as laboratory assistants and junior members of the

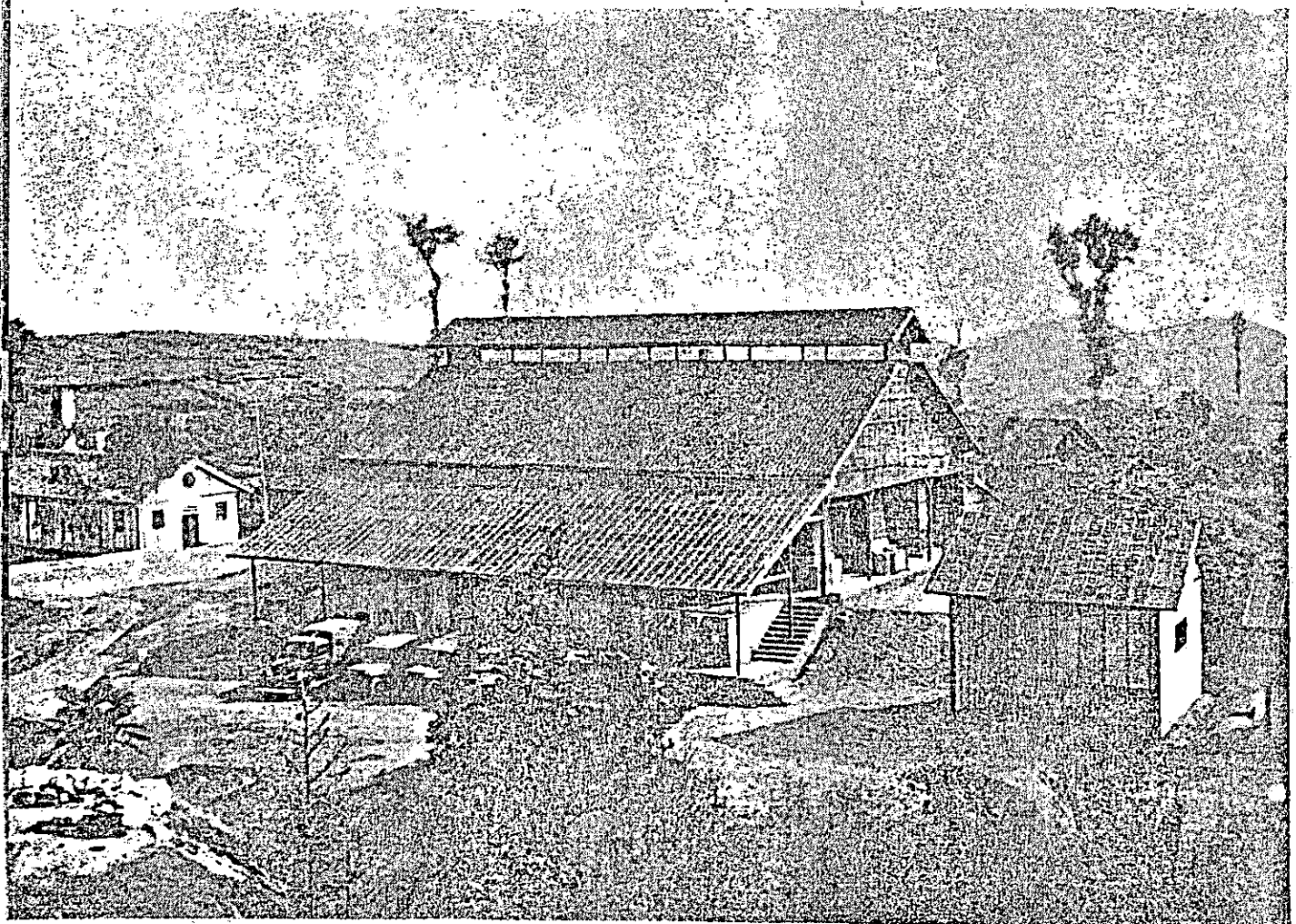
design and drafting office, while others have become junior technicians at the plants.

A demand exists for another form of training, and this demand is to be met. Men employed in local industry and already familiar with the processes and routine of organization are anxious to keep pace with modern developments. Where improved

methods and machinery are in use at the Base, it will be possible to invite such men to work at our plants to acquaint themselves with the operation.

With increased AIS activities and increased equipment, personnel and experience, the training program will be modified and improved from time to time for better adaptation of our work.

A. I. S. Sulphuric Acid Plant. General view. Shaoyang, 15 August 1948.



THE PLAN

Two years of experimenting in rural industrial development work in China have demonstrated that there is real demand for such an undertaking. With the guidance of a realistic plan of operations the organization should be able to carry out a successful long-range program of research, demonstration and training.

The present Plan of Operations was approved by the Board of Trustees for Rehabilitation Affairs on August 30 1948. It was drafted after a thorough examination and approval of the AIS program by the AIS staff and by the ad hoc Sub-Committee of the Board of Trustees.

The basic purpose of AIS, as stated in the long-range plan of operations, is: "AIS aims to help rural populations in their own efforts to improve their local economy in so far as this is possible through the provision of the technical services of development, training and demonstration in problems of rural industrialization."

The emphasis is on assisting and expediting development trends already under way. Priority will be given to projects in which local initiative has already shown ability to use AIS assistance. The principles guiding AIS work will be fourfold:

- "1. Increase Productivity through Rural Industrialization.** The basic aim is to help rural populations increase their total productivity and ultimately their living standards, finding practical ways to
 - (a) improve implements and methods,
 - (b) multiply power supply through increased use of non-human prime power sources,
 - (c) utilize more fully existing or potential indigenous resources of labor, raw materials, capital and prime power, through the introduction of new or improved rural industries."

Work will continue, for instance, on basic laboratory research on local raw materials with a view to finding improved

and new uses. Thus the laboratory is working on analysis of a local root (yellow vine*) which may provide a usable source of a powerful insecticidal drug. Work on the chemistry of ramie and other fiber processing has been started.

Development work on gasogen engines will continue with the aim of increasing the farmer's power supply.

The gradual spread of the new AIS improved loom, oil seed cooking methods and the sugar-cane crusher are already permitting improved utilization of local resources.

- "2. Direct benefit Industries.** Development emphasis will be on industries that give direct benefit to the local agricultural population, by supplying the local population with needed capital (e.g. looms, tools, etc.) or consumer (e.g. food, oils, etc.) goods."

Improvement of the farmer's standard of living (supply of consumer goods) depends fundamentally on increase and improvement of his capital goods—the looms, mills, small tools with which he makes consumer goods. AIS emphasis will be on making better tools and production methods available to the rural population, so that more direct consumption goods can be produced in the rural areas.

- "3. Technically Simple Industries.** Because AIS resources are small in relation to China's overall needs for rural investment and development, AIS will place emphasis on problems that promise rather easy and quick solutions within AIS resources. This will mean primarily industries that
 - (a) require small capital investment (i.e. light, small-scale factories, small and medium-sized processing plants, handicraft and home industries),
 - (b) are easily copied under similar economic conditions in other areas of China, or over a large region, and

* Identified as *Tripterygium Wilfordii* Hook species of the genus *Celastraceae*.

- (c) utilize indigenous, easily obtained resources (i.e. importation from other parts of China or other countries, of equipment, materials, technical skills, etc., kept to a minimum that will ensure high returns)."

Experience to date has shown that AIS is best advised to leave the development of "heavy" and intricate industries to agencies with greater national resources and concentrate its energies on development of relatively simple, small-scale industries that are immediately feasible in terms of capital, manpower, raw materials, markets and technical skills available in the rural areas. Thus small technical improvements in small-scale industries, such as papermaking, oilpressing, weaving, sugar-making, rice threshing, etc., can have a large effect on the total rural economy because they are *within reach* and can be put to work right away.

A small nucleus of foreign skills and machinery will through its research, design and training activities act as a catalyzing agent on the indigenous development of rural industry. In this way AIS resources can have a widespread cumulative effect on China's economy out of all proportion to the immediate expenditure.

- "4. AIS Operations Primarily Development, Training and Demonstration. AIS does not undertake to own or operate production enterprises except in so far as this becomes necessary for development, training or demonstration purposes (e.g. AIS might temporarily own and operate 'pilot' plant of a new process or industry)."

Disposal of the sulphuric acid and the cement plants which are now "in production" to local ownership and management will be sought, so that the major AIS energy may be devoted to the research development, training and demonstration work.

The Program of Operations, as outlined in the Plan, is based on

"A staff of agricultural industrial, economic and related technical specialists (including a few specially qualified foreign-

ers where absolutely necessary), backed by the experience of two years' exploration, and using laboratories, machine shops and other research equipment accumulated by the UNRRA/CNRRA and the BOTRA/AIS programs to date, undertakes:

1. Development. Testing traditional methods of rural industries, developing practical solutions for a wide variety of agricultural, industrial, and related economic problems, such as the processing of ramie, jute, kenaf and related fibers, improvement of the foot-operated cotton loom, more efficient food processing methods and equipment, solution of agricultural transport problems, pumping irrigation methods, etc.

2. Training of Technicians. Where lack of key skills for local construction and operation of advantageous rural industries is the bottleneck, AIS undertakes to train selected technicians under a system of apprenticeship in its laboratories, shops and pilot plants, so that AIS-promoted rural industries will become able to operate independently of continued AIS technical assistance.

3. Demonstration and Extension Work. Rural industrial improvements are introduced as rapidly as possible into the local economy by the familiar extension methods of field demonstration, training, technical assistance and advisory services on financing and operating management."

The Pattern of Organization is simple:

- "1. Central Development Base, where testing equipment and technical personnel are concentrated. The well-equipped Central China Development Base at Shaoyang, in Hunan, will continue in operation and similar bases, oriented to typical regional problems, will be established in other areas.
2. Extension Centers and working teams, trained at the Development Base, carry its new developments into the field to introduce them into the economy through methods similar to those used by the extension service of the United States Department of Agriculture. These field teams also survey the rural economy in different areas and "prospect" for problems within the scope of AIS work."

As rapidly as the Base can produce proven models of improved methods and equipment, and train the necessary demonstration personnel, extension teams will go into the field to teach the local people in the use of the new developments. First priority will be given to communities that are already organized and desirous of using AIS aid. Requests from several such progressive communities have already been received.

As more technical personnel and more funds become available, AIS will expand this Base-Extension Center pattern to a nationwide coverage, with eventually four or five Development Bases located in strategic centers of major economic regions.

Fundamental to this program of extension work is interagency cooperation.

"Informal contacts have been made with other agencies engaged in work closely related to the AIS program and specific plans for mutual cooperation on special problems are under way. Such agencies include the Joint Commission on Rural Reconstruction in China (ECA), the National Agricultural Research Bureau, the Ministry of Agriculture and Forestry, the Food and Agriculture Organization of the United Nations, universities, research institutes, and others. Within BOTRA the advisability is being studied of amalgamating or at least coordinating the field extension services of AIS, NAEC and AMOMO so as to reduce program overhead and provide a more complete service to the rural districts."

Since AIS is not intended to be a production or commercial enterprise, sources of continuing financial support are a crucial consideration. The Plan states that

"The current Government support of AIS (through BOTRA) has been supplemented in a small way by sale of some of the products and services of experimental and pilot plants. Since it is not AIS policy to own or operate industries primarily for production or profit; and since the unpredictable costs of testing and development work inherently cannot be paid for directly by the ultimate beneficiaries—the rural population—some form of continuing external support of this service program is essential. It does not appear practical to expect such a service program to be 'self-supporting.'"

The evolution of AIS into a permanent long-range agency is planned to proceed in two steps:

1. Continuation of present government support by BOTRA until BOTRA closure.

2. Establishment by the National Government of a substantial post-BOTRA endowment for continuation of support to AIS is essential. The endowment funds may be supplemented increasingly but never supplanted by local contributions through:

- (a) Business life sale of AIS consultant, testing and training services to private and cooperative enterprises.
- (b) Proceeds from productive enterprises established and operated by AIS subsidiary agencies for that purpose.
- (c) Voluntary contributions to AIS by individuals and groups (especially cooperatives) who have benefitted directly from AIS developments."

For the long-range, the AIS program "seeks no sudden or miraculous revolution in Chinese agrarian economy, but acts as a catalyst to assist and expedite evolutionary trends already working in the direction of increased use of modern industrial methods. After five to ten years of pioneer work, the program should be able to continue on indigenous resources of funds and personnel."

The concluding comments of the BOTRA Secretariat on the AIS Plan of Operations provide a suitable summary for this discussion of the Plan:

"... it should be recognized that the AIS will not be and should not be a self-supporting agency, as its field is that of research and education through practical application and development. While some AIS activities may be self-supporting or may to some extent assist in supporting the general program, such circumstances should not be allowed to detract from the primary purpose of AIS. Only by continuing as a public agency can the economic and social benefits to be derived from AIS be maintained at a maximum. It is incumbent upon BOTRA-CORA to make every possible arrangement for continuation of the AIS program beyond the BOTRA period. Such arrangements should not be the burden of AIS itself, who

should spend its entire energy and effort on fulfilment of the objectives of AIS. . . . There can be few, if any, alternate use of the BOTRA funds that will have greater possibilities for permanent benefits for China than the adoption by numerous communities of improved production techniques, improved production and processing equipment, improved cooperation of private producers and improved standards of living resulting from lower cost and higher production in the many communities in which AIS can be expected to exert its influence in the next one to two years. The contribution of AIS to the economy of China within these next few months will well justify the expenditure of the funds required even if no satisfactory method of financing beyond the end of 1949 is found."

The Three Confidences. Speaking optimistically of the success of the AIS

program Director Dr. Ma Chieh says that we in AIS need three confidences to carry along the Agricultural Industry Service;

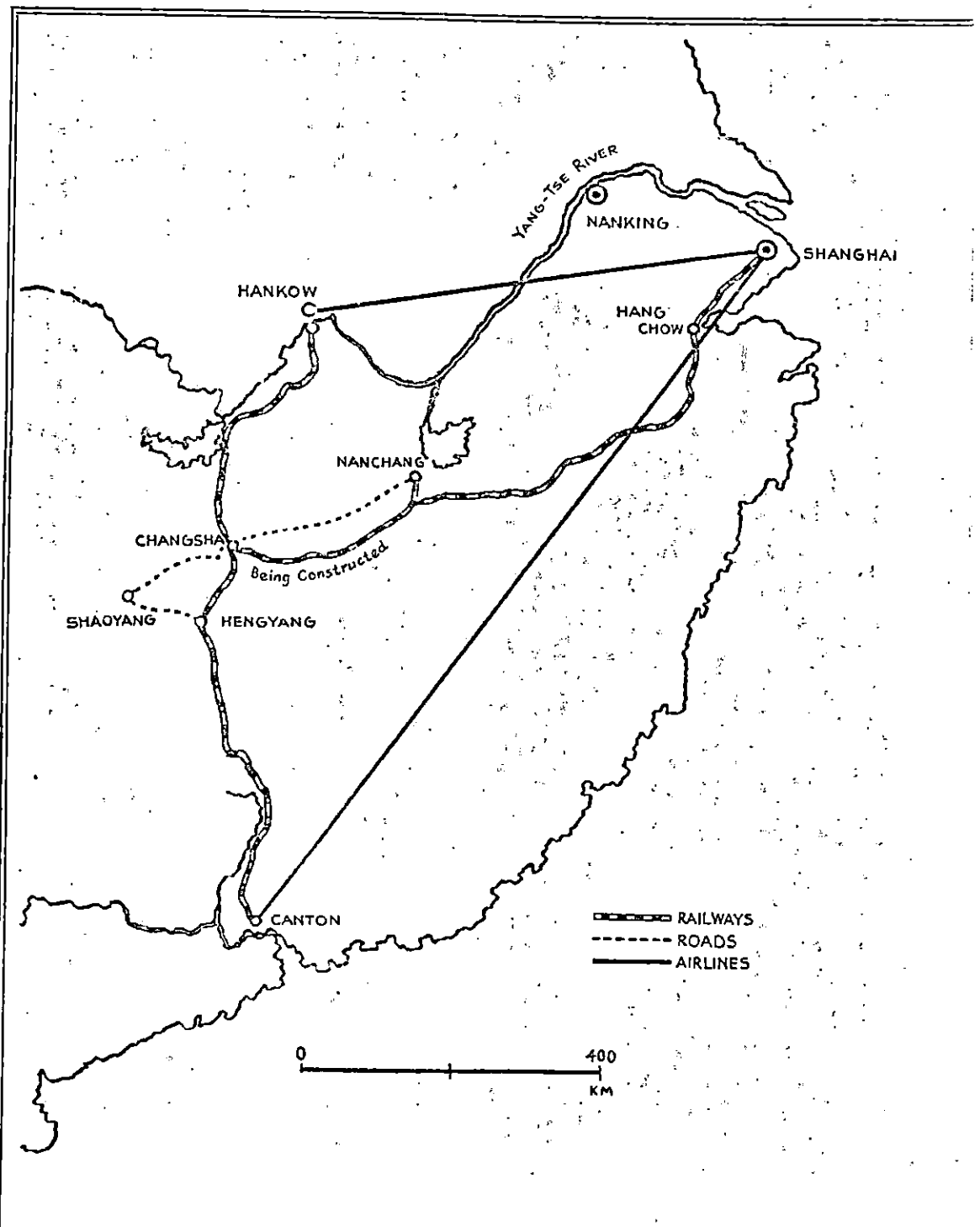
First Confidence: that the rural people want the services of AIS and are ready to use them.

Second Confidence: that AIS has the organization and staff with the technical skill, missionary spirit and high morale required to do the job.

Third Confidence: that the people of China, through their government, will be willing to provide sound financial support for this program.

The first two confidences we have without question. With the security of the third AIS can look forward to a continued usefulness in a long-range program of steady rural improvement.

MAP SHOWING COMMUNICATIONS
BETWEEN SHANGHAI AND THE
CENTRAL CHINA BASE, SHAOYANG



June 30, 1975

Mr. Jim Stewart,
Stewart Stevenson Services Inc., *
Houston, Texas.

Dear Jim:

I got your cable and will be on the lookout for Messrs Manning and Childress. I will also arrange for them to see Bill Thomas, who is the head of our Economic Section here. He is quite knowledgeable on doing business with the Chinese, etc.

Things are going reasonably well here, and I hope relations will continue to improve. We are enjoying this assignment tremendously. It is even better now because four of our five kids are here.

Warm regards,

George Bush
Chief, US Liaison Office

* P.O. Box 1637
Houston 77001

NNNN UX

AWF396 ACA976 DFF1001 RYB0335 IN1434 1-025000C178
CNPX CO URNX 085
TWLX HOUSTON TEX 85/75 27 155P EST VIA RCA

HONORABLE GEORGE BUSH
UNITED STATES AMBASSADOR
C/O UNITED STATES LIASON OFFICE
TO THE PEOPLE'S REPUBLIC OF CHINA
PEKING (CHINA)

DEAR GEORGE,

STEWART AND STEVENSON SERVICES HAS TWO MEN ARRIVING IN PEKING
MONDAY NIGHT, JUNE 30, MR. J. CARSEY MANNING AND MR. E.E. CHILDRESS
STOP THEY WILL CONTACT YOU TUESDAY JULY 1 AND ANY HELP YOU CAN GIVE
THEM WILL BE GREATLY APPRECIATED.

JIM

JIM STEWART
STEWART STEVENSON SERVICES INC
HOUSTON, TEXAS
TWX 9108811755
TELEX 762301

August 25, 1975

The Hon. Walter J. Stoessel, Jr.,
American Ambassador,
Moscow.

Dear Walter:

I got your letter of August 4. Only yesterday I had a letter from my son Neil telling me that Intourist met my kids at the station and immediately handed them off to your Embassy. How embarrassing! I am writing Virginia Wallace, but please thank anyone else who was inconvenienced by this.

I do want to come to Moscow, and so does Barbara. I have argued with Yakov Malik a lot, and drunk a good deal of Dobrinin's vodka, but I have never been to Moscow.

Warm regards,

George Bush



EMBASSY OF THE
UNITED STATES OF AMERICA

Moscow, USSR

August 4, 1975

The Honorable
George Bush
Chief, US Liaison Office
Peking
People's Republic of China

AUG 12 1975

Dear George:

Thanks so much for your good letter of July 8 about the possibility of a visit to Peking. Actually, I had thought of this idea some time ago, but had been discouraged by some people in the Department from following through with it. Hopefully, sensitivities will diminish in the future and it may be possible for us to come to see you -- we would like nothing better, and we will let you know about the prospects.

Needless to say, our invitation to you and Barbara to come here as our guests remains very much in force, and we hope you will do it. We expect to be in the States this fall on home leave until around mid-October, but any time thereafter would be fine.

I was sorry not to have met your children personally while they were here, but my secretary, Virginia Wallace, took good care of them, and I gather that they had a good time.

With all the best to you both from Mary Ann and me,

Sincerely,

Walter J. Stoessel, Jr.

August 18, 1975

Michael K. Stone, Esq.,
President,
The Yale Political Union,
1951 Yale Station,
New Haven, Conn. 06520.

Dear Michael:

What a great letter you sent me on August 5. But there is no way I can accept for this coming Fall. I must be in Peking all of the time. I'm sure you have seen speculation about the President's visit, and that of course will keep me very busy and keep me anchored down here in this fascinating corner of the world.

Thanks for asking me, though.

Yours very truly,

George Bush
Chief, US Liaison Office



The Yale Political Union

THE NATIONAL FORUM AT YALE

President
MICHAEL K. STONE

Speaker
BORIS FELDMAN

Vice-President
STEVEN D. OSTERMAN

Secretary
TOMOID M. OF ANGLE

Treasurer
PATRICK J. NELIGAN

1951 YALE STATION, NEW HAVEN
CONNECTICUT 06520

August 5, 1975

The Honorable George Bush
U.S. Liason to the People's Republic of China
Peking, P.R.CC

Dear Ambassador Bush:

On behalf of the members of the Yale Political Union, it is my distinct pleasure to invite you to be our guest at Yale if you are back in the country during the coming academic year. It is always a special pleasure to welcome back old Blues.

As I hope you are remember -- I optimistically believe our reputation has spread -- the Political Union is a non-partisan forum for political debate and discussion. It is by far the largest and most active student organization on campus, and probably the most diverse as well: virtually every possible political viewpoint is represented in its membership. Each year, the Union hosts a number of speakers of national and international stature, as an integral part of our program to promote a continuous dialogue at Yale on important issues of current interest. A few who joined us last year are Archibald Cox, Gore Vidal, Abba Eban, Brendan Byrne, Clarence Kelley, Gloria Steinem, and Hubert Humphrey; the breadth and diversity of the Union's speaker program is evident. We would be honored to have you join this distinguished list in the coming months.

Arrangements with our guest speakers are tailored to provide all involved with the most worthwhile experience possible. A typical schedule might include an afternoon press conference with area media or a seminar-style discussion with students, a reception and dinner with members of the Union and the Yale community, and an evening address on a topic of mutual interest, followed by a question-and-answer discussion period. The entire format is, of course, very flexible, depending on individual scheduling needs. As to specific dates, almost any evening, Sunday through Thursday, between September 10 and December 15, or possibly after New Year, is convenient to the Union. We will, of course, reimburse your travel expenses and provide overnight accommodations, if you so desire.

Should you have any questions about the Union or the arrangements, please feel free to contact me at the above address or, after September 1, by phone in New Haven: 203-777-4343. I look forward to hearing from you, and hope to have the honor and pleasure of welcoming you to Yale this fall.

Sincerely yours,

Michael K. Stone
President

November 3, 1975

Mr. Michael P.W. Stone,
650 California Street,
San Francisco, California.

Dear Mike:

We will be on the lookout for Ken Morse. He hasn't called yet, but when he does we will give him the red-carpet treatment.

Warmest personal regards from fascinating Peking. I am sorry I missed The Grove this summer, but next summer I'll be there.

Sincerely yours,

George Bush

Protocol from George Bush Presidential Library

MICHAEL P. W. STONE
650 CALIFORNIA STREET
SAN FRANCISCO, CALIFORNIA

October 24, 1975

Dear Poppy,

This letter will introduce to you Ken Morse, who is President of Chase Pacific Trade Advisers, an affiliate of the Chase Manhattan Bank.

Ken has been travelling to China for several years, and he is presently en route to Peking. If he asks for any assistance at the Embassy, I would appreciate very much your helping to steer him to the right people on your staff.

I am delighted and honored to have been asked to join Hill Billies. I hope to see you there next summer.

Best regards,

Yours sincerely,

Mike

NOV 3 1975

The Honorable George H. W. Bush
U.S. Ambassador
Chief, U.S. Liaison Office
Peking, People's Republic of China
in c/o Department of State
Washington, D. C. 20520

MPWS:prp

Photocopy from George Bush Presidential Library

October 3, 1975

Mr. Frederic A. Stott,
Secretary of the Academy,
Andover/Phillips Academy,
Andover, Mass. 01810.

Dear Fred:

Your letter of September 16th didn't arrive here until October 2nd. That's why I never sent the telegram you asked of me. I would have loved to have done so.

Hope all goes well there. I read all the propaganda you send me with interest.

Warmest regards,

George Bush

ANDOVER / PHILLIPS ACADEMY . ANDOVER, MASSACHUSETTS 01810 . TELEPHONE 617 / 475-3400

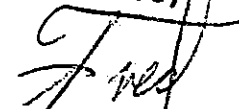
September 16, 1975

Amb. George Bush
Chief, U.S. Liaison Office
Peking, Peoples Republic of China
c/o Department of State
Washington, D.C. 20520

Dear George:

Could you send an appropriate telegram of greetings and encouragement to the Trustees and the Steering Committee for Tim Ireland to read (as Master of Ceremonies) at the wind-up luncheon on Saturday, September 27. It would be most welcome - and a mixture of humor and emotion most appropriate.

My best,



Frederic A. Stott
Secretary of the
Academy

FAS:fcc

** of the Joint Meeting to decide
on the Bicentennial goals.*

file
Mary Louis Smith, chrmn RNC Wash DC

US10, Peking, P.R.C.
c/o Dept. of State, Washington 20520

August 12, 1975

Dear Mary Louise,

In going through some files I found the attached memo that may or may not be useful to you. Perhaps you have solved that horrible lingering problem of the Club etc; but if not, maybe this memo will fill in a blank or two.

Life rocks happily along out here. Bar is in Maine, and I hope to be joining her the 25th of August. I'll be in DC for 10 days or so in early September, so if you need a change of pace from hassling Clarke Reed or that fruit cake in Oklahoma, please let me buy you a lunch.

Warmest affectionate regards,

Produced from George-Bennett Collection

October 22, 1975

Frederic A. Stott, Esq.,
Secretary of the Academy,
Andover, Phillips Academy,
Andover, Mass. 01810.

Dear Fred:

Sorry to miss the Steering Committee meeting. How in the world do I ever end up with a complimentary Chinese dinner for two? Anyway, I will save the certificate, and you can tell Barbara A. Cox of the China Blossom to expect a hungry Trustee one of these days.

Our Secretary of State is in town now, so life is full and fascinating.

Warmest regards,

George Bush

Original from George Bush Presidential Library

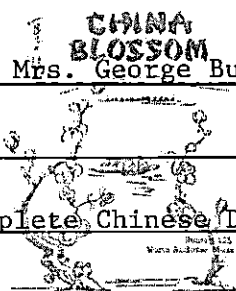
Gift Certificate

No. 105

TO Mr. and Mrs. George Bush (whenever you are in Town)

FROM _____ DATE September 18, 1975

~~AMOUNT~~ (Complete Chinese Dinner for two) ~~DOLLARS~~ _____



Barbara L. Cox
Authorized Signature

REDEEMABLE AT CHINA BLOSSOM • ROUTE 125 NORTH ANDOVER, MA • 01845

□ D

October 7, 1975

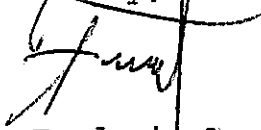
Ambassador George Bush
Chief, U.S. Liaison Office
Peking, Peoples Republic of China
c/o Department of State
Washington, D.C. 20520

Dear George:

Had it been possible for you to be here for the Joint Meeting of the Trustees and the Steering Committee, you would have been on the receiving end of the enclosed recognition. It speaks its own message. So did the meeting - a fine launching for the Bicentennial!

Please don't acknowledge this. Just let a smile play across your face as you go out to dinner.

Warmly,


Frederic A. Stott
Secretary of the Academy

FAS:fcc
Enc.

Photocopy from George Bush Presidential Library

July 25, 1975

PERSONAL

Mr. Robert S. Strauss,
National Democratic Chairman,
Democratic National Committee,
1625 Massachusetts Ave., N.W.,
Washington, D.C. 20036.

Dear Bob:

If I ever saw a couple of real hoods, this picture shows 'em. All I have to do is leave for Peking and you start working my side of the street.

I'll be back in Washington for a couple of weeks early in September and will give you a call. Hope you'll be out and I can talk to Vera.

Warm regards,

George Bush

Enclosure

Photocopy from George Bush Presidential Library

DEMOCRATIC
NATIONAL COMMITTEE

1625 Massachusetts Ave., N.W. Washington, D.C. 20036 (202) 797-5900

Robert S. Strauss
Chairman

August 21, 1975



Honorable George Bush, Chief
United States Liaison Office
PEKING
Department of State
Washington, D. C. 20520

Dear George:

What a delight to receive your good letter of July 25. My delay in answering has been caused by Helen and I, happily, being in Del Mar for the month of August and the racing season.

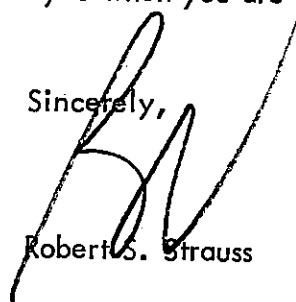
While we were both gone from Houston, I am advised Connally raised all the money in Texas, which he undoubtedly plans to spend in his usual low-key, modest manner promoting the Republican gospel and trying to maintain as low a personal profile as possible.

It seems as if a week never goes by that I'm not in some discussion of how you're doing with some mutual friend of ours and I want you to know everyone here wishes for your return -- and soon. I must say I do hope that if you remain there much longer, the Strausses will have an opportunity to visit the Bushes, as well as the People's Republic of China.

I am taking the liberty of sharing your vicious reference to Williams with him.

I look forward very much to hearing from you when you are in town and hope you will set aside time for lunch or a drink.

Sincerely,



Robert S. Strauss

P.S. Because of my delay in responding I am sending one copy to China and one to the State Department.

cc: Edward Bennett Williams

Photocopy from George Bush Presidential Library

Personal

November 7, 1975

Mr. Robert S. Strauss,
National Democratic Chairman,
Democratic National Committee,
1625 Massachusetts Ave., N.W.,
Washington, D.C. 20036.

Dear Bob:

Charlie Bartlett called me last night here in Peking. During the course of the conversation he mentioned your comments at a breakfast meeting with reporters supportive of my going into this tough new job. He said that you, in addition to being damn pleasant about me, made the point that because one has been in a political job he shouldn't be precluded from serving in a government job of an entirely different nature, nor should his motives be suspected. I feel very strongly about this, and just cannot tell you how much I appreciate your making that point. In this new job, I will be totally non-political. That's the way it should be, and that's the way it will be.

See you before too long, I'm sure.

Warmest personal regards,

George Bush

Photocopy from George Bush Presidential Library



DEPARTMENT OF STATE

Washington, D.C. 20520

October 29, 1975

Dear Mr. Ambassador:

I am pleased to report that your packages destined for Washington arrived in good order. The two boxes for John Thomas were delivered to him the day following our return and Don Rhodes will pick up the box of chinaware and the books this afternoon.

My sincere thanks for all the good things you and the USLO staff did for us last week. In singling out individuals for special thanks I risk ignoring those that contributed as much or more. Nevertheless, I want it noted for the record that the logistics side of our visit to Peking could not have been handled better thanks to the superb work of Janet McCrory, Bob Perito, Ted Green and, of course, Jerry Levesque.

Best wishes,

James B. Moran
Executive Director
Office of the Secretary

Honorable George H. Bush
Chief, U.S. Liaison Office
Peking

NOV 4 1975

NOV 6 1975

Photocopy from George Bush Presidential Library

528 N. MAYFLOWER ROAD
LAKE FOREST
ILLINOIS 60045

~~7/1/63~~
F. to

My dear Mr. Bush :-

I thank you for writing me
such a lovely note after learning of Mr. ~~Stewart~~
death. He was always a very loyal Republican
and was most appreciative of all you have done
for the party. Now our children are doing their
bit - Bob at the moment in a less active way,
our daughter Anne Batchelder in Nebraska and Margaret
Hart here.

I am grateful for my many happy years
with, as you so thoughtfully wrote, a Great American
and glad for him that he slipped so easily away.

With great appreciation of your thought-
fulness in writing and with best wishes to you in
your present task - in which Bob and the girls join
me.

I am :-

Very Sincerely,

Harriet M. C. Stewart
(Mrs. R. Douglas Stewart)

April 24, 1975

Wm. H. & E.Y. Sturm,
P.O. Box 1421,
Delray Beach, Fla. 33444.

Dear Sturms:

Thanks for sending along those cartoons.

They brightened my day.

I miss politics a lot, but love this
challenging new assignment.

Best regards from China,

George Bush
Chief, US Liaison Office

Photocopy from George Bush Presidential Library

April 15, 1975

Cheers George Bush,

Here are some Miami Herald cartoons
I've been saving for you.

We miss you on our TV screen.

Hope you ARE enjoying that Chinese food--
we would.

Kindest regards,
Eys

(I used to ride the subway to PanAm with PRB--
and that was a while back.)



U.S.A.'s

Ambassador George Bush

Peking, China

美国联络处

Photocopy from George Bush Presidential Library

February 18, 1975

The Rev. Thomas W. Sumners
St John the Divine Episcopal Church
2450 River Oaks Boulevard
Houston, Texas 77019

Dear Tom:

I was delighted to get your letter of January 15th. It just arrived.

I wish I could be more optimistic about the chances of Mr. Van Nes planning a group tour of China, but I can't. The facts dictate otherwise. The attached letter sets out the situation as we see it from USLO right now.

I do hope our paths cross soon. Needless to say, Barbara and I would be delighted if your group gets into the PRC and rest assured we will roll out the red carpet.

This new job is a tremendous challenge. I think that what happens here has a lot to do with whether this world lives in peace or not.

Thanks again for your kind words and for your interest. I hope something positive works out.

Warmest regards.

Yours very truly,

George Bush

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St. John the Divine Episcopal Church

THE REV. THOMAS W. SUMNERS
RECTOR - EMERITUS

3428 WICKERSHAM LANE • HOUSTON, TEXAS 77027



2450 RIVER OAKS BOULEVARD • HOUSTON, TEXAS 77019
713 • 622-3600

Jan. 15, 1975

Dear George:

Doris and I have been extremely delighted to know that our Nation has such a man and his glorious family to represent us in China, a country so important to the United States in the past as well as in the future. Whereas, I was proud of your work at the helm of the Republican Party during the bleak Watergate days I was especially grateful to you for the outstanding job you did for us as our Ambassador to the United Nations.

Our Episcopal Church has had a very strategic work in China in the years past. I had the privilege of knowing the President of Central China College, Dr. Francis Wei, about forty years ago. His demand that the students read Plato's works in the original Greek gave me an idea of the character of the College and the potential caliber of the students.

Mr. Carl Van Nes has planned some unusually fine tours for Doris and me. We have conducted a group on a Comparative Religions Tour Around the World (including Russia), also tours to Spain and Portugal, Africa, Scandinavia, and Guatemala. Among other tours we have conducted with other tour agencies include six trips to the Holy Land, Alaska, the Orient and Europe. In other words, we are not inexperienced tour guides.

We join with Carl in seeking the opportunity together to take a group, or groups, to China not merely as "sight-seers", but to understand, as much as we can, the people themselves. When I see what has happened to such empires as the Greek, the Roman, the Spanish, Portugese, British, and perhaps others, and then see the size of such countries as China and Russia, it seems to me we cannot assume that, even with our greatness as Americans, we can neglect learning to know as much as possible about peoples of other lands and trying to see them as friends and neighbors. 1776 is an important date in history for us as Americans, but surely two hundred years compares somewhat awsomey with five thousand years of the Chinese peoples.

George, please know that Doris and I are not trying to presume that our friendship with you and Barbara merits any favors; yet, we are confident that you know us well enough to be assured that any tour we might be associated with will not endanger Chinese-American relationships. It is to be hoped the opposite would, in fact, occur.

May God bless you, Barbara, and your family each and every day.

Faithfully yours in Christ,

TWS/dms

Photocopy from George Bush Presidential Library

Box W523
WWRC
Fishersville, Va
22939

Mr. George Bush
% The State Dept.
Washington, D.C.

MAILED
Feb. 14 ON Pouch.
in his self addressed
envelope

Dear Mr. Bush:

would you please autograph for me
the three enclosed covers for my collection
honoring those who have served as Ambassadors
to the U. N.

your kindness will be very deeply
appreciated.

Yours truly
Walter W. Sutphin