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### DR. FRED ELLIOTT

### MANUSCRIPT PROJECT

Interviewee: Mr. John H. Freeman

Interviewer: Don Macon

Date: August 2, 1973

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## JOHN H. FREEMAN

## August 2, 1973

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#### PART ONE

Tape #1, Side A

DM:

How do you do? It is my pleasure again this morning to be discussing the history of the Texas Medical Center with one of the gentleman here in Houston who knows a considerable amount about this development, none other than Mr. John H. Freeman, a prominent attorney here in Houston for many, many years. Mr. Freeman, I believe you are almost a native Houstonian but not quite.

JHF:

I think of myself as a native, Mr. Macon, actually, I think I was about two weeks old when I came back to Houston. My parents lived in Houston, and my mother went over to her home place in San Antonio at the time I was born. And then, two or three weeks later, she came back to Houston, and that is why I say I was born in San Antonio but I am a native Houstonian.

DM:

She wanted to be among her family and so on?

JHF:

That was the idea.

DM:

You grew up here then in Houston, went to school?

JHF:

Yes, I grew up here in Houston. I went to public schools in Houston, and graduated from the old Central High School.

DM:

Where was that, Mr. Freeman? It no longer exists.

JHF:

No, that is where the former Business Administration offices were, between Capital and Rusk, and San Jacinto and Caroline.

DM:

Quite a landmark for many years.

JHF:

At that time, there was just one high school in Houston.

DM:

To serve the entire population?

JHF:

Yes, sir, and some grade schools, too.

DM:

Where did you live, Mr. Freeman, in those years?

JHF:

I lived on the north side. My father was with the Southern Pacific Railroad. He was a foreman in the shops during my early boyhood, and then became master car builder and moved over to the office on

this side, the south side of the bayou.

DM:

When you finished high school, as I recall, you and I talking once before, I believe you met a young lady in high school, that later was to . . .

JHF:

The lady I married did go to high school at the same time that I did, a year or two behind me, but I didn't know her too well in those days. We went about in the same group.

DM:

It was later when you came home from school?

JHF:

When I came home from college. I worked about five years between finishing high school and the time I went to college. I worked for an abstract company here in Houston, and then went on to school again.

DM:

I see. Did you always want to be a lawyer?

JHF:

Ever since I can remember. I don't remember when I ever had any other idea. I don't know why. There were no lawyers in my family immediately. And yet, that was my expectation always -- to be a lawyer.

Where did you go to law school?

JHF:

University of Chicago.

DM:

Did you have some particular reason for going that far abroad rather than here in Texas?

JHF:

Yes, a very good reason, Mr. Macon: I had some money there to help pay my way through school, and in a big city, there were just more jobs available, at least, that was my thought. That is why I went to Chicago. It had a good reputation. I had two or three friends who had been to Chicago and they advised me that that was a better course. I did it and I am glad I did.

DM:

Did you have success in finding suitable employment up there?

JHF:

Yes, sir. Actually, I did reasonably well for a college boy, a young man. I worked for Marshall Fields some. I worked for various places -- in a shoe store. I sold ladies shoes. I finally got a job out at the University Bank out at the University of Chicago and was a teller in the bank in my off

hours.

DM:

Well then, you've had some insight to financial arrangements long, long before you became involved with the M.D. Anderson Foundation?

JHF:

Well, I don't know how much insight but I worked in a bank anyhow and handled some money which wasn't mine!

DM:

When you got out of school, you came back to Houston and pursued a romance?

JHF:

Yes, when I came back to Houston, again, I owed some money at that time and I again went to work for a title company. I worked for the Stewart Title Guaranty Company. It is now here in Houston . . . several years. And it was while I was working there that I married and started rearing a family.

DM:

How many children do you have?

JHF:

I have two children and, of course, some grandchildren, and some great-grandchildren.

Well now, you had to obviously pass the Bar examination, being educated in Illinois and coming back to Texas to practice. This was no problem, was it?

JHF:

Well no, it was no problem. Of course, I came back to Texas along in 1910 or 1911, and I took my Bar examination in 1913. I didn't start to practice law until 1914 or 1915.

DM:

Was this on your own or with a firm?

JHF:

I started out on my own. For perhaps one year, maybe a couple of years out on my own. And then joined Sterling Meyer and Cyril Meyer. The head of the firm was Mr. Ben Campbell who was the former mayor of Houston. The firm was Campbell, Meyer, Meyer & Freeman. Later, it was Campbell, Meyer and Freeman for a number of years.

DM:

Did World War I interrupt that part of your career?

JHF:

Yes. I took a leave of absence from that firm in 1918. I was in the service. I never got across. I was stationed over at Kelly Field in San Antonio.

And then I came back to the firm in 1919.

DM:

Then I believe things began to develop. Two gentleman: one, Mr. Crooker and another, Mr. Fulbright . . .

JHF:

Yes, in 1920 . . . well, they started a new firm. I went with them. Johnny Crooker, with whom I grew up as a boy. He and I were associates as children and young men and Bob Fulbright was a roommate of mine in Chicago at school. They had gone together in a law firm and invited me to join them, and I did. The firm became Fulbright, Crooker and Freeman. That started the first of January, 1924.

DM:

They also had in their employ another young man at that time that I think you became well associated with over the years and a very close friend: Colonel Bates.

JHF:

Oh, yes. Colonel Bates, at that time, Bill Bates, was with the Fulbright & Crooker firm when I went into it. He had come here . . . he was reared in East Texas. He came here. So many of our prominent men in Houston came from East Texas. And he was

there and stayed . . . has been with us all these years, or I have been with him, we have been together. And, of course, he has become one of the prominent East Texans.

DM:

Yes, he has. Well now, over the years, a firm came into Houston back in the early part of the century, a cotton firm, Anderson Clayton, that everyone knows about, but one of the men in that firm was Mr. M.D. Anderson.

JHF:

Yes.

DM:

And I believe Colonel Bates told me that he worked with him as a client rather closely over the years and got to know Mr. Anderson quite well and that a foundation then was set up somewhere in the mid 30s; that Mr. Anderson, Colonel Bates and you were the original trustees of that foundation.

JHF:

That is correct. Mr. Anderson set up that 1936 foundation ion 1939 in the summer of 1939.

DM:

Well now, when Mr. Anderson died, it seems to me quite a responsibility was placed on Colonel Bates,

who then became chairman of the Foundation and trustees. And then you were a member of that board, as was Mr. Horace Wilkins. I believe the figure was somewhere between \$19-20 million to be spent wisely, and I believe with considerable freedom and flexibility in accordance with Mr. Anderson's wishes. Isn't that true?

JHF:

Mr. Anderson set up that foundation in the [1936] summer of 1939, and he had some rather definite ideas but they hadn't been put on paper. Colonel Bates and I both knew something about what he had in mind, and he became ill and died before he got a chance to have anything done on that. foundation gave pretty wide latitude to trustees, with the expectation of perhaps having some further directions from him as he went along, but he never got around to doing that before he became ill. So the trustees just simply had general directions with pretty wide authority. Anderson's death, Mr. Wilkins, Horace Wilkins, who, at that time, was president of the State National Bank, was named by the remaining two trustees -Bates and I - to be the successor trustee to Mr. Anderson.

Well, I would like to get ahead of our story just a little bit here because you told me a very interesting, and I think vital fact regarding that foundation — that over the years, there have been other men who were trustees. Not too many. And they have served well. But you have a policy or just a habit, I don't know what you call it, that when you make a decision in the board of that foundation, that decision is unanimous.

JHF:

Yes, sir. That has been the rule since the start. The foundation has always worked on the basis that it doesn't do anything except by unanimous action of the trustees. And if any trustee has an objection to any particular transaction or any particular thing that we are talking about, that is dropped because it has to be by unanimous action.

DM:

I think that is very interesting.

JHF:

That is a rule that the Foundation has made for itself.

DM:

But it does go for unity and a solid opinion, a solid decision once it is made.

JHF:

It has worked that way. If somebody is out of town, perhaps at a meeting when something is considered, it is considered by the trustees who are here but the final decision is reserved until he comes back and can participate.

DM:

Well now, back to the early days of the Foundation. Immediately after Mr. Anderson's death, did any of you on the board have a particular interest in health? I know that you were setting out to put that resource to good work in this community, but did you have any specific thing in mind?

JHF:

There was nothing particularly in mind at the start. We had a fund in our hands, or would be in our hands shortly, from the estate. The estate was administered by a different board of executives from the trustees. When the administration was completed, then the estate was turned over to the Foundation by those executives. We had cast about to see where and in what manner we could best use it — whether in one course or another. And two or three things developed that led us over to consider health as a very definite place that needed attention.

What was the situation here in Houston at that time, Mr. Freeman, as to hospitals?

JHF:

There was a scarcity. At that time, we had the St. Joseph Hospital which was a good deal smaller then than it is now, and two or three other small hospitals -- the Baptist Hospital, as it was known then, now the Baptist Memorial, was here but it was small.

DM:

That is downtown?

JHF:

They were all downtown. The trustees got the idea that perhaps it would be possible to develop an institution for what we called the white collar mass. Then, as perhaps now, I don't know, the government has done some beneficial work . . . hospitals were either for the rich or the poor. And the man in between, if he had a serious illness in his family, chances are, it was disastrous. We undertook to try to work out some program that would reach that particular group of people and aid the man in the middle, the salaried man, the white collar man.

Did they have anything to pattern that after, that concept?

JHF:

Yes, there was a part of the Massachusetts General Hospital in Boston known as the Baker Memorial Pavilion, that was operating on that basis. had a system that is not exactly like the Kaiser Hospital has on the West Coast now but somewhat on that order. But they had a board, and the hospital fixed a price. When the man came into the hospital with a member of his family, it covered the medical attention and the hospital attention, the medicines, just everything. And if you were there for two weeks or three months, the price was the same and the hospital just took that case and that was it. You had to quality to be eligible to go in that Memorial hospital, but that is the way it was We didn't think that would work in operated. Houston exactly that way, but we took a good look at it, and we were looking at that when the state of Texas, the legislature, set up the appropriation to have a cancer research hospital, and the legislature appropriated \$500,000 for that. That got our attention and we changed over.

This was almost then, a coincidence? You had been thinking along these lines and then here in the newspapers and via friends in other communication channels, you learn that the legislature has established a cancer research hospital in the state to be operated under the aegis of the University of Texas, I believe, and had appropriated at that time, \$500,000.

JHF:

That is correct. That was a bill passed by the legislature, and before anything that was done under it, we saw what we thought was the opportunity to give some useful attention to medical work with the help of the state.

DM:

Well now, I know that you did get involved in that and the Foundation did supply considerable amounts of money to that institution and to others but before we get too far, what was the very first transaction of the M.D. Anderson Foundation?

JHF:

Do you mean its first appropriations?

DM:

Yes. I think, as I recall it, the first thing that the Foundation did was to make a gift of \$1,000 to

the Junior League here in Houston for what they called their Eye Fund. They had arranged with the school board to furnish glasses to indigent children in the school system. They asked us to give them some money to help on that. And that was the first gift the Foundation made and probably one of the most productive, percentage-wise, in the whole history of the Foundation. That Junior League did a beautiful job with that fund, so much so that Junior League and has charitable operations is still on the Foundation list.

JHF:

And still continues to do work of that nature.

DM:

Of a general charitable nature, and to do it well.

JHF:

In the field of health, I have been associated with them in various activities regarding children and mental health. I know they are very active, very interested and very productive -- quite a group of ladies!

DM:

It is something that we can be proud of.

Now back to the M.D. Anderson Foundation and to the

fact that you have come across this rather interesting item, that there will be a cancer research hospital as established by the legislature. At that time, Mr. Freeman, were you living in the Rice Hotel?

DM:

Yes. At that time, Mrs. Freeman and I had an apartment in the Rice Hotel. And actually, Dr. Bertner, who was very active in his work, also lived in the Rice Hotel. We lived on the same floor. His apartment was on one end of the building and ours was at the other end. And we saw a great deal of each other.

JHF:

Both socially and, I suppose, some business matters. We saw each other a good deal, and our wives were close friends.

DM:

Do you recall the first occasion . . . I know this would be difficult, but when you and Dr. Bertner talked about anything having to do with anything that might resemble what became a Texas Medical Center?

JHF:

Well, I don't think that Dr. Bertner and I talked

about the Texas Medical Center or what became of that, until the idea had developed and put to well: We didn't have a Texas medical center in mind when we first started. Dr. Spies was head of the university and Colonel Bates, Wilkins and I landed this appropriation by the other legislature of this 500,000. We got in touch with Dr. Spies right away. We thought we saw an opportunity to have some leadership on matters and to have maybe the force of the University behind something that could be done We knew we ourselves were not capable of doing. We were lawyers, and it took people who knew eduction and knew medicine to put over what we thought could be done. And we got in touch with Dr. Spies and basically worked out an arrangement with him primarily, that if they would build a hospital that the legislature had authorized in Houston and would call it the M.D. Anderson Hospital. Foundation would match the state funds, give another \$500,000, and would give the land on which the building could be built, and would provide additional money to keep it going which was more or less uncertain but we were very definitely in the minds of everybody. And Ms. Spears was intrigued by that -- took it to his Regents and they approved it.

So that brought the state hospital in Houston, named it the M.D. Anderson Hospital, and made it the nucleus of what became the Texas Medical Center.

DM:

Yes. Well now, Dr. Spies, of course, who was Dean of the University of Texas dental branch at Galveston which, at that time I believe, was the only university medical teaching institution in the state. So it fell under his responsibility, I assume, and I think I have heard this - that the cancer hospital and its development medically speaking and educationally speaking; certainly would come under his supervision. This was the reason for your contact with him.

JHF:

Yes. It was not the only medical school because Baylor medical school was up in Dallas.

DM:

Yes, but I mean, under the university.

JHF:

The university had just its one medical school, and it was a constitutional school set up way back in the latter part of the last century as part of the University, and is in Galveston.

And was designated constitutionally to start in Galveston, to operate in Galveston, and to stay in Galveston?

JHF:

That is correct.

DM:

Now, Dr. Spies, I understand, when this thing really got rolling, he ordered x-ray equipment and began to think of various things it would need but in the meantime, I believe you had the problem, your board, of finding a place to house such an institution - both temporarily and permanently.

JHF:

That is correct. Both of those had to be done. We had agreed to furnish them a site and by the time we got around to this general situation, the war was in progress, the Second World War. There could not be construction. So we had to find a place for them to operate temporarily until they could build a building that suited them. And so, the Foundation bought the former residence of Captain Baker, which he had, at his death, passed onto his will the Rice Institute. And they had it for sale. We bought from Rice the home, former home and a six acre site that had been Captain Baker's home. And we turned

that over to the University to put the M.D. Anderson Hospital in that place. That was the first arrangement from the standpoint of the hospital, I think . . . it gave them something of a pilot plant that they could experiment with before they built their main, final and permanent building.

DM:

Yes. Now, going back, we have explored some of the conversations with Dr. Spies and other officials, and the University of Texas system regarding this institution but, at the same time, I believe, you, Colonel Bates, and Mr. Wilkins were getting considerable advice from Dr. Bertner through discussions in your apartments in the Rice. And also, I think there was some rather interesting conversations on Colonel Bates' back porch.

JHF:

Yes. Dr. Bertner was very active in cancer work. And when we got to talking about cancer, naturally, there were conversations with Dr. Bertner. And then the fact that his apartment was up there next to mine, or mine next to his, resulted in he and I having a good little talk along that direction. So he advised with all three of us considerably and had a good deal to do with formulating initial policies

and telling us his thoughts about what could be done and what couldn't or ought not to be done and so on.

Now, this back porch talk, and to speak of, Colonel Bates, came a little earlier. It was on Colonel Bate's back porch as we mentioned just now. He was living out in River Oaks at the time, and it was a convenient place for us to meet, Wilkins and I, and we had sort of a habit of getting together after hours now and then -- maybe at Bates' place or my place or Wilkins' place, but Bates' place was the most convenient and we could sit down on the back porch and, well, we had a highball, and discussed informally what we wanted to talk about. In one of these discussions, we decided to talk to the University of Texas.

DM:

I must point out, I think, at this modern day and age, before these color television cameras, the days you were sitting on Colonel Bates' back porch, no air-conditioning.

JHF:

That is correct.

One of the reasons you were out there was because there was some breeze and he may have had a ceiling fan, I don't know. Most of us did back in those days. But that is the reason for . . .

JHF:

Well, he we had both the breeze and the fan.

DM:

And a little libation! Sort of relaxing . . .

JHF:

That was the important part of it.

DM:

You had, more or less, formal ideas, in other words, fixed ideas and knowledge about a university, institution, this, that and the other, but I am sure those discussions were sort of informal and friendly. What could we do? Let's see, could we try this? Did it take that line?

JHF:

Well, the hospital was going to be a university project. But within a few months of the time that we saw that the university was interested, we concluded that more than just the cancer hospital could be done. And we arranged to buy this tract that is now the site of the Texas Medical Center. Dr. Bertner had come into the picture and he had

convinced us, and I guess perhaps he is the one who has much to do in convincing us, as anybody else or more maybe than anybody else, that there could be a medical center built around this general proposition out here starting with the cancer hospital as the nucleus.

DM:

Yes. Now, at that time, of course, rapidly growing in Houston and developing was the Texas Dental College under the leadership at that time of Dr. Frederick C. Elliott. He had come here in 1932, and by 1943, as I recall, it, too, had become a part of the University of Texas system. But this is a little later in the story.

JHF:

This is later, yes.

DM:

The approach to acquiring land for a permanent site of what ultimately became the Texas Medical Center, is quite a story in itself. And I think we will hold that until our next segment for discussion. But let us reestablish now what has happened. The M.D. Anderson Foundation has come into being, with a considerable financial resource, with Colonel Bates, Mr. Wilkins and yourself on its board. You

learned through a Baker Pavilion up in Massachusetts at Massachusetts General in Boston, that there is an approach to taking care of the socalled white collar man -- the man who does not receive charity, the man who does not have sufficient funds to go all out to pay for his health care. You see something like that as a possibility for Houston. But then the university comes along with the cancer research hospital authorized and you then get together with the proper people there and determine that a hospital could be built in Houston, that land could be furnished, in temporary quarters, at least, in the old Baker estate, with the provision that they name it the M.D. Anderson Hospital, and whatever other appropriate term should go with that. Now, I know I have seen some of the documents, Mr. Freeman, that relate the Foundation to many institutions in this center. And I think it is very interesting and very significant that in all of those, as far as I have been able to tell, the Foundation gave them complete freedom as to the operation of the institution, as long as they met the purpose of research, teaching and service.

That is correct. When we went into our arrangement

JHF:

with the University of Texas, that took out of the picture the direct idea of the Anderson Foundation having a hospital of its own or undertaking to be directly in the health business, so to speak. And we changed our program so that the Foundation has operated always on the basis of making grants to an operating entity that had the responsibility and not only the responsibility but what we thought was the ability to function. And so, the Medical Center was set up by first getting a piece of land and then arranging with various institutions to make them grant some land in that area and to grant them certain funds if they would come in there and operate.

DM:

Well, I think if this rather large, historical coincidence hadn't come about; that here, you are ready to go with considerable resources, possibly to go in the health care business almost, with a hospital, but if the cancer research hospital hadn't come along, the direction of M.D. Anderson Foundation might have been, over the years, totally different.

JHF:

It probably would have been.

A different story entirely. I think it took the right course, through coincidence, and I am sure, considerable wisdom and thinking on the part.

JHF:

I hope that turns out. I think it has turned out so far.

DM:

Now we are nearing the end of our half-hour period and I think, Mr. Freeman, that we deserve a little break here, so we will adjourn for just a few minutes and have a brief recess, and invite our viewers to join us again in Part 2 of our discussion, when we will go forward with how the Medical Center property was acquired, and how it was developed over the years.

End of Tape #1, Side A

#### PART TWO

Tape #1, Side B

DM:

. . . prominent attorney here in Houston, Texas, and official of the M.D. Anderson Foundation since its beginning, and also a member of the Board of Trustees of Texas Medical Center, Incorporated. Mr. Freeman is very knowledgeable in the area of the history of the Medical Center because he is a part of that history. In Part One, we discussed the very beginnings of the whole concept of the University of Texas beginning to develop a cancer research hospital in Houston under the active direction of Dr. William Bertner at the time. I think that is a significant story in itself, Mr. Freeman, Dr. Bertner becoming the first acting director of the cancer hospital.

JHF:

Yes. Actually, when the cancer hospital was set up, it became necessary to get a director. We wanted to get a permanent director - a qualified man - and it was difficult to find a man who would be suitable. In the meantime, Dr. Bertner was in Houston, he was active, and he was willing to forego using a lot of his time for his own practice to help on this cancer

hospital, and he accepted the position temporarily of Acting Director. He was paid a salary by the University but he donated that salary to the institution. So he served without pay, in actual effect, and he remained Acting Director for some number of months. I am not certain how long it was.

DM:

Well, several years, as a matter of fact. I think until 1946.

JHF:

It was a good long time. We had some trouble in finding a suitable man and were most careful, the university was most careful, and properly so, and it worked out very much to their advantage because they finally succeeded in getting a man such as, probably you couldn't have expected to get - Dr. Clark, who made the institution, the M.D. Anderson Hospital, a worldwide institution.

DM:

Serving every purpose that everyone could possibly have conceived of back in those early days.

JHF:

That, and more.

DM:

Now, I think it is interesting that the salary in

those days for this directorship, Dr. Bertner, I believe the figure was \$10,000 a year which was, in those days, a substantial amount of money, but on the other hand, he saw to it that he did not get those funds, that they went towards the operation of the hospital.

JHF:

That is correct. He figured that the hospital needed the money, the university should pay somebody for the work that he was doing, but he didn't want to accept it. So he had the university pay it so that it would be available to the institution, and then he donated it to the institution as salary.

DM:

Now this, of course, was taking place. The institution was located on the Baker estate down near downtown Houston.

JHF:

That is correct.

DM:

Now we come into the phase where we must obtain property, ultimately to build this institution and others that are coming along. At that time, I think people had in mind a dental school being built here, the center; possibly a public health school, and

other kinds of institutions, having to do with research, teaching and patient care, but can you recall when you first began to think about this particular site?

JHF:

I think, Mr. Macon, that probably it was very early in the operation, probably before the hospital actually opened. We developed the idea on this . . . you see, this site had been purchased by Will Hogg. He had the idea that the medical school in Galveston . . . Galveston didn't furnish sufficient clinical material to enable it to operate to its highest efficiency down there, and he had the idea that it should move to Houston. He bought this tract of approximately 150 acres, with the idea of donating it to the university to have the medical school occupy it. And then it was found that the school had to remain in Galveston under this constitutional provision under which it operated. And that could not be done. So he then turned his transaction . . . he had paid part cash and given notes for the balance . . . he turned his transaction over to the city of Houston. He gave the city the land. It adjoined Hermann Park. wasn't tied down with park operations necessarily,

but it adjoined the park and he gave it to the city at just what it cost him - instead of reimbursing him his cash and assuming payment of the notes. The trustees, seeing this land out there next to Hermann, thought it would be a very fine tract if we were going to have a medical center on which to build it. We negotiated with the city for its acquisition. We had to have the vote of the people on that because while it hadn't been tied down to park purposes, there was a possibility that someone would think that it had been and we didn't want any question arising in the future anyhow. We were going to put a lot of improvements here, or hopefully. And so, we insisted that if the city did sell it to us, that it do it after a public vote authorizing it, in line with the statutory provisions that any sale of park property by a municipality has to be approved by the voters of the municipality consigned. That formality was gone through. It was approved by an overwhelming vote. And we bought it from the city at an appraised price. The city had a board appointed to appraise the property and the Foundation paid the city the value that the board found the property to have. I don't recall just what it was.

Well, I think we talked about it one day. It ranged somewhere between \$2,000 and \$2,500 an acre. But I think we should point out that it was more or less conditional as to its use, that that was specified

JHF:

It was highly restricted. It can't be used for anything except medical, educational purposes: hospitals, medicine, things that are totally charitable, and they can't be anything here for personal profit, except incidental such as we can have telephone pay stations in here which the telephone company, I suppose, profits from, but the owner of the property doesn't, and so on.

DM:

O.K., so you have property now on which to begin to construct a permanent cancer hospital and at that time, another major medical institution came on the horizon - Baylor in Dallas had been operating a medical school for a considerable number of years, but for some reason, saw fit to begin to look elsewhere. Can you pick up on that story?

JHF:

Yes, Mr. Macon. Actually, Baylor had gotten into some problems in Dallas, to an extent that the

trustees of the Baylor medical school and dental school, both schools, they decided that they were going to leave Dallas. They were either going to move someplace else or if they couldn't find a proper site that they couldn't work on, they were just going to close the two schools. They got the idea that perhaps they could come to Houston on this medical center that we were talking about -- they had heard of it -- and so they committed the trustees, came down and interviewed the trustees of the Anderson Foundation to see if the Foundation would contribute a site and would furnish them some funds to build a school in Houston, in which event, they would move to Houston. And they told us that if they had exhausted every other possibility and if we were not ready to do that, weren't willing to do that, that Baylor was just going to close down.

I emphasize that because it is a fact that the Anderson Foundation nor the Medical Center and, at that time, it wasn't in existence quite, proselyted. We didn't go to Dallas and bring Baylor down here. Baylor was going to leave Dallas anyhow and it came to Houston as a place to light, having left Dallas.

Well, I think it is interesting, too, that there are some personal aspects of it; that is, individuals involved -- Mr. Neff, president of Baylor, and a gentleman from San Antonio . . .

JHF:

Mr. Neff was president of Baylor at the time, and a man we called Doc Martin, who was a trustee of Baylor, was in San Antonio. Mr. Earl Hankemer in Houston. Mr. Cullins in Dallas, another trustee. They were the committee who dealt with the Anderson Foundation, who came down to Houston and interviewed us, and with whom we had our negotiations and made our transaction. However, we had become deeply involved with the University of Texas at that time and grew the Anderson cancer hospital. And we made it a condition of our discussions with them that whatever conclusion we came to, as between Baylor and the Anderson Foundation, would be submitted to the University of Texas and that we would not go forward with any agreement with Baylor unless it had the approval of the University of Texas because of our earlier commitments to the University. arrangement was made and was submitted to the University, and the University approved it. I think not only approved it but they were gratified that we

were going to have that additional support and additional work down here.

Now, the Baylor transaction included both the medical school and a dental school, and Baylor obligated itself to move both schools to Houston. A little later, the transaction between the University and the Texas Dental School in Houston, by which the latter came into the University system, gave us a dental school here, and then the moving of the dental school from Dallas was eliminated from the Baylor agreement.

DM:

Yes. I know for a period of time there, it was considered that there might be two dental schools here in Houston, and that the problem might have been with funding in a sufficient amount to support the operation of two schools, and the number of students. But I believe Baylor thought it was in the best interest of the state, particular training of dentists in the state, to maintain that school in Dallas where it still operates very effectively today.

JHF:

That is correct. They've got a great school up

there, as I understand it, but not exactly in line with what you are saying. The Anderson Foundation didn't want two dental schools. The University was here. It was going to have a dental school here, and we figured that Houston wouldn't support two dental schools. And it ought not to be put to that obligation.

DM:

So they did remain in Dallas?

JHF:

They did remain in Dallas.

DM:

The medical school did come to Houston and opened temporarily down in the old Sears warehouse building on Buffalo Drive, as I recall.

JHF:

That is correct. The War was on, as I mentioned just earlier this morning, and they had to rent a place to go. Sears was putting up their new building on Main Street where it still is, and so they rented that from Sears Roebuck and put the school in there.

DM:

I can recall, first coming to Houston in the mid-1940s, people showing me it was on Buffalo Drive, not far from Buffalo Bayou, showing me the water marks on the building from various floods back through the years. Did they have any flooding in those days that disturbed the school that you recall, Mr. Freeman?

JHF:

Yes, we did. Hopefully, we are not going to have anymore like that; at least, the floods probably but not much water, but they won't be the results. But Sears had their retail store down there on Buffalo Drive and came this big flood. It came into their store and destroyed it, and damaged seriously a lot of merchandise. Sears had just moved. They had gotten themselves a store someplace else where they didn't think it would flood.

DM:

Ultimately, we got flood control construction back up in Buffalo Bayou and we don't have that problem around Houston anymore.

JHF:

We don't have that . . . actually, at that time, we had several inches, perhaps as much as one foot of water, over perhaps half of what is now the Texas Medical Center site. And water came in through the ground floor for several inches in the Hermann

Hospital building.

DM:

Well, I remember Dr. Elliott told me there were times down in the old dental school when the students and the faculty would come in and strip to the waist in hot weather and bail out the basement in order to operate at school.

JHF:

Those were the old days. Not necessarily the good old days!

DM:

No. Well, you see, Houston, I think, is at about 54 feet elevation, as I recall, and there are people around this town, you know, that can kid that you can stomp and get a water well. But fortunately, we do have the flood control measures and don't have too much of that problem anymore.

JHF:

These rains this spring were just as much, I think, just as many inches, and in just as short a time, as were the rains at the time we had the flood that overflowed into Sears Roebuck. We didn't have any high water in those general areas this time. I think that is the net result of all of this flood control that has been put in.

Yes. There is much which remains to be done along those lines and I hope it will be accomplished soon because Houston is growing in every direction.

That brings us back then to the Texas Medical Center and its growth. I think the mission in the minds of the Anderson trustees, the Foundation, was to stimulate institutions to come in to the Texas Medical Center to assist them in getting started here. Is this pretty much your viewpoint?

JHF:

Yes, that is exactly the way it was done, Mr. Macon. The Foundation trustees, for instance, the Anderson Hospital, had a donation of land and of money to build a building and of certain additional funds for research. Then Baylor was given the land and one million dollars for the building by the Anderson Foundation, and an additional one million dollars payable at \$100,000 a year to be used for research. Then, to several hospitals. The Methodist Hospital was granted \$500,000 to build a building and the land to put it on. The same thing for St. Luke's, for the Episcopalian hospital. There was a \$500,000 grant and another grant, I think, of \$150,000 to Hermann for extension of the Hermann Hospital.

And Children's Hospital came along. Mr. Abercrombie and his group very much interested in that, providing really the money to set up that hospital, but they needed land and they needed an appropriation, and the Anderson Foundation gave them the land and an appropriation to add to what Mr. Abercrombie was doing. And there were others.

DM:

Now obviously, these are substantial amounts of money, Mr. Freeman, and these are substantial institutions, as you look across this Medical Center today, but you had such men as Mr. Abercrombie and Mr. Meyer and others who more or less were associated with each one of those individual institutions. These are citizens in this community who are interested in supporting such institutions. There is a nucleus of money there provided by the M.D. Anderson Foundation but they, in turn, got additional funds from the community to build those buildings.

JHF:

That is the principle on which it was being done.

DM:

Right. An individual sort of thing and again, I think it gets back to your policy of merely

stimulating them not trying in any way to operate them or to control their operation.

JHF:

Every one of these institutions was absolutely autonomous and still is. For instance, with The Methodist, the land was given them and appropriation of money, and then that brought in to it all the strength of that institution and its backers. And then the same thing for St. Luke's, and the same thing for the other institutions. Take, for instance, the library over there. Mr. Jones furnished a considerable amount of money for the Anderson Foundation furnished The library. additional funds and the land to put it on. I say, the Anderson Foundation . . . by that, we did commit ourselves to it and then it was carried out by the Texas Medical Center. Most of these commitments initially were made by the Foundation before the Texas Medical Center was incorporated, while the land still belonged to the Anderson Foundation. And the Medical Center took it over burdened with those agreements that the Foundation had made to make the donations of land.

It became more or less the operating agency for the

Texas Medical Center?

JHF:

Well, not exactly that, Mr. Macon. The Anderson Foundation got the idea that this thing was too big for any one foundation, and it had to have the support of Texas. That is why it was the Texas Medical Center. And so, we set up a new corporation called The Texas Medical Center, Incorporated, in which the Anderson Foundation, with three of the Anderson trustees, were three of the 10 or 15 directors and people from all of the institutions who had been associated or put on . . . each institution had at least one or maybe two or three members of the board. And that board was independent of anybody else except itself. And then the Anderson Foundation deeded the land to the Texas Medical Center and made some contributions initially and from year to year as it went along, but the Texas Medical Center was a corporation for itself, running itself, and was not the Anderson Foundation.

DM:

It continues in that manner today.

JHF:

Yes, it deserves and has the support generally of the community, including the Anderson Foundation. It is a community enterprise, a state enterprise.

DM:

A separate entity altogether.

JHF:

Entirely so. And the Foundation has no control over it at all.

DM:

I think that has been a tremendous factor, this sort of free enterprise philosophy, of independence of operation, each institution, but at the same time, within a Texas medical center where there are definite common goals of all institutions, which brings about a substantial degree of coordination and cooperation. But the thing that makes this medical center go is really the spirit of competition — free enterprise. One institution tries to provide better service than another institution. At the same time, I think the approach is not to waste manpower, not to waste facilities, services and whatnot, to bring about a coordinated kind of effort, but to let individuals have at it in building those various things.

JHF:

That is correct. For instance, in the original setup for the St. Luke's Hospital in its grant of

land, its deed from the Anderson Foundation to the St. Luke's Hospital is, in general, in the same form as in the deed to The Methodist Hospital. And yet, The Methodist Hospital specified that it will center its chief attention insofar as it specializes, on a particular branch of medicine. St. Luke's agrees to specialize on a different class of medicine. And so with the cancer hospital, it is over there in cancer and so forth. There was, to that extent, a recognition at the outset that they were going to be parallel but not interfering courses of action. At the same time, each one of them responsible wholly for its own, what it did. And not responsible to anybody else.

DM:

Well, I know, Mr. Freeman, that you and Colonel Bates frequently come to the Texas Medical Center on business and other matters, as does Dr. Frederick C. Elliott and other members of the board. As a matter of fact, you had a board meeting here I think just three or four days ago, in the latter part of last week.

JHF:

That is correct. Over at The Methodist Hospital.

Now, if, in our imagination, you and Colonel Bates and others, including, particularly Mr. M.D. Anderson himself, could walk through this Medical Center or stand out here in front of M.D. Anderson Hospital and look across it, I know he would be pleased. What do you think his reaction to this whole development would be?

JHF:

I think if Mr. Anderson saw this today, he would say, 'Well, I see it out there but I don't believe it!'

DM:

Well, as you know, you can reach out there and touch all of it. But now, a question that goes beyond that: I know that you are an imaginative gentleman who has been involved, really, in making the history of this Medical Center, but what do you see in the future, Mr. Freeman, for the Medical Center?

JHF:

Mr. Macon, I see more, I see more of the same sort of approach and attitudes and development. Let me say, just more of the same. I think that the same spirit, the same idea that people owe something to the world for having been given the opportunity to live in it is going to continue to be the motivating

force in back of this. This medical center couldn't be here if it weren't that, not only dozens but hundreds of people, have put their effort into it, and it has all been centered on unselfishly developing something that was going to benefit mankind as a whole. I am not trying to speak of that on a goody-goody basis. It has been practical. It has been an effort to really do some things that would help out not only Houston and Texas but the world as a whole. The cancer hospital over there, and here where we are right now, has accomplished tremendous things towards helping in the cure of cancer. Now, they haven't cured it yet but they are going a long way in giving relief.

Heart surgery, and so many angles of that. And education of physicians. We are coming now . . . I think what we are going to see from this Medical Center immediately, within the next lifetime, is an approach where health and the continuance of health is going to be considered just as important and have the same attention and the same research and the same accomplishments to keep people in good health that we have so far developed to cure them of ill health. I think we are going to have preventive

medicine taking something of the center of the stage and accomplishing just as much or more than preventive medicine has done in the last few decades. I think also that is going to include the matter of nutrition and of furnishing us food cheaper, more abundantly, and so everybody can have better food than on the average they have been having. People who now have all the food and good food they want, will have it just the same, and the fellow who hasn't been able to have it is going to be able to match it along with the other men. I think all that is coming and that the Texas Medical Center is going to have a big part in doing all of those things. And if it does, it is going to justify some more existence.

DM:

Yes indeed, and I think, too, that it will have to have information regarding nutrition, prevention, how to take better care of yourself, how to help your physician do that, and I think we have a big part to play in that.

JHF:

And the University of Texas with its extension of services that are coming right out of this medical center, along with other places. They are going to do a great part of that. We are going to have the doctor off in the little old remote town, where he is the only doctor in the town, and he can't come to the clinic and get the latest information as can the man in Houston, but it will be piped to him either over a television or by publications or both and also I believe right now, if he's got a problem, he can pick up his telephone and get connected with teh computer system here in the Texas Medical Center and get the advice of men who were doing nothing else but that type of work, experts, right over the telephone in a matter of minutes that he formerly couldn't get at all. And that is being done by the University of Texas and this cancer hospital, and the Texas Medical Center sitting back there responsible for it being that way.

DM:

Mr. Freeman, I think, too, a big factor will be the enthusiasm that supports all of this, enthusiasm personified by you here this morning, and the way you talk about this medical center, the little sparkle you get in your eye and all of this sort of thing, and your day-to-day activities on its behalf. You are still much interested and very active at the M.D. Anderson Foundation. You are now Chairman of

that board.

JHF:

That is correct.

DM:

And have been for a number of years. You are still active in the Texas Medical Center board and various other organizations in Houston, and we neglected, and I don't want to embarrass you in any way, but we neglected to give your birth date. I think that is very important.

JHF:

Well, it doesn't embarrass me. It astonishes me sometimes. I was born back in 1886.

DM:

Now, if we add that up, I believe that puts you in your 87th year.

JHF:

That is correct.

DM:

We would never guess it if you hadn't told us because I know you go to work every morning. I know that you practice law actively from day to day.

JHF:

Well, I am retired from the active practice of law.

But you are in your office every day. I can find you there any time I want on the telephone.

JHF:

I hope so!

DM:

That is very good. Mr. Freeman, I want to express my appreciation for your visiting here with me in this little televised interview but beyond that, I want to express the appreciation of many people - the people who work in this medical center, the people who come here as patients, the people who come here as patients, the people who come here to get an education and to learn, and people all around this country and across the world that look to this particular medical center for many, many things that are beneficial to mankind. And all of us appreciate very much what you and your colleagues have done throughout the years to make the Texas Medical Center what it is.

JHF:

Thank you. It is nice to hear that. And yet, you know, the real story is that we have had a privilege, we have had an opportunity, and all of this, the Almighty has given to us, and we have simply done as much as we could to help.

Thank you, Mr. Freeman.

THE END