

150 Years of Oriental Studies at Ca' Foscari

edited by Laura De Giorgi and Federico Greselin

Alberto De' Stefani: from Ca' Foscari to China

Laura De Giorgi
(Università Ca' Foscari Venezia, Italia)

Guido Samarani
(Università Ca' Foscari Venezia, Italia)

Abstract Alberto De' Stefani (1879-1969), one of the most important Italian economists, studied and taught in Ca' Foscari until he moved to Rome in 1922. Among his personal achievements, it is worth remembering his mission to Republican China in 1937. This essay first looks at De' Stefani's connection with Ca' Foscari and then it gives an account of his trip to Republican China in the context of the history of Sino-Italian relations in that period, aiming at offering some new insights on this important figure in the history of Ca' Foscari University.

Summary 1 Introduction. –2 De' Stefani at Ca' Foscari. – 3 De' Stefani's Career in Ca' Foscari's Sources. – 4 De' Stefani's Mission to Republican China. –5 Conclusions.

Keywords Alberto De' Stefani. China. Ca' Foscari Alumni. Relations between Italy and Republican China. Chiang Kai-shek.

1 Introduction

Alberto De' Stefani (1879-1969) has been one of the most well known *alumni* of Ca' Foscari University. His career as an economist and as a politician took him to the highest level of both the Italian government and academia in the '20s and '30s. Among his life's achievements it is often forgotten that in 1937 he has also been an economical and financial adviser of Chiang Kai-shek, the leader of the Republic of China. His mission to China, though shortened because of the outbreak of the war between China and Japan, was a relevant event in the history of Sino-Italian relations (Samarani 1993). Nevertheless, it is still quite unnoticed in the history of Ca' Foscari University, in spite of the fact that, as far as it is known, De' Stefani has been the first and, for a long time, the only *alumnus* – and ex-professor – of Ca' Foscari to have gone to China in an official vest, and this occurred in a period that was crucial for the relations between the two countries (Samarani, De Giorgi 2011).

2 De' Stefani at Ca' Foscari

Alberto De' Stefani was educated in economics in the regions of Padua, Venice, Verona and Vicenza under the supervision of some of the most prestigious figures in the field of Italian economics of the late nineteenth and early twentieth century, such as Angelo Messedaglia, Luigi Luzzatti and Giuseppe Toniolo.

He enrolled at Ca' Foscari when this was the already well-known Scueola Superiore di Commercio (High School of Commerce), in early 1900s. We do not know much about De' Stefani's life as a student here. He is remembered by an old schoolmate in 1941 in a short notice written in the *Bollettino dell'Associazione degli Antichi Studenti* (the newsletter of the Association that gathered Ca' Foscari alumni) as someone "in constant meditation, measuring the University courtyard by large steps" (*Bollettino* 143-4, 1941, 38-9).

In March 1902 he passed the final examinations for the Degree in Commerce (Diploma Commerciale) at Ca' Foscari, with a score of 99/120 (*Bollettino* 10, 1902, 31). At that time he was also enrolled at Padua University, where he graduated in Law in 1903. His thesis was published as a book, *Teoria del Commercio Internazionale* (De' Stefani 1903), in Verona in the same year (Marcoaldi 1991).

In the following years De' Stefani worked in Vicenza and later moved to Padua, but still he often attended the general meetings of the *Associazione*. But it was only after the Great War, in Autumn 1918, that the relationship between De Stefani and Ca' Foscari became tighter, as he was invited to teach Political Economy and held also the chair in Finance (*Bollettino* 67, 1918, 24).

During the following three years De' Stefani taught these fundamental courses, supervising also some theses. At last, in April 1921 he became a Full Professor of Political Economy.¹ Actually, according to the list of selected scholars for the position of Full Professor, the first one was Luigi Amoroso (1886-1965), who chose to be the chair of Political Economy at the new High School of Commerce in Naples. De' Stefani, who was second in the list, was appointed Professor here (*Bollettino* 74, 1921, 12-13). In the same period he had begun his political career, becoming also an early member of the Italian Fascist Movement (Marcoaldi 1991) and in June 1921 he was elected to the Italian Parliament (*Bollettino* 75, 1921, 13; Camera dei deputati, "Alberto Dè Stefani").

Few months later his election, in 1922 he was chosen as Minister of Finance by Mussolini; after few months he headed the unified Finance and Treasury Ministry, because the Minister of Treasury Vincenzo Tangorra

1 Venezia, Archivio Storico Ca' Foscari (ASCF) Serie docenti, v. 4, 25-26, 67-68.

had suddenly died. His appointment as a Minister was actually greeted by his colleagues and all the members of the Association *Antichi Studenti* with much pride.

The political newspapers, in offering some biographical information about Alberto De Stefani, the new Minister of Finance, recalled that he is a Full Professor of Political economy at our school. But he also belongs to the numerous group of Ca' Foscari's *alumni*, since, in addition to studying in the Faculty of Law at the University of Padua, he also studied here in our Section of Commerce. To the illustrious economist and dearest consociate, the President sent his best congratulations and fervent wishes. (*Bollettino* 78, 1922, 15) [Translated from Italian]

Actually De' Stefani's leave caused some initial difficulties. He had been invited to give the *lectio magistralis* for the beginning of the Academic Year 1922-23, but due to his institutional duties in Rome, he had to renounce, and was substituted by Professor Gino Luzzato (*Bollettino* 79, 1922-23, 8). As for what concerned his teaching, he was replaced by his colleagues Alfonso De Pietro Tonelli and by Marco Fanno (*Bollettino* 79, 1922-23, 9), though he still officially maintained the position (*Annuario* 1923, 19-20). Quite interestingly, De' Stefani appointed one consociate of the Association, the economist Raffaele Gangemi, in charge of the Press Office of the Ministry of Finance (*Bollettino* 80, 1923, 45).

3 De' Stefani's Career in Ca' Foscari's Sources

De' Stefani's position as a Minister was certainly considered by the Association of Alumni with pride, but most of the attention on him was given to his intellectual efforts and to the acknowledgments he received in the academic world. In 1923, for example, the news of the honorary degree he was awarded at the University of Ferrara was reported as well as a strong appreciation about his initiative to promote the publication of a catalogue of all books and reports edited by the Italian State (*Bollettino* 81, 1923, 26, 34-5).

In Spring 1925, De' Stefani was forced to resign from his appointment due to conflicts with Italian entrepreneurial circles and with Mussolini himself, which sharpened after the murder of socialist leader Giacomo Matteotti in June 1924 by a fascist hand. He was soon invited to teach at the newly inaugurated Faculty of Political Science of the University of Rome. The events were not commented in the *Bollettino* until 1926, when the *alumni* expressed their support to their old schoolmate by the way of Pietro Rigobon, the President.

The *alumni* of the High School of Venice expressed their satisfaction over the rise of Alberto De' Stefani in the academic field and over his appointment to the illustrious chair of this Institute where he had been a very worthy student. After he was appointed as Minister, they followed with admiration his pure and wise work, which designed the financial organization of the State. They greeted with sympathy the simplicity with which he left the Government and returned to teaching. With regret, they received the news that family reasons and public offices had taken him away from the our school and led to accept the chair and the presidency of the School of Political and Social Sciences in the University of Rome. Proud to have Alberto De' Stefani in their ranks, the *alumni* will follow, wherever it takes place, his work, guided by his clever mind and noble intentions. Offering their affectionate and devoted greetings, they express their best wishes to him and his dearest ones. (*Bollettino* 88, 1925-26, 43) [Translated from Italian]

During the following years, De' Stefani's primary commitments were teaching and research. Even though he was invited to join the Grand Council of Fascism in 1932,² this did not mitigate his contrasts with numerous sectors of the regime, which were critical of his sympathy toward England and his reservations about racial policy (Viviani 2006, 1: 300-3; Marcoaldi 1986; Toniolo 1980).

4 De' Stefani's Mission to Republican China

It is within this context that the possibility of De' Stefani's appointment as adviser to the Government of China, whose main purpose was to contribute towards the reform and restructure of the administrative, economic and financial apparatus, became a reality in the latter part of 1936.

De' Stefani's name was likely proposed to Nanjing by Hjalmar Schacht.³ As William C. Kirby points out:

The new German position in China was forged by a confluence of interests between the Reichswehr, leading German industrial firms [...] and, after 1933, the economic policy of Hjalmar Schacht. Together, these elements formed a German 'China lobby' that set a course for Sino-German rela-

2 The Grand Council of Fascism (Gran Consiglio del Fascismo) became the main body of Mussolini's fascist government. It was created in late 1922 and became a state body in 1928.

3 Hjalmar Schacht (1877-1970) had been President of the Reichs Bank under Dawes Plan (1924-30); at that time (1934-37) he was Reichsminister of Economy.

tions quite different from that envisaged first by the German Foreign Ministry and later by the Nationalist Socialist leadership. (Kirby 1984, 256)

Moreover, De' Stefani contributed to the popularization of Schacht's thought in Italy, writing, among other things, the preface to the Italian translation of some of his works (among these cf. Schacht 1949).

De' Stefani's mission should have lasted one year, from early 1937 to the end of that year: however, given the critical situation in China marked by the civil war and the Japanese aggression, his mission began in March 1937 and ended prematurely in the summer of that same year, soon after the outbreak of the Sino-Japanese War.

During the first part of his mission in China, De' Stefani visited various Chinese provinces and met several governors, mayors and representatives of the industrial and commercial circles. On these occasions, he delivered a series of speeches that focused in particular on the importance of national reconstruction and unification. While in Nanjing, he spent most of his time studying the situation and discussing his ideas on the commencement of a series of projects regarding the reform of the economic and financial systems with members of the government, army and economic circles.

In July 1937, he was invited to attend a series of summit meetings in Lushan at the request of Chiang Kai-shek himself, following the serious political situation that arose after the Chinese leader's kidnapping by some Nationalist generals in Xi'an at the end of 1936. De' Stefani was accorded the opportunity to present to Chiang and several top country leaders a set of suggestions and plans involving, among other things, the reform of China's fiscal system and the approval of a National Mobilization Act. After the beginning of the Japanese attack, he was sent to Shanghai to work, together with Song Ziwen (*aka* T.V. Soong, 1894-1971),⁴ on defining a plan for stabilising the national currency and public finance. He remained there until the middle of August: he left Shanghai and via Hong Kong went back to Italy accompanied by Jiang Baili, as a personal representative of Chiang Kai-shek, and Dr. Xue Guangqian, as his counsellor. De' Stefani had first met Jiang Baili (*aka* Jiang Fangzhen, 1882-1938), a brilliant Chinese general and strategist, in September 1935, when Jiang was sent to Rome during a mission study; as for Xue (*aka* Paul K.T. Sih, 1910-?), this was a young attaché at the Chinese embassy in Rome and soon became a pupil of De' Stefani's at the Faculty of Political Science.⁵

4 Song Ziwen was one of the most prominent personality of the Chinese government and the Chinese Nationalist Party. At that time, he mainly worked to raise fundings in order to sustain the war with Japan and also began to cultivate support for China in the United States.

5 Roma, Archivio storico della Banca d'Italia, Fondo Alberto De' Stefani (ADS), Dossier, 16/10, 708 10.

Actually, besides the mission's specific objectives, prior to his departure, De' Stefani had the chance to receive general indications about the broadest political meaning of the mission by Galeazzo Ciano⁶ and Mussolini himself. In particular, though Ciano had not concealed Italy's increasingly strengthening relations with Japan, he had denied any Italian intention to recognise Manzhouguo. In his turn, the Duce pointed out the need for Italy to actively support some kind of agreement between China and Japan.⁷

As a matter of fact, Alberto De' Stefani found himself cooperating with Nanjing in a very difficult phase of Sino-Italian relations. This notwithstanding, until his departure from China, as well as during the years following his return to Italy, he remained convinced that a positive and friendly collaboration between Italy and China was both necessary and possible.

When Chiang Kai-shek, during the leave-taking meeting which took place in Lushan on 17 July 1937, asked him about Mussolini's attitude towards the Sino-Japanese conflict,⁸ De' Stefani pointed out that before his (De' Stefani's) leaving for China, the Duce had explicitly proclaimed to him Italy's interest in the triumph of a strong and independent China.

Furthermore, De' Stefani added:

As for my opinion, I love China as I do my own country and I will say this from the bottom of my heart. China is now at the period of her reconstruction, any things that hinders her reconstruction shall be forborne, if not infringing her sovereignty, so that the reconstruction can be completed.⁹

After returning to Italy, De' Stefani strove to keep alive the feeble hopes of the ability of Italy and China to maintain a friendly relationship, carrying on a mediation attempt in close accordance with Jiang Baili during the autumn of 1937.

On that occasion, De' Stefani and Jiang Baili agreed upon a draft proposal to be submitted to the attention of Ciano that envisaged the Chinese recognition of Italian sovereignty over Ethiopia and the Italian commitment to sustaining the principle of the self-determination of the Chinese people. Thus, it was intended in particular to reassure Chiang Kai-shek

6 Galeazzo Ciano became Minister of Foreign Affairs in June 1936. He had already been in China in the early '30s, carrying out an activity deemed very precious in order to cement the friendship and the collaboration between China and Italy.

7 Roma, Archivio storico della Banca d'Italia, ADS, Dossier, 16, 11 18; 16/2, 116.

8 The political significance of the conversation appears evident considering the fact that, just a few days earlier (7 July), the so-called Marco Polo Bridge (Lugouqiao) Incident had occurred, which would mark the beginning of the Japanese aggression that led to war with China.

9 Roma, Archivio storico della Banca d'Italia, ASD, Dossier 18/1, 12 14: quot. 13 (in English in the original text).

that the recognition of the Italian invasion of Ethiopia had nothing to do with the recognition of the Japanese invasion of China.

Nevertheless, it is known that this project soon failed due to the Japanese intransigence as well as the uncertainty and ambiguity of the European positions, especially that of Great Britain, which should have played the important role of mediator.¹⁰

But, in spite of this failure, De' Stefani kept, though not so explicitly, a sympathetic attitude towards China, and especially towards Chiang Kai-shek, something that was at odds with Italian philo-Japanese policy (Samarani 1993, 309).

5 Conclusions

Considering the national political climate and its influence in Ca' Foscari, it is not surprising that small echo of De Stefani's experience in China was recorded by his old schoolmates and colleagues. Except for a later short annotation of his appointment as High Advisor of the Chinese Government (*Bollettino* 117, 1973, 35), no specific mention was made to his mission to China in Ca' Foscari's sources. As a matter of fact, at that time Ca' Foscari University's connections with China were mostly occasional. The only relevant event occurred in January 1933 - in the golden era of Sino-Italian relations - when the Chinese Educational Mission to Europe was received with all honours by the Rector, as required by the Italian Ministry of Education (*Bollettino* 107-108, 1933-34, 12).¹¹ Nevertheless, its subsequent impact on the development of Ca' Foscari relations to China was insignificant.

So it is even more important to recall De' Stefani's unique experience in Republican China, as he remained greatly appreciated by the highest Chinese authorities even when Sino-Italian relations became difficult. De' Stefani was proud of this. As *alumnus* of Ca' Foscari, he insisted on mentioning his official entitlement as economic adviser by Chinese government as a personal merit worthy, more than other, to be signalled to his old schoolmates (see for example *Bollettino* Nuova Serie 2, 1957, 55).

10 Roma, Archivio storico della Banca d'Italia, ADS, Dossier 16/4 5, 887 89; 16/4 216 19.

11 Si veda anche Venezia, ASCF. Verballi Consiglio di Amministrazione, Gennaio 22, 1933.

Yearbooks and Bulletins

- Annuario* 1922-23 = R. Istituto di Scienze Economiche e Commerciali di Venezia (1923). *Annuario*. URL <http://phaidra.cab.unipd.it/o:59176>.
Bollettino 1899-1971 = Associazione degli antichi studenti della R. Scuola superiore di commercio di Venezia. *Bollettino*. URL <http://phaidra.cab.unipd.it/o:48371>.

Bibliography

- Camera dei deputati (a cura di). s.v. "Alberto Dè Stefani" [online]. *Camera dei deputati, Portale storico*. URL <http://storia.camera.it/deputato/alberto-de-stefani-18791006/leg-regno-XXVI> (2018-07-10).
- De' Stefani, Alberto (1903). *Teoria del commercio internazionale. Problemi fondamentali*. Verona: Tipografia editrice "A. Manuzio".
- Kirby, William C. (1984). *Germany and Republican China*. Stanford: Stanford University Press.
- Marcoaldi, Franco (1986). *Vent'anni di economia e politica. Le carte De' Stefani 1922-1941*. Milano: Franco Angeli.
- Marcoaldi, Franco (1991). s.v. "Alberto De Stefani" [online]. *Dizionario Biografico degli Italiani*. URL http://www.treccani.it/enciclopedia/alberto-de-stefani_%28Dizionario-Biografico%29/ (2018-07-10).
- Samarani Guido; De Giorgi Laura (2011). *Lontane, vicine. Cina e Italia nel Novecento*. Roma: Carrocci.
- Samarani, Guido (1993). "Alberto De' Stefani and Sino-Italian Relations Just Before the Second World War". *East and West*, 43(1-4), 301-10.
- Schacht, Hjalmar (1949). *Mehr Gold, Mehr Kapital, Mehr Arbeit*. Schloss Blekede/Elbe: Otto Meissners Verlag. It. transl.: *Oro per l'Europa*. Milano: Garzanti, 1950.
- Toniolo, Gianni (1980). *L'economia dell'Italia fascista*. Roma-Bari: Laterza
- Viviani, Giuseppe Franco (a cura di) (2006). *Dizionario biografico dei Veronesi (XX secolo)*. 2 voll. Verona: Accademia di Agricoltura Scienze e Lettere di Verona.