An EAA *Interview with Houghton Freeman*

Doreen and Houghton Freeman. Paul Rogers Photography, Stowe, VT.

In 1978, Mansfield Freeman, an American who spent much of his life in China and who helped found the company that later became American International Group, Inc. (AIG), established a trust whose primary mission would be to establish a foundation that would facilitate the development of mutual understanding among Americans and East Asians. In 1993, one year after Mansfield Freeman's death, the family established the Freeman Foundation to promote his vision. Since then, the Freeman Foundation has touched the lives of millions of educators, students, and citizens in both Asia and the United States. The Freeman-funded National Consortium for Teaching About Asia, although only one of a number of Foundation initiatives, has provided 7,600 American teachers and more than 2.2 million of their students with the opportunity to learn about the histories, cultures, and current problems of East Asian countries.

Freeman Foundation President Houghton Freeman, who was born in China, and lived and worked most of his life there as well as in Japan, has successfully guided this unique international endeavor since its beginnings. *EAA* readers, many of whom have benefited immensely from the Freeman vision, should gain both a better sense of twentieth century East Asian history, and an understanding of the aspirations of the founders of the Freeman Foundation, through this January 2007 interview with Houghton Freeman. We offer our sincere thanks both to Houghton Freeman and to *EAA* editorial board member and interviewer, Lynn Parisi, Director of the Program for Teaching East Asia at the University of Colorado at Boulder.

Lynn Parisi: *Mr. Freeman, I want to thank you for talking with me today. We are very fortunate to be able to interview you for EAA and appreciate your time.*

Many EAA readers are familiar with the work of the Freeman Foundation, but may not know how deep your family roots go in Asia. Could you set a context for your commitment to this field by telling us a little of your family background?

Houghton Freeman: By learning a bit about my early life, I think you will get a good idea of why my family has been so interested in Asia. My parents, and even my grandparents, all have influenced our interest.

My father was Mansfield Freeman, and my mother was Mary Houghton Freeman. Dad was in World War I in France. When the war ended, he took a year off and studied at Edinburgh University in Scotland. Amongst other things, he studied theology and philosophy. Around 1920, Dad answered an ad in the *New York Times* and became an English professor at Tsinghua University in Beijing. My parents had just married, had never been out to that part of the world, so they decided to give it a try. I was born about a year later in Beijing.

A couple of years after I was born, my grandfather, Luther Freeman, decided that he and his wife would visit Shanghai to meet their first grandson. He had spent time as a Vermont farmer and was also president of Morningside College in Iowa. He was outspoken, stubborn, and didn't get along with the board of trustees, so he lasted only about two years at Morningside. He then became a minister. During his stay in Shanghai, my grandfather was appalled that there was no Protestant church, so he started the first interdenominational Protestant church in Shanghai—the Community Church.

At first, my grandfather couldn't find a place for the church to meet on Sundays, but he finally got the Astor Hotel to curtain off the bar area on Sunday afternoons. He couldn't use it before four in the afternoon because the luncheon crowd was there; the congregation had to be out by five when the dinner crowd started to wander in. My grandfather stayed about a year—long enough to provide the impetus to keep the church going. The church grew over the years and was supported largely by American businesses in Shanghai. It continued during the Cultural Revolution, although underground. The church is still going today. We were there several years ago for Easter services and there were 2,000 attendees; they had to have closed circuit TV to broadcast the sermon. The congregation is mostly Chinese, services are in Chinese, and there is also an English service.

Lynn Parisi: *Your father was one of the "founders" of the insurance industry in China. How did he make the move from academia to insurance?*

Houghton Freeman: My father was quite happy in Beijing as a professor of English, philosophy, and Greek. He also became very

interested in Chinese philosophy. AIU* (American International Underwriters) had just started in Shanghai in the early twenties, and the founder, C.V. Starr, was beginning to get into life insurance. His company, Asia Life Insurance, initiated a summer promotion with a competition among Chinese universities. Universities established student teams whose members would sell insurance policies during their summer vacations. My father was quite a popular teacher and his students asked him to coach them for the competition. My father knew nothing about insurance, but he worked with them and his students won. When C.V. Starr came to award their prizes, the students, in proper Chinese fashion, attributed their success to their teacher. Starr and my father got to talking and he invited my father to Shanghai, saying something like, "Why don't you join me and make some money instead of all this teaching nonsense?" This was around 1924. My family moved to Shanghai and my father became one of the "founding fathers" of AIU.

[*Ed: AIU came under the AIG (American International Group, Inc.) "umbrella" after AIG was formed and went public in 1969.]

But my father's interest in Chinese philosophy was lifelong. Years after leaving Tsinghua, he published two books on Chinese philosophy. He also had the opportunity to return. Around 1982, Tsinghua discovered that my father—then eighty-seven—was the oldest living foreign professor to have taught there. They invited him back, and my wife Doreen and I accompanied him. The high point for my father was giving a guest lecture to the philosophy class. My father asked the class questions about Confucius and found the students very knowledgeable. He was surprised and pleased that Confucianism was back in the curriculum. My father's lifelong work and interest in Asia were the impetus for the Freeman Foundation.

Mansfield Freeman.
http://www.library.yale.edu/div/colleges/wesleyan/bios/mansfield_freeman.htm.

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Lynn Parisi: *You were one of a select group of young adults enrolled in the US Navy Japanese Language School at the beginning of World War II. How did your early roots in China lead you to the Navy Japanese Language School, and how did the Language School, in turn, influence your wartime experiences in Asia?*

Houghton Freeman: I spent all of my school years at the Shanghai American School except for 1937–1938, my junior year. My family was in the US in 1937, and the State Department wouldn't let Americans return to Shanghai because of Japanese activity. We returned for my senior year and I graduated in 1939.

Lynn Parisi: *By the time your family went back in 1938, hadn't the situation become very unstable in Shanghai? How were foreigners going about life in Japanese-occupied Shanghai?*

Houghton Freeman: In 1938 and 1939, the Japanese held all the territory outside the international settlement. There were many incidents, and it was a serious time. Most of the Western men in Shanghai joined the Shanghai Volunteer Corps, and staffed the borders of the settlement. But, as a student, I remember that life went on pretty much as usual. My family lived on Hanzhou Road, which was outside the International Settlement in the Japanese-held area of Shanghai. The railroad to Hangzhou was the border, and the Japanese had their headquarters and a crossing checkpoint there. I had to have a pass to attend school in the International Settlement. Evening travel required a special permit. I needed these special permits several times to go to parties on Saturday nights. I traveled at night so often, it seemed, that one night the Japanese lieutenant at the checkpoint got fed up with me and said, "You are just a pleasure seeking lad! Don't come back so often."

Of course, the Chinese were barred from going back and forth after hours. One time, our cook couldn't get back across the border to our home. It so happened it was an evening that my mother was having a dinner party, so the cook was essential. My family got in touch with me at school and gave me the charge of getting our Chinese cook through the checkpoint. I was driving a roadster then and was well known to the Japanese crossing guards, so we put the cook in the trunk and went sailing through Japanese lines. Luckily, it was a day when they chose not to check my car.

In 1939, I entered Wesleyan University, where my father and great uncle had also gone. When Pearl Harbor was attacked, I was in my sophomore year. My good friend from China was going to Dartmouth. We decided to see if our backgrounds might qualify us for some specialized work in the service. We had an introduction to the Office of Naval Intelligence (ONI) in Washington and told them that we were born and raised in China and spoke Chinese, to which they replied that the US was not fighting the Chinese but the Japanese. However, our background made us eligible for a Japanese language course that was starting at Berkeley the next month, January 1942. We enrolled there as members of the second class of the US Navy Japanese Language School. We had such notables there as Donald Keene, Ted deBary, David Osborn, and Marion Levy, who was later head of Asian Studies at Princeton—a lot of people who went on to be leaders in Asian studies in the US. The Navy first looked for people who had been raised in Japan and spoke Japanese. They found several, including Otis Cary, who was also in my class. Except for me and a couple others, it was quite a distinguished class!

It was a year-long course and we spent the first six months at Berkeley. When the federal government decided to evacuate all Japanese from the west coast, including the Navy's Japanese language instructors, we moved to the University of Colorado in Boulder and graduated in January 1943. A few of our class went to Washington, but most went to Honolulu. A small number of us went to the South Pacific, and I joined Admiral Halsey's intelligence team in New Caledonia.

I was in the South Pacific for about three months, I guess, when there was a sudden request from the American Embassy in Chongqing. They wanted a language officer who could speak both Chinese and

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Japanese, so off I went. It took me about four months to get there from the South Pacific, but I was delighted; it was like going home. I was assigned to the American Embassy in Chongqing as assistant naval attaché.

Lynn Parisi: *Much has been written about divided opinion among American policy makers on the leadership and factions in China during the Sino-Japanese War, including Stilwell's frustration with the Guomindang war effort. Based as you were in Chongqing, do you have recollections of the environment in which American forces were working at that time in China? Did you see any of this in your own work or at the American headquarters at Chongqing?*

Houghton Freeman: In Chongqing, I lived in the naval attaché mess with about four other officers. We were just five houses up from General Stilwell's office and headquarters. Stilwell was very friendly. He would invite us down whenever he got a new movie; that is how I got to know him. About five years ago, Doreen and I became involved in renovating the Stilwell Museum in Chongqing because of that early connection.

Some of our people in Chongqing went on assignment to Yan'an and came back very impressed. Their impressions were that the people in Yan'an were actively fighting the Japanese. Meanwhile, we couldn't get anyone in the Guomindang to take much interest in doing so. This was Stilwell's problem, and he was very frustrated. Barbara Tuchman's book on Stilwell goes into the politics of this very well. There was really a lot of effort by the Americans to try to bring Chiang Kai-shek and Mao together, but it was like bringing the Shiites and Sunnis together; you couldn't do it.

I was transferred from Chongqing after a relatively short time, and was assigned to monitor Japanese military operations along the Fujian coast. My own experiences there regarding the Guomindang's reluctance to fight Japan were similar.

At that time, the Japanese controlled all the treaty ports except Fuzhou. The Min River runs through Fuzhou to the sea. Just off the coast is Sharp Island, where the Japanese had 120 marines monitoring shipping, so they didn't really need to go into Fuzhou. Fuzhou was wide open and the center of activity in "free China." I was sent down with a wireless operator to transmit reports back to Chongqing. There was a good little Allied community operating there. We joined the British Acting Consul General, Murray MacLehose, later to be governor of Hong Kong. He was also British Secret Service. Everyone down there was in the intelligence business. It was also the headquarters for Chinese Customs, Telephone and Telegraph, and the Salt Administration. An Englishman, Charles George Gordon Pearson, was head of the Salt Administration. A Dane named Kierkegaard was heading the Telephone and Telegraph, and Customs was being run by a man named Rollo Rouse.

The Japanese were all over the place, but there were wide gaps in their control. I had a network of agents up and down the coast, even a man in Shanghai and on Taiwan. None had radios, so they had to pass through the Japanese lines once a week to send me information. I traveled up and down the coast, which was quite open. Twice daily, I would relay messages on the day's activities back to Chongqing. In addition, I had been asked by the 14th Air Force, General Chenault's outfit, to send in weather reports. I had no weather equipment, no training in weather reporting, so would just look out the window and say, "sunny, partly sunny," or whatever, and put my finger out and say "wind from the southwest." Later, when I went back on a trip through Kunming, I met General Chenault, and he thanked me for the "valuable intelligence" I was sending from the coast!

While I was there, the Japanese captured the city of Wenzhou, down the coast from Shanghai, with no opposition from the Guomindang. Rollo Rouse, the English customs officer, was asked by the Inspector General in Chongqing to make a report. Rouse's report was something to the effect, "I have forgotten whether Wenzhou was captured by six Japanese on bicycles at seven a.m. or seven Japanese on bicycles at six a.m." This is just an illustration of how ineffective the Guomindang was as a fighting force. Our situation in Fuzhou became unstable after a US submarine made the mistake of sinking a Japanese medical ship. The crew and the patients made it to shore and set up there. Everybody in Fuzhou got nervous. The Guomindang had 2,500 to 3,000 troops. They could have easily dealt with this handful of Japanese, but they didn't. The Japanese became bolder as time went on, and eventually, we had to leave Fuzhou, all because of this handful of Japanese stragglers against whom the Guomindang troops seemed helpless. It was somewhat ridiculous because anyone with a machine gun could probably have saved Fuzhou—but no one did. The British ambassador Murray MacLehose used his launch to evacuate his staff and mine. We were fired upon as we headed upriver, but we assumed the shots came not from Japanese but the Guomindang. We resettled upriver in Nanping at a former American missionary compound, set up radio communications, and resumed business as usual.

We're now getting into 1945 and the war was at a stalemate in China. I was due for home leave and was asked to report to Washington. I also needed surgery on my shoulder, which I had dislocated, so the time seemed right to return.

When the war ended, I didn't have enough points to leave the Navy, so I was assigned to Shanghai with a group of Annapolis captains and an admiral responsible for transferring excess US naval vessels to the nationalist Chinese. I was the only reservist, a lieutenant, the only one who knew Shanghai, so I became their "go to guy." I remember that we stayed at the Cathay Hotel, now the Peace Hotel, and they didn't like the toilet paper. I was requested to go out to one of our naval vessels moored in the Whangpoo to get some. I was walking up the Bund with an armload, and of course ran into half my friends. I had been trying to impress them with my position, and there I was fetching toilet paper. I lost a lot of face. By the end of January, I had enough points to get out of the Navy, so I got permission to go back to Washington to be demobilized. The admiral and the captains were finishing giving our vessels to the Guomindang. Of course, six months later the communists probably had all those ships. It was a worthless exercise.

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Lynn Parisi: *Mr. Freeman, what had happened to AIU operations during the war?*

Houghton Freeman: The company reopened in Shanghai after the war. In the meantime, I had gone back to Wesleyan in September of 1946. I had studied Japanese formally for a year at the Navy language school, so Wesleyan allowed me enough credits to declare Japanese as my major. Even though it wasn't taught at Wesleyan, I became their first Japanese major. When I graduated in June 1947, Mr. Starr invited me to join AIU.

AIU sent me to London, to Lloyd's, to learn about the insurance business, and that is where I met my wife Doreen. We met at a cocktail party for English ferry pilots—the women pilots who, during the war, would take US aircraft from the factories where they were assembled in England to Royal Air Force airstrips in England. Doreen was invited as the friend of one of their ferry pilots. She was going to be proposed to that evening by a Royal Air Force chap, so we all plied him with liquor, wishing him good luck, the result being he ended up too drunk to drive Doreen home. When I called up a few days later to thank our hostess for the party, I asked whatever happened to that little blonde gal that was about to get a proposal, and the hostess said it didn't come off. So I got her phone number and asked her to dinner and the theater. We were going to double date with my friend, a tall handsome fellow. Doreen came in and naturally went straight to my friend! I said, "No, you're my date!" Well, a few months later we were married.

We were assigned almost immediately to Shanghai and arrived in June 1948. AIU was a major player in Shanghai in those days and not only insurance. We had a bank, the only English language newspaper—the *Shanghai Evening Post and Mercury*—a real estate company, and two auto companies.

Lynn Parisi: *Doing business for AIU in postwar Shanghai, you again witnessed a pivotal chapter in Chinese history. By 1948 when you returned, the communist victory in the civil war was close at hand. What were your impressions of the civil war? What was Shanghai like, prior to and immediately following the Chinese Communist Party (CCP) victory, for American businesses and individuals?*

Houghton Freeman: The communists came south towards Shanghai in spring 1949, a year after we arrived. By May, they had surrounded Shanghai. We were really looking forward to their arrival because the Guomindang were so corrupt. Inflation had become impossible—you had to carry around bags of money to do business.

Lynn Parisi: *Do you mean the company was looking forward to CCP rule or individuals were hopeful about the change?*

Houghton Freeman: The company, yes, but also as individuals we were looking forward to it. We were all disillusioned with the Guomindang. Of course, everybody was anti-communist in those days, but in the context of China at that time, we saw the communists as another entity, a chance to change things for the better given what China was like under the Guomindang. We thought it would be an improvement.

We discovered within forty-eight hours of their takeover that it wasn't going to be. Our newspaper, the *Shanghai Evening Post and Mercury*, had an editor, Randall Gould, who was stubborn. He thought he would test the new regime by running an editorial that was pretty anti-communist, and the newspaper was immediately censored. Gould refused to compromise and within two months, I think, the communists had closed the newspaper.

All the American companies had instructed families to leave Shanghai just before the communists came that spring, but Doreen was six months pregnant, refused to go, and remained with a few other women. Some people within AIU left early on—especially those who had been interned under the Japanese and who were still recovering from that experience. Our Chinese senior management all left for Hong Kong very quickly. Finally, there were four foreigners left at AIU—Doreen, myself, and two others. Other foreigners who stayed were also from companies with big stakes in Shanghai—oil companies, banks, large trading companies.

We hoped things for the insurance industry would be okay, but they weren't. It was no longer a question of what was legal in an insurance policy; things were settled with the person who had the money paying the one who did not. So, in all car accidents, the guy who had the car had the money. If two cars ran into each other, decisions were made based on who had more money. We couldn't do business like that. However, all our policies were twelve-month policies and the communists required us to stay open until the last policy expired. C.V. Starr put one person, Charles Minor, in charge of closing operations for AIU in China and advised the few of us still there to leave when we could. Business had come to a halt. Of course, Doreen and I couldn't leave because by then she was about eight months pregnant with our daughter Linda. There wasn't much for the one AIU'er and I to do but check in at the office in the mornings, then take rickshaws up to the British country club on Bubbling Well Road, have lunch, swim, then head back to the office.

In late summer 1949, we also had to deal with labor strikes at the *Shanghai Evening Post and Mercury*. Newspapers involve a lot of personnel. The laborers were making sky-high demands for payment. Gould, the editor, moved to our offices because his offices were surrounded by unfriendly employees. But all of his laborers followed and protested at our offices and "locked him in." No food; only water or Chinese tea. It was a mess for a few days—but finally settled—though, by the end, Gould was pretty much a basket case.

At AIU, our biggest obstacle was a large marine claim. We were insuring vessels going up and down the coast and up and down the Yangzi. These routes were dangerous because of the Nationalist air superiority. One ship owner bringing a cargo from Hong Kong to Shanghai refused our expensive war risk premium and took only the ordinary marine risk coverage. He got as far as Wenzhou when the ship was bombed. The ship owner then could not cover the losses or the wages, and told his crew members that, if they wanted their wages, they should see Mr. Freeman at AIU. The crew and their families came down to our offices, and this time it was our turn for long negotiations. Ultimately, we had to bring the case to the People's Court. With this claim against us, we were not allowed exit visas to leave the country.

Before the war, the Japanese had not allowed AIU into the country. We rode in on the coattails of the Occupation because the US government invited AIU to provide services there.

In September, our daughter Linda was born in the Shanghai foreign hospital, but there were few foreigners left. The communists had taken over the hospital and in true communist style, they took all the expenses for any given day and divided the amount among all patients for that day. There were three patients in the hospital for the two to three days that Doreen and Linda were there. Our share came to $10,000, which was horrendous—a lot of money in those days.

Although we were hoping to leave by a repatriation ship at the end of September 1949, when Linda was about two weeks old, we weren't optimistic about getting out because of the AIU claim at the People's Court. Then, the day before the ship was scheduled to leave, the People's Court called two of us in. We were seen by an old judge from Hunan who had been on the Long March. He was willing to let me go as long as one foreigner was staying on at AIU to settle the shipping claim, which was the case. But it was still up to him to issue me an exit permit. We were chatting and, in Chinese, he asked me, "Isn't Shanghai a wonderful city?" I said I had spent twenty years of my life in Shanghai and was very fond of it. Then he asked if there were any buildings in New York as tall as the Park Hotel. I told him that probably two-thirds of the buildings in New York were at least four times higher than the Park. He asked why the US did not treat its oppressed workers better, and I remarked that American workers at least owned their own homes and cars. We were getting nowhere. I wasn't giving him the answers he wanted, and I wanted that exit visa. So then he raised the issue of the "San K," as the Ku Klux Klan was known in Chinese propaganda. I said yes, that parts of the US did have problems with the KKK. My response made him beam—he had hit on a topic on which we could agree, so he issued our exit visas. We had less than a day to pack the apartment and our newborn daughter.

We boarded the ship the evening before. About twelve women shared one cabin, and I was in a cabin with about twenty men. Also on board were bachelors from American firms who were vacating the city. People had to leave much behind, but the bachelors brought their best booze—no one was going to leave that. The men began partying and eventually singing the nationalist anthem—the "San Min Jui." The communists on shore rushed onto the ship and told the captain that if the singing didn't stop, the ship would not be allowed to leave and the perpetrators would be detained. With this threat, the captain finally quieted them and we were allowed to leave as planned. The ship sailed to Hong Kong. The company immediately assigned me to Tokyo—and we started all over again. Japan was under occupation; things were still a bit chaotic.

Lynn Parisi: *What were the circumstances of AIU's establishment of Asian operations in Japan?*

Houghton Freeman: Before the war, the Japanese had not allowed AIU into the country. We rode in on the coattails of the Occupation because the US government invited AIU to provide services there. Our first mission was the provision of auto, life, and homeowners insurance to SCAP (Supreme Command Allied Powers) and to GIs. That is all we were allowed to do until the peace treaty in 1952.

Then, we applied for a license to go into the Japanese market. We had a long struggle to establish ourselves. We studied the Japanese insurance industry to see what they were and weren't doing, and where we could offer something better. We found that they had an inherently poor auto policy that made it mandatory for drivers to bear one third the cost of any damages. This put them in the position of having to negotiate with somebody they had just run over. We found that the newly emerging car owners in Japan didn't like this any better than we would. We introduced the standard American policy, where the insurance company negotiates all claims, and this understandably became very popular. We built a client base from which we then sold other coverage, including accident and health insurance. Japan Travel Bureau adopted AIU as its travel insurer, and then everyone bought it as part of a trip package. Japan has been our largest overseas office for many years.

Lynn Parisi: *As a major corporation in Japan during the Occupation, AIU contributed to US business policy and Japan's economic reconstruction in the 1950s. What is your overall assessment of Occupation policy in Japan?*

Houghton Freeman: I think the US occupation of Japan will go down in history as very successful, and I think MacArthur is due much credit. He was stern, and on the whole, had good advisors. SCAP certainly was a bureaucracy. We know; we had to deal with them. As businesspeople, we didn't want to go to SCAP for anything. They were dictatorial, arrogant, and difficult, but I think overall, did a good job. Of course, SCAP didn't face the internal divisions and problems we see in Iraq today. Japan was a homogenous society, and that made SCAP's work much easier.

Lynn Parisi: *At about the time you were setting up AIU in Japan, SCAP was embarking on what is termed the "reverse course"—returning leaders who had been purged from government and industry immediately after the war to positions of power. How did you view this Occupation policy at the time?*

Houghton Freeman: We hired one of those purged leaders, Sakai Suzuki, the former head of the largest Japanese insurance company—Tokio Marine and Fire. He had been purged because he was a director of the large Mitsubishi zaibatsu. You know, a war criminal becomes a war criminal when his side loses a war. I don't feel so strongly about the issue of the prime minister's visiting Yasukuni Shrine. If we had lost the war, would Bush visiting Arlington National Cemetery be controversial? It's all relative. Victors write history and name the war criminals. SCAP eventually became more pragmatic. Generally, letting surviving Japanese leaders come back helped the Occupation.

Lynn Parisi: *While in Shanghai recently, I read that AIG was the first Western company to relocate on the Bund in the 1990s. AIG's re-establishment there must have been a significant event for you personally and professionally. What was the process by which AIG was able to re-establish in China, and why was re-establishing AIG in Shanghai important?*

Houghton Freeman: AIG CEO Hank Greenberg was one of the most far-sighted executives with whom I have ever worked. In the 1970s, he wanted to get back into China, and he had political clout to help make it happen. We finally received an invitation to talk about this from the People's Insurance Company—PICC. That was 1979; it had been

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thirty years since we had been forced to leave. Six of us went to Beijing to meet with the PICC to seek a dialogue with them. These were still the very early days and Beijing was very communist, with Mao statues, Mao quotations on billboards, everyone wearing Mao jackets, and so on. I hadn't spoken Chinese in umpteen years, and I was back in the city where I was born. I remember speaking halting Chinese with our assigned driver on the way in from the airport. That was the last we saw of that driver. They thought we were getting too friendly and transferred him.

January 19, 2006, the East-West Center International Affair Dinner in Hawai`i. East-West Center Foundation President, Charles Morrison, presented Mr. Houghton "Buck" Freeman and Mrs. Doreen Freeman with the 2005 Asia Pacific Community Building Award for their dedication to strengthening the bonds of understanding among the peoples and nations of Asia and the United States.

Lynn Parisi: *AIG must have been one of the first American companies to approach the Chinese about business cooperation. What has it been like to rebuild the company, working with and through the Chinese government?*

Houghton Freeman: Our first meeting resulted in an agreement to talk to PICC again. I typed out the eventual joint venture agreement in English on a typewriter we found at the Peking Hotel. I think it may have been the first such agreement with a Chinese entity—1979. That was the beginning of AIG's return to China. Joint ventures are not the easiest thing to arrange—it was challenging. However, we still have very close relationships with the PICC, even though we eventually got our "independence" in China. I'm not sure we beat McDonald's and Kentucky Fried Chicken, but I think we might have. Of course, this didn't take a year. It took many years, with meetings in New York, Honolulu, Beijing, and Shanghai.

AIG, and particularly Hank Greenberg, developed key relationships, including one with Zhu Rong Ji, who first was the mayor of Shanghai and later went on to become China's economic czar. Zhu gave us our first license to do business in China. It was for Shanghai only, and there was some disappointment within AIG, but I said, "There are twenty million people here, that's bigger than some countries AIG operates in, and at least it's a start."

When we first received our Shanghai license, we didn't have any agents and we couldn't hire anyone before we got the license, so we reached for the moon and advertised for Chinese university graduates who spoke English. I thought we'd get about twenty replies; we had about 1,000 and hired about thirty. Some years later, we took back our former building at 17 The Bund. We felt there was sentimental value there. Of course, the Chinese would only lease the building. The communists were not the best housekeepers, and the building needed major work so, in addition to the whopping lease, AIG undertook major renovations.

Our markets in China gradually developed, first in Shanghai, then in Guangzhou and in some of the Special Economic Zones down south. We just "received" Beijing last year, and we have been adding, city by city. China is now our largest market. In fact, AIG has such a good relationship in China that other foreign insurance companies have begun to complain. Here it is important to note that we've been working at it since 1979. Patience in China usually pays off.

Business is watched very carefully in China. The Chinese government naturally is nationalistic, but we've been given a fair shake. They are strict and have many rules, but AIG operates in many different countries and is used to that situation. There is always a way around things in China.

Lynn Parisi: *What do you see as the future for US-China economic collaboration?*

Economically, China is the country to watch. China has 1.3 billion people—the foundation for a huge market that we all see emerging. The more you see, the more you realize that we had better mind our Ps and Qs, or they may have us for lunch. They are doing most of what we do. Now, they are able to build and shoot down their own satellites. That's a wake-up call. They still have lots and lots of problems, but their form of government may be better than ours for problem solving.

Lynn Parisi: *Moving to your philanthropic work, what was the impetus for creating a foundation with a strong emphasis on education about Asia? What pivotal experiences molded or informed the direction the foundation would take?*

Houghton Freeman: My father's lifelong work and interest in Asia was the impetus. And of course, I was born in China and took Doreen there in 1948. We also spent twenty years in Japan, so our lives have been in Asia. My children, too, were born and raised in Asia.

Dad and I had spoken generally about the direction the foundation would take. Dad felt that Americans didn't understand Asia, and that there was some misunderstanding of the US on the Asian side as well. That was before Asian students came to the US in great numbers. Now I think they understand us pretty well, but we still don't understand them. When you think that, before Iraq, our three major wars were all in Asia with a different Asian country each time, it's easy to see there's a disconnect. So the main purpose of the Foundation now is to teach Americans more about Asia, and, to a lesser extent, the reverse.

The Foundation began after my father's death. He died in 1992, and I retired from AIG in 1993. The timing worked so that I moved directly from AIG to starting a new foundation. Doreen, three others, and I had the founding meeting at our house in Stowe.

Lynn Parisi: *EAA readers may be most familiar with the Freeman*

We are looking more at programs where communities must also provide support. Sometimes it's as basic as hiring a teacher so that Chinese can be part of the curriculum. . . . interest is growing, and we would like to think that the Foundation is partly responsible.

Foundation's work in developing Asian studies programs and educational opportunities at the college and K-12 levels. The Freeman Foundation is also engaged in several heritage site restoration projects in China and Japan, among them the Stilwell Museum. Can you tell us something about the restoration projects and why they are important to you and the Foundation?

Houghton Freeman: About six years ago, we realized we had never been down the Yangzi and that we had better do that before it was dammed up. So we joined a Museum of Natural History tour. In Chongqing, we were the only two people who took the option of visiting the Stilwell Museum. Stilwell is far better known in Chongqing than he is in the United States, and they credit him with keeping the Japanese out of Chongqing. The museum was at his old house, which I remembered well from World War II days, but it was a mess—dirty, selling Flying Tiger t-shirts, some photos, only half open. We went to see the person in charge at the Municipal Office. He knew the museum wasn't being run well, but they had little money. I felt that Chongqing and Stilwell had been so much a part of my life that I wanted the Foundation to aid in renovating the museum, so we offered a fifty percent match.

The Municipal Government exceeded their fifty percent, building a big parking lot, a museum extension, and a monument. They found an old desk and camp cot they say were Stilwell's—but who knows? It's now a very nice municipal museum. Both Western and Chinese tours now include it. For the opening ceremony, we invited Stilwell's grandson, a retired US army colonel, and his family to attend as our guests.

We have a project similar to the Stilwell Museum in Japan—we are restoring these little Buddhist convents that the Imperial family and other leading families originated and then had to give up when state Shintō was established. They are gorgeous little places. I think there are fourteen of them. This is one of our son Graeme's special interests. One little nunnery has a gingko tree that was planted in 1492. The US is so young, we don't appreciate or even realize the long histories of other countries—it's a wonderful connection to make with students.

Lynn Parisi: *We've talked mostly about China and Japan, the two Asian countries where you spent much of your life, but I know those countries are not the only focus of your interest or the Foundation's work. Can you share with readers a little about the Foundation's work in other parts of Asia?*

Houghton Freeman: We also have had and still have some humanitarian projects. We have provided help for flood victims in Vietnam and the earthquake in Taiwan. We contributed to the tsunami recovery efforts in Thailand and Indonesia. Here, we worked through our "Freeman Scholars"—Asian undergraduates at Wesleyan—so that the aid went directly to people who needed it. We also have an ongoing cataract surgery project in China and Nepal, and a mine clearing project in Vietnam. Of course, we also have conservation projects centered in Vermont, which is our home.

Lynn Parisi: *Mr. Freeman, we have only scratched the surface of your experiences and observations related to Asia. I'd like to close with a final question that touches on your decades of work in Asia and the Freeman family's work through the Foundation. What is your goal for where Asian studies education should be in 2025, when our youngest students will begin to take on leadership roles?*

Houghton Freeman: Well, I certainly hope that Asian Studies education has expanded and that the Freeman Foundation has had some impact on making that happen. We'd like to see Asian Studies become more established in elementary and secondary schools. Do we feel like it's working? Yes. But it's a long road and change comes slowly. We have learned to be patient. We just finished a large program with eighty-four universities to expand their Asian studies. Sustainability is what we talk about, but again, we have to wait and see. Similarly, in our Wesleyan program, we now have eighty-eight Asian Studies students on campus—twenty-two per year. One of the conditions is that they must return to their own countries to use their educations on projects there. But many of these students go on for their PhDs, telling me they can do more in their home country with a PhD than they can with a BA, so we don't know clearly yet what these students will ultimately do. So, we're patient.

We are looking more at programs where communities must also provide support. Sometimes it's as basic as hiring a teacher so that Chinese can be part of the curriculum. We see that interest is growing, and we would like to think that the Foundation is partly responsible. We would also like to see other groups step up to the plate and share in supporting this goal, and slowly some of them are. The emergence of Asian countries, perhaps particularly China, as economic giants has helped focus American interest in that part of the world.

It is a bit of a puzzle to us why Americans are not more committed to learning about Asia. I think that Americans are very inward looking and too absorbed with domestic politics. As a nation, we don't seem to focus on having positive relations with other nations. We don't seem to be able to constructively engage the countries of Asia let alone the rest of the world. I think we are making headway in getting Asia taught to school kids, and are hopeful that eventually it will filter up.

Lynn Parisi: *Mr. Freeman, thank you for your time today and for your exceptional commitment to strengthening US-Asian understanding.* ■