

An Interview with Percy Chu (朱博泉)

President 1934-1935, the Rotary Club of Shanghai, China
Conference Committee Chairman, the 1st Annual Conference of the 81st District,
Rotary International



April 1936 – Percy Chu was the Conference Committee Chairman, the first Conference of the 81st District, Rotary International, held at International Club, Bubbling Well Road, Shanghai International Settlement. The Conference was convened by District Governor Dr. Chengting Thomas Wang.



Don't Look Back in Anger

《South China Morning Post》 Hong Kong Sunday 27 September 1998



1936



1998

Percy Chu has lived in interesting times. Approaching his 101st birthday, Percy Chu left the modest room he shares with his eldest daughter on an estate in Shanghai's urban sprawl, and for the first time in his remarkable life returned to what was once the Shanghai Club: sanctum of the British establishment in China before World War II.

The last time Percy had entered the Club was in 1935---and he caused a scandal. The only Chinese permitted to enter the white marble temple of privilege were servants, but Percy had been invited by one of the most popular businessmen in town to dine there.

“He told me it didn’t matter, that he would welcome me at the entrance and escort me to our dining room, so I went,” says Percy.

If the British establishment expected him to be awe-struck they were widely mistaken.

In the 1920s, Percy had returned to Shanghai from university in the United States determined not to wear western-style clothing. When he mounted the stairs of the Shanghai Club to its domed lobby he was dressed from head to foot in splendid Chinese robes. With his host at his side, he strode past the Long Bar and its taipans and took a lift to a private dining room on the upper floor. The taipans were silent.

More than half a century later, Percy looks around at the dirty, chipped marble, the cheap fairy lights and the peeling paint, and sniffs at the odour of frying oil permeating the building.

“We used to call this the great British club,” Percy recalls. “Now look at it; they’re selling Kentucky chicken in the Long Bar.” Percy Chu, who will be 101 on Friday, is a living part of Shanghai’s tumultuous history. Born in Hangzhou in 1897, at the time of the boy emperor Pu Chi, he left for the United States in 1919 to study economics in New York, returning to become one of China’s most powerful bankers. Percy established the first Chinese foreign exchange, China’s first federal reserve board and the country’s first clearing house, and became protector and supremo of Shanghai’s banking industry during the Japanese occupation.

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Percy was also a dedicated educationalist, establishing the first night college for professional workers in China, and later becoming president of the University of Shanghai.

In World War II Percy was jailed by China’s pro-Japanese Won Government; after the War he was jailed by Chiang Kai-Shek’s Kuomintang Nationalist regime, and his houses were seized. When the communists took power, Percy was condemned to 18 years’ manual labour in a cotton mill as an ‘anti-revolutionary’, and locked up in a labour camp during the Cultural Revolution of 1966 to 1976.

From the arrival of the Red Army in Shanghai in 1949 to the mid-1980s, he was forbidden to speak English. He clung to one word, the name he chose for himself in his youth: Percy.

Even when speaking in Putonghua, Percy habitually refers to himself by his chosen name, rather than his Chinese name, Zhu Bo-Quan. One doubts whether even the Red Guards could prevent it. Whatever they did to him physically, they could not dull the sharp edge of his intellect. Percy apologizes that 40 years of neglect has shrunk his English vocabulary, but he is being modest. At 100, Percy converses in English with wit and incisiveness.

His handshake is strong and his hands large and dry, although Percy is slight, and little more than 1.5 metres tall. When he stands upright he leans to the left---a result of the years he spent pushing a broom around a courtyard at the cotton mill. Percy prefers not to dwell on that period, recalling instead the pleasures of a more distant past.

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He recalls that when he was 10, his father decided he should study English.

“He was quite particular,” says Percy. “He said if I was to learn English I must study with foreign boys. The rule was the schools for foreign children did not accept Chinese pupils; but eventually, friends who knew the head of the Municipal Council in Shanghai’s International Settlement arranged for me to go to the school ... but with conditions. The first was that I cut off my queue. Then I had to wear foreign clothing, with short pants.” Six years later, in 1915, Percy entered the University of Shanghai, graduating in 1919 with a business administration degree. He worked in a Chinese bank for six months before leaving to study in the U.S.

“I was interested in the foreign exchange [aspect of banking], which had been based in London until after World War I, when it gradually moved to New York,” he recalls. “I went to America on the first steamer to cross the Pacific from Shanghai after the War; it had been chartered by an education fund to help Chinese students get to America to study.” Percy enrolled at Columbia University in New York, studying banking as part of an economics course; but he stayed on campus for only a year because his father insisted Percy gained practical experience in the trade. Percy’s guanxi, or connections, came into play.

Shanghai’s First National City Bank was owned by a prominent Baptist family with links to the richest member of the Baptist Church in the U.S. the legendary millionaire J. D. Rockefeller. He was also the largest shareholder in the First National City Bank in New York. Percy landed a job at First National and became an avid student of the workings of the banking fraternity.

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“When I returned to Shanghai I established the first night college in China, based on what I had seen in America,” Percy says. “By day I worked at the First National City Bank in New York, but at night I studied at New York University. I decided to introduce a night school in Shanghai because Chinese business and banks did not engage staff with an education above high school. My aim was to improve the standard of education for people working in business houses.” Back in Shanghai, Percy worked at Chek Kiang Industrial Bank, where he set up the first foreign exchange department in a Chinese-owned Shanghai bank, later becoming the bank manager. Outside, other radical changes were taking place. By 1936, the Kuomintang had subdued the warlords who controlled most of the southern China in the last years of imperial rule. When the Kuomintang decided to establish the Central Chinese Bank eight years after Percy returned to Shanghai, locating its offices on the Bund, he was invited to become its chief auditor.

The Kuomintang, lacking the skills to handle Shanghai’s highly sophisticated financial industry, preferred to invite established bankers to run the economy. But five years later, the Government ruled that high-ranking bank officials had to become members of the Kuomintang.

“I refused to become a party member, so I resigned,” says Percy. But timing, and guanxi, came to Percy’s assistance again. While the Kuomintang was politicizing the Central Bank, Shanghai’s most powerful independent financial chiefs established a group that would be based on their combined resources, and free them from reliance on the support of the Central Bank. Percy

suggested the Shanghai Bankers' Reserve Board, based on the American model, and became its manager.

"A year later I established the first clearing house in China," says Percy, adding modestly, "My career was really quite a success." On our tour of the city, Percy steps enthusiastically between the grey, granite pillars at the door of the Board's headquarters on Hong Kong Road, heads through the derelict lobby and makes for his former office. But an insurmountable obstacle course of broken boxes and old furniture lies between Percy and his lair. With a shrug of regret, he turns and walks slowly back outside.

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Percy, having married in 1931, says the years from 1932 to 1937 were the best of his life. "Shanghai was booming. This was the time when the country was at its most peaceful---especially in the south," he says. It was also in this period that Percy bought his first family home: one of 12 houses in a compound owned by senior managers from the Bank of China, the Bank of Communications and other financial institutions. For all the audacity that has characterized Percy's public persona, his family life remains closely guarded. He declines to talk about the four women who have shared it: his wife, Chiang Tong-Chi, and daughters Jane, 76, Alice, 67 and Mary, 64.

Percy's bride came from a distinguished Shanghai banking family, and the match was considered highly appropriate. Percy's daughters say their family life was happy and peaceful. The family stuck together when they were thrown onto the street by the Kuomintang in 1945, and was forced to move several times in the following years. But it stayed together, even during Percy's periods in jail. It was family broken up in 1981, when Chiang, 80, died from an unidentified disease.

Jane, who never married, became a school teacher; Alice remains chief nurse at a Chungking hospital, and Mary too became a school teacher.

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During this 'boom' period Percy became the youngest man ever elected a Rotary International organization president, running the Shanghai branch in 1934 and 1935. This association was to prove pivotal: his Rotary connections helped Percy to positions of enormous power and influence--but also led, inadvertently, to his imprisonment, the confiscation of his riches and his condemnation by the Kuomintang as an 'economic traitor'. Yet it was Rotary, decades later, that 'rediscovered' Percy and reintroduced him to the international set he had relished during his career.

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He recalls the excitement and glamour of Shanghai when it was described as the 'Paris of the East'; when everyone was desperate for the French cuisine at the Park Hotel on Nanking Road; when

spectacular department stores like Wing On and Sincere were built; and when immigrant Russian ‘countesses’, imperious tai tais and herds of European ‘sports’ met for tiffin under the Lalique chandeliers of the Cathay Hotel.

The city was also famed for its magnificent, if disreputable, dance halls, including the spectacular Marble Hall designed by Sir Victor Sassoon from his penthouse in the Cathay Hotel and erected near the Shanghai racecourse. The halls were thronged by lounge lizards and the ‘flaming youth’ of Shanghai, madly downing cocktails and doing the latest dances.

“I don’t dance ... I never learned to,” says Percy. “Most of the Chinese customers of the dance halls were students who had returned after the war. I preferred to spend my evening, after dinner, at the Peking opera. I was a member of a Peking opera singing club in Shanghai and actually performed in an opera once.” Percy also remembers another side of old Shanghai, with its jumbled, loud and lively International Settlement, and its elegant French Concession.

“The spring and autumn racing seasons were the pinnacles of social life in the foreign settlement,” he says. “We Chinese were only allowed to enter the part of the racecourse where the gambling took place, so a lot of spectators stood along the creek outside the course. Some even built their own stands outside the course where they could see over the fence.” He recalls that in later years there was much more contact, and friendship, between foreigners and Chinese. Percy was invited to become a member of the American Club in 1938, and found Americans generally more sociable and likeable than the British, French and other nationalities. The career-minded Percy, however, had little time for society, even though he frequently made appearances at two or three dinner parties or other social events in the course of an evening. The only meals he ever had at home were tiffin and dinner on Sundays.

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The frenetic nature of his business life is evident from a ‘statement of account’ Percy wrote at the time listing his activities. It shows he was director, president, general manager or manager of 108 organizations.

“My life was full of activities.” He says simply. These also included ownership of a cinema chain that distributed and showed films from studios like MGM, United Artists, Republic Films and 20th Century Fox in five houses in Shanghai from 1936---until Pearl Harbor was bombed by the Japanese in 1941 and the final credits rolled.

The social life of Percy enjoyed most was based on his membership of the Rotary Club. “I think I am the only person alive who actually met Paul Harris, the founder of Rotary International,” says Percy, remembering the first Rotarian as ‘a very happy chap’.

But Percy remained unimpressed by his brief encounter with the Shanghai Club in 1935.

“It had the longest bar in the world---30 metres,” he said. “I looked inside the Long Bar room on my way to dinner at the Club---but since I don’t drink it didn’t interest me. It was nothing special: just a long bar with a lot of stools; all the taipans standing near the windows at one end, and all the griffins [underlings] at the other.” But the episode was enough to motivate Percy and his

banking colleagues to establish their own version of the Club, which they set up on two floors of the Bankers' Board building.

"I did not resent the fact that I could never been made a member of the Shanghai Club." He says. "I didn't care. Most foreigners had their own clubs---the Japanese, Americans, Russians---and all were restricted to their own citizens. The Shanghai Club was a purely British establishment with some eccentric individuals ... but they were proud of it." One Englishman named Lester, having made a fortune in his youth, lived in rooms at the Club for about 30 years. He founded the Lester Academy of Science and built the Lester Public Hospital, now known as the China Eastern Hospital.

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But his was a way of life quickly coming to an end. When World War II began, the Kuomintang moved from Nanking to Chungking, but also uprooted three of Shanghai's leading banks---the Central Bank, the Bank of China and the Bank of Communications---to take with them. At the same time, Chinese from the provinces around Shanghai moved into the city to seek safety in the International Settlement, sending property prices soaring.

When war with the Japanese began, those foreigners who didn't flee to Hong Kong or further afield found themselves in internment camps. Shanghai's economic life threatened to collapse, and China's pro-Japanese Nationalist Won Government tried to force Percy to lead a new financial institution to restore order. He refused, and was jailed for a month.

Rotary came to the rescue. "We had three Japanese members in Rotary; one was the vice-consul another the commercial attaché and the third a member of Mitsui & Company," says Percy. "They were friendly with me. When the Japanese army arrived in Shanghai a meeting with the Won Government took place. I was called in and again told I had to help maintain business activity in the city. This time I agreed. They handed whatever was left of the Shanghai banking establishment over to my clearing house to manage, and it stayed that way during the Japanese occupation.

"I was told to form a general committee of Chinese banks. I was told I had to be included as a result of my Rotary connections." Percy says that for Chinese living in the former International Settlement and French Concession during the war with Japan, conditions remained 'quite normal, without much disturbance'. He says, "Life, society and culture went on as usual. But we knew terrible things like the Nanking incident had taken place when many people were killed---and that the foreigners were suffering in concentration camps." Percy's passion for education involved him in another project during the Japanese occupation. He was aware that, as an establishment funded by the Americans, the University of Shanghai was in danger of being closed. Wearing yet another of his hats---President of the Association of Institutions in the Municipality of Shanghai---Percy called a meeting of city officials to explain why the University had to survive and to work out how it could be saved. His solution proved simple. They gave it a Chinese name so the Japanese would not interfere. Percy was named university president in 1942, and remained in the job until 1945.

When the Kuomintang re-established itself in Shanghai after the war, people like Percy, whom they regarded as collaborators with the pro-Japanese Won Administration, were targeted. He was kidnapped by government agents and sentenced to two years in Ti Lan Bridge Prison. At the end of his term the government demanded from Percy a 'freedom bond' for his release, which he could not pay. This earned him a further three months behind bars. Finally free, he set about helping those students who had been studying in the United States and who were returning to Shanghai armed with new skills and new ideas. Percy became honorary treasurer of a committee responsible for administering a fund to help the student.

But Percy had left prison to find both his homes had been confiscated, his other house, a mansion on Avenue Joffre, have become the official residence of Soong Ching-Ling, wife of Sun Yat-Sen, later to be reversed by the Communist Party. The house, maintained today by the Chinese Government, has a vast garden with sweeping lawns. It was built for a German riverboat captain who worked on the upper reaches of the Yangtze, and in recognition of the owner's occupation the architect designed it to include a wide, first-floor verandah, serving as a 'bridge', and made the chimney stacks reminiscent of funnels.

When Percy and I visited the home he told me the Kuomintang 'considered that by carrying on with a business-as-usual attitude for the good of the people during the occupation, I had become an 'economic traitor'. This was despite the vice-president of the Kuomintang's writing to him and praising his work.

"They ignored all that. I was taken to court and sentenced to two years in jail. Both my houses, my money and investments were confiscated---they even took my children's clothing." It was the closest I heard Percy come to bitterness.

He insisted he never wanted to live in the house again. "I wouldn't even be able to pay the gardeners' salary," he joked. But Percy glowed as he told me how he used to eat breakfast looking out over the garden; and how he had even asked the current landlords, who run the house as a museum devoted to Soong, to ban visitors from the first floor because, he felt, the constant procession was weakening the structure. The first floor is now closed.

Percy's original family home---also confiscated by the Kuomintang for a staff headquarters for the nearby military hospital---is now a dormitory for workers at that hospital. Percy and I, accompanied by Jane and Alice, visited his house too, at the invitation of the hospital workers. Percy was touched to see his old bedroom; to see the original chandelier and his private bathroom, still intact.

"They never repaid the cost to me," he whispered. "They said to me, 'War is War'." Percy insisted he did not want to return to this house either. His daughters chorused agreement, even in the excitement of seeing their old nursery for the first time in decades. But Jane admitted it was

not the first time, since she was a child, that she had seen the house. “I come here often,” she said shyly, “Just to look at it.” Shanghai eventually fell to Mao, but Percy says the period immediately after the ‘liberation’, which it is still called, saw little change. “The communists’ interests seemed to be at a high level; there was no disturbance here with the people,” Percy adds. “Instead of being a banker, I then became an industrialist. I was invited by the second largest cotton producer in China---the Wing On Group---to replace their finance manager, who had left to return to Hong Kong. I worked there from 1953 to 1956, when the company was nationalized.” That meant another twist in Percy’s tale: when the Government formed a general office to control its nationalized industries, Percy was appointed vice-chairman of the business committee.

“I had become a ‘leftist’ by 1957,” he says with a touch of dark humour. “Then in the late 1950s they [the Communists] started their political movements. One after another they came. People became very timid ... afraid to talk.” No wonder, since Shanghai produced some of the worst excesses of the Cultural Revolution. Even now, Percy seems unhappy discussing his treatment at the hands of the Red Guards, and refers to the book *Life and Death In Shanghai* by Nien Cheng, describing it as ‘an example of what happened to millions of citizens, including me’.

In 1959, during one of the purges aimed at those ‘bourgeois leanings’, Percy’s involvement with the Kuomintang was discovered and he was denounced as an ‘anti-revolutionist’. “As I had once worked in the cotton industry in management, they decided I would go to a cotton mill to receive ‘education’ in manual labour,” he says. “It lasted for 21 years, and took in the entire Cultural Revolution. That was a very bad time, including a month in 1968 when I was locked up in a labour camp.”

“For 40 solid years I didn’t speak a single word of English---after the Liberation, when speaking a foreign language was discouraged, and from 1955, when I was denounced. I was absolutely forbidden to speak English.” For the first three years of his ‘reform through labour’ at the mill, Percy carried empty bobbins to and from the machines. So much for his years in banking and economics.

“After three years they considered I was getting a little old and the work too heavy for me. I then became a cleaner, sweeping the courtyard of the mill---100 metres square---which had to be cleaned once a day. It occupied almost all my time for another 18 years.” Surreptitiously, high-level Party cadres visited Percy at the mill to discuss complex trading and financial issues. They took notes while he was forced to keep sweeping, lest anyone at the mill thought Percy was being treated with anything approaching respect. He adds, “In the last three years at the mill they added the role of odd-job man to my sweeping, making me clean the lavatories and do things like handing out umbrellas when it rained.” In 1978, at 81, Percy was finally freed from his period of ‘education’. Didn’t it drive him to despair? “We have a proverb in Chinese,” he says. “After you have rain, you will see the sun. I never despaired.” Percy does not despair today, even though he doesn’t agree with everything happening in Shanghai. “If they carry on with the current rate of construction they will risk forcing Shanghai to become a child made to run before they can walk,” Percy counsels. “It is inevitable he will fall down. Yet all the investment in real estate here is being praised as ‘concrete confidence’ in Shanghai, a testimony to what the developers have achieved.

“A lot of money has been spent on hundreds of new buildings, but at least 50 per cent of new office space is empty. How much money have they lost? Nevertheless, Shanghai will expand and China will continue to grow. I am optimistic. If foreign business people and industrialists were not optimistic about China, why would they bother coming here? Companies like General Motors and Ford are here. Twenty-two of the biggest companies in the *Fortune Magazine* Top 500 List are now operating in China.” Percy adds, “Since I was born, China has never been more peaceful than now. That is a marvelous condition. And I believe it will continue.” Is Percy now enjoying a peaceful retirement? Hardly. At our final meeting, in the modest but immaculately maintained room he and daughter Jane share, Percy hands me his business card. It reads: Shanghai Chamber of Commerce, Percy Chu Senior Advisor. “Today I hold six advisory positions,” Percy says. “My principle occupation is in finance and banking. My second area of interest is education.” How does he do it? “People always ask me, ‘How have you lived so long?’” he says. “I answer, ‘It is very simple. I never angry and I never worry. That’s all.’”





He takes the cake—
With energy that belies his venerable age, Percy Chu (Zhu Bo Quan) cuts the cake commemorating his 100th birthday. More than 150 Rotarians and guests gathered in a Beijing, China, hotel to celebrate the milestone. Percy, who now lives in Beijing, was president of the Rotary Club of Shanghai, China, in 1934-35. A group of international Rotarians who work in Beijing—and meet informally every Tuesday for lunch in the China World Hotel—hosted the grand event. Inset: Rotarian Hermann G. Heid of Hong Kong gives Percy the pin signifying Paul Harris Fellow Recognition, conferred upon the centenarian by the Rotary Club of Perth, W.A., Australia.