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Corres.
Chen Yu Gwan 1931 Jan-May

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TRANSFER

University of Nanking

January 8, 1931

#2

Dr. Y. G. Chen,
University of Nanking,
Nanking, China.

My dear Dr.Chen:

You will be glad to know that we have at last definitely concluded arrangements for the appointment of Miss Hilda M.Anderson as secretary in the College of Agriculture and Forestry for a period of five years. She is planning to sail on the President Lincoln January 30 along with Dr.and Mrs.Myers and Dean Reisner.

I am enclosing herewith for the University files a copy of the employment agreement with Miss Anderson, and also a copy of the report of her health examination.

Everyone who has met Miss Anderson has been very favorably impressed. We earnestly hope that she will be a thoroughly satisfactory secretary and will be happy in this important and interesting task she is assuming. At thest the sending of a single woman to China is an experiment for which no one dare forecast the outcome, but we trust that in Miss Anderson's case the experiment will be gratifyingly successful from every angle.

Within a few days I will be sending Miss Priest a statement of Miss Anderson's account with the University up to the date of her sailing.

Very cordially yours,
B A GARSIDE

BAG:M

Mr. Garside

file

Nanking

TRANSFER

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January 12, 1931

Dr. Y. G. Chen, President,
University of Nanking,
Nanking, China

Dear President Chen:

Your letter of December 17th has reached me in New York just as I am about to leave again for Pasadena on my way to Nanking. This is merely to acknowledge it.

Mr. Garside will be writing you about a more generous action of the Harvard-Yenching Institute in Cambridge toward our request to them for the Research Library. We will do all we can to have our original request granted. There are some things about this whole matter I can more easily say to you in person than in writing. I shall have another chance to talk over this matter with Dr. Eric North at the Foreign Missions Conference in Atlantic City on Wednesday and Thursday of this week.

You will be glad to know that the Congregational Board have voted to cooperate in the College of Agriculture and Forestry to the extent of appointing a man to us. Mr. Garside will convey this news to you officially.

Developments of the Cornell-in-China work of recent months have been most encouraging, and I shall report the details when I reach Nanking.

The one important item in this letter is in connection with recent actions of the Baptist Board regarding cooperation at Nanking. Please have Miss Purcell look up the correspondence and actions taken shortly after Mr. Keen's death, in which, at their own suggestion, the East China Baptist Mission transferred their whole interest in the University to the College of Agriculture and Forestry. This cooperation was to be the maintenance of two men in the Agricultural Department. I think Miss Purcell will also find correspondence in her files that I had with the Baptist Board in the spring of 1928 before we moved the office back from Shanghai. The whole matter was perfectly clear and it is beyond my comprehension why they want to bring it up again. Mr. Garside and I had a conference with Mr. Howard, the Baptist Board Secretary, in which he told us definitely they would do their best to find a man and get him out to Nanking as soon as he could be located. All this indecision makes me tired. I know it affects everybody else the same way. As a matter of policy I think we should do all we can to maintain the original action and understanding taken after Mr. Keen's decease.

I am leaving a copy of this letter with Mr. Garside.

Am looking forward with keenest pleasure to being with you soon. Professor Myers and Mrs. Myers and their son John, and Miss Hilda Andersen, secretary for the College of Agriculture and Forestry, and I, are leaving San Francisco on January 30th per S.S. PRESIDENT LINCOLN. It is quite probable that I shall spend a day or two in Shanghai before proceeding to Nanking. Will telegraph you our plans after arrival in Shanghai.

With cordial regards and best wishes to all, I am,

Yours very sincerely,

JHR:SA

John H. Reisner.

Copy of H-Y Inst. communications from Cambridge and Peiping enclosed.

Nanking

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TRANSFER

University of Nanking

January 15, 1951

A1

ack 2/18/31

President Y.G.Chen,
University of Nanking,
Nanking, China.

My dear Dr.Chen:

I am enclosing herewith copy of a letter we are today sending Mr.William P.Fenn. As you know, the Presbyterian Board has for the last two years been hoping for the early appointment of Mr.Fenn to fill one of their vacancies on the Nanking quota. The date when Mr.Fenn will be ready to sail for Nanking is still a little uncertain, but the latest information we have available indicates that he should be available about the spring of 1952.

We trust that it will be possible for you to send Mr.Fenn material which will give him both a clear and attractive picture of the service the University is now rendering and the specific contribution he will be able to make to this service.

You will note that our office is still struggling with the unsolved problem of an inadequate supply of printed material descriptive of the work of the University of Nanking. We have frequent inquiries for material which will give people here in America an attractive and a reasonably comprehensive picture of what the University is now accomplsihing. We have practically nothing either in the way of up-to-date University catalogues, or of material prepared directly from a publicity viewpoint.

Very cordially yours,

B A GARSIDE

BAG-H

Enc.

Nanking

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TRANSFER

University of Nanking

January 15, 1931

#2

ack. 2/18/31

President Y. G. Chen,
University of Nanking,
Nanking, China.

My dear President Chen:

I am sending you herewith copies of recent correspondence in regard to the application presented to the Harvard-Yenching Institute some months ago for special assistance in the development of the University of Nanking's research library of old Chinese books pertaining to agriculture and related subjects. You will note that one letter is from Dean George H. Chase and the other from Dr. Lucius C. Porter. dated 12/8/30 addressed to John H. Reisner

dated 12/23/30 The letter from Dean Chase, while reporting that the Institute was not able to take favorable action on this application at the meeting held last month, gave very excellent grounds for hope that at its next meeting the Institute would be able to take favorable action. The letter from Dr. Porter is rather more depressing because it indicates that the Administrative Committee in Peiping "damned with faint praise" the request from Nanking by approving the request on such a greatly reduced scale as to put it in the class with very trivial items deserving minimum support. One would almost wish that the Administrative Committee had turned down the proposal completely rather than to approve it on a basis that is only a fraction of the original asking. What effect this very narrow-minded action of the Administrative Committee in Peiping will have on the Institute Trustees is a question which only the future can decide. We hopw, however, that in spite of this unexpected monkey wrench which the field has thrust into the machinery, it will still be possible for the Institute to take favorable action at its April meeting.

Very cordially yours,

B A GARSIDE

BAG-H

Enc.

UNIVERSITY OF NANKING
NANKING, CHINA

Ack 2/11/31

January 14, 1931.

INDEXED

Mr. B. A. Garside,
China Union Universities,
150 Fifth Avenue,
New York City, U. S. A.

TRANSFER

My dear Mr. Garside:

I am enclosing correspondence that is being carried on with the Southern Presbyterian Board in regard to renewal of their cooperation in the University Hospital.

The missionaries of the Southern Presbyterian Church in Nanking are very eager to see their Board helping again in the Hospital. Recently a member of their Board, Dr. Grant, visited Nanking and we discussed the matter with him and the correspondence enclosed is a result. At Dr. Daniels' suggestion I am sending to Dr. Grant a copy of the letter to Dr. Egbert W. Smith with covering letter and hope the Board will consider favourably our request.

I do not know just what procedure the Board will take should it decide to renew its cooperation but you will have a copy of all the correspondence that has been carried on so far, so that, in case the Board should take it up with the Founders, you will know how the matter stands at present.

Sincerely yours,

Y. G. Chen

Y. G. Chen.

January 14, 1931.

Dr. Grant,
Executive Committee of Foreign Missions,
Presbyterian Church in the United States,
Nashville, Tenn., U. S. A.

My dear Dr. Grant:

You will recall our conversation in regard to the needs of the University Hospital and will be interested to know how the matter is being taken up with your Board and the Mid-China Mission, so I am sending you copy of a letter to Dr. Egbert W. Smith, dated January 3rd. A copy was sent to Mr. Maxcey Smith in Shanghai, so that it could be brought to the attention of the Mid-China Mission at their recent conference. I have not heard what action the Mission took, but we shall all be very grateful to you for any help you can give in presenting to your Board our very great desire that it renew its cooperation in the work of our University Hospital.

I am sending a copy of all correspondence to the Secretary of our Board of Founders, Mr. B. A. Garside, 150 Fifth Avenue, New York City (c/o China Union Universities).

With kind regards,

Sincerely yours,

Y. G. Chen.

(C O P Y)

January 3, 1931.

Dr. Egbert W. Smith, Secretary,
Executive Committee of Foreign Missions,
Presbyterian Church South,
Box 330, Nashville, Tenn.

With real hope we are addressing to you a sincere request that your Board ranew its former relation as a supporting member in the University Hospital of Nanking. This is the earnest desire of the hospital and, we understand, of the members of your station in Nanking. Recently it was discussed in person with Dr. Grant while he was visiting here, and his attitude seemed to Dr. Chen very favorable. Therefore, herewith the request is being formally expressed, and a copy of the same is being forwarded to the Mission for consideration at its meeting in Shanghai next week.

The relationship formerly enjoyed thru the services of and fellowship with Dr. Allen C. Hutcheson was of greatest satisfaction, and nothing would be more pleasing than to have him back again. The possibility of Dr. Julian Price, as a representative on our staff, has been discussed with much interest and enthusiasm, hoping that our hospital might be able to offer sufficient assurances for his desire to continue in his restricted field of Pædiatrics. The contribution of any doctor to the staff would be sincerely appreciated, for whom, however, the question of housing would have to be considered. Secondly would we appreciate the support of a nurse, preferably one of the three Presbyterian nurses already on the staff, who are being paid gold salaries out of local hospital receipts in Chinese currency. Thirdly, an annual grant to help in meeting the running expenses would apply on one of the severe needs of the hospital.

At present the three co-operating boards are each giving only one doctor and $750 gold toward running expenses. At the recent meeting of the Board of Directors, of the University of Nanking the following action was taken, voting

> "that we recommend to the Board of Founders that the co-operating boards be approached to furnish the support of one nurse each, in addition to the doctor already provided, it being understood that this request is not for additional nurses, but for the support of those already on the field."

In addition the same appeal is being presented simultaneously to the local missionaries here on the field, and the North Presbyterian Station has already acted, endorsing the above request, and referring the recommendation on up thru the Mission and Council to the Board.

The financial distress of the hospital, expressed by an $8000 deficit in last year's accounts, has been brought about partly by the unprecedented rate of exchange, partly by the cessation of the grant from the Rockefeller Foundation terminating this year, but especially by the losses of March 1927. These losses amounted financially to nearly $100,000, for which no claim was made to the government, and for which no funds have been received from any of the supporting boards for rehabilitation, quite in contrast to their attitude toward much of their own non-union responsibilities. For example, the complete loss of Dr. Hutcheson's house plus the severe deterioration of two other hospital houses beyond satisfactory repair has left us already short one house for our foreign staff, and no help from boards or government. The broad new Chung Shan Road has swept off part of one of our newest buildings and the prospect of further widening of the road threatens the entire building, all without redress. Supplies and equipment likewise suffered severely in 1927.

The University Hospital stands alone in Nanking as the only mission hospital in this great city, the capital of the nation, and it aims to hold high the standards of Jesus Christ in touching the lives of men. It serves a large foreign community with missionaries of many denominations, including yours. It serves Christian students, teachers, and preachers, some of them yours. It serves the Chinese people in all walks of life, but regretfully acknowledges that thru insufficient funds it must turn away more and more of the needy poor folks, perhaps some of them your responsibility, too.

Again, accept our gracious thanks for your share in the past, but please hear our plea for the help we need now.

Very sincerely yours,

(Signed) J. Horton Daniels, M. D.
Acting Superintendent
University Hospital

Y. G. Chen, President,
University of Nanking.

Copy to Dr. H. M. Smith, Secretary,
Mid-China Mission ~~of Southern~~ Presbyterian Church,
23 Yuen Ming Yuen Road, Shanghai.

UNIVERSITY OF NANKING

NANKING, CHINA

January 28, 1931.

Nanking

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TRANSFER

Mr. B. A. Garside,
China Union Universities,
150 Fifth Avenue,
New York City, U. S. A.

My dear Mr. Garside:

I acknowledge with thanks receipt of the "Supplement to the Missions Code" sent with your letter of December 18 and we are glad to have the additional phrases, etc., on file.

I wish to acknowledge also your letter of December 24 enclosing application papers of Mr. Harold T. Lawrence. As our social science work is sufficiently well cared for at present, we shall not be in need of his services.

Your letter of October 29th in regard to qualifications of personnel needed to fill board quotas has been receiving our attention and I am glad to send on to you the requests of the Deans.

In regard to the vacancy on the Presbyterian q uota, we are very much disappointed that the coming of Mr. Fenn is so uncertain as we were counting on him to head up the work of the English Department. We desire to have this vacancy filled by a board representative, but in the meantime we are glad to have the cash payments to help on the salary of another person on the faculty.

As regards the Methodist quota, we are aware that there are two vacancies and should like very much to have these filled or at least have the Board pay cash grants in lieu of the vacancies, so anything you can do to secure these payments will be greatly appreciated.

With reference to what you write about an impression among the Methodist Board that the University is receiving certain payments from the Associated Mission Treasurers in Shanghai to cover vacancies in the Methodist quota, I wish to report that no such payments have been made and we shall be grateful to you for so informing the

Board and telling them that since we are not receiving anything on the field, as they thought we were, we should appreciate their sending in the amount due in lieu of vacancies.

Miss Wixon's salary is paid in to the Board by the donor and sent to her by the Board through the Associated Mission Treasurers. As you say, she is not counted as one of the regular Methodist quota.

We note there are two vacancies on the U. C. M. S. quota and that cash payments are being made in lieu of these.

According to the understanding with the Baptist Board, their representatives are to be assigned to the College of Agriculture and Forestry, and as Mr. Reisner has been looking for suitable men to fill the two vacancies, and you are no doubt fully aware of the progress that has been made along this line, I shall not write further in regard to it at the present time.

You ask whether the University wishes to have other American members on the faculty in addition to board representatives. We do need more professors, but we feel there is not sufficient money to support them.

Replying to your inquiry as to the type of men we want, I wish to say that as the professional side of higher education is being stressed in all universities in China now, both private and government, it is greatly to be desired that the men sent by the Boards be specialists with long years of experience in teaching in their respective fields. They should be men capable of adjusting themselves not only to differant living conditions but also to the changing conditions in Chinese political thought and social ideas and the development of nationalism. A person would need to have a very broad outlook and be very sympathetic with the whole work of the University (rather than interested exclusively in his own field) to fit into and be happy under such conditions, or it would be very hard on him and on the institution as well. Men of culture, who would have much to give to the students in that direction, are most desirable, and above all we need men of strong Christian personality.

The Committee appointed to study the reorganization of the College of Arts and Science into two colleges, recommended to the Board of Directors (see report attached to minutes of the Executive-Finance Committee of February 7, 1930) "That the missionary staff or its financial equivalent be allotted as follows: Agriculture and Forestry 5, Arts 6, Science 4. (Formerly the total of missionary staff was 17 guaranteed by the Boards, of which 5 were specified for Agriculture, and in recent years usually 6 were actually in Agriculture. Now the 17 are

reduced to 15.) We propose that for our internal accounting the standard equivalent of $2,600 be allowed for each missionary, which gives a practicable comparison among missionaries as well as with the better trained Chinese." At present there are the following Board representatives on the faculty:

	Arts	Science	A & F.	Vacancies
Disciples	Bates Schafer Smythe	-	-	2
Methodist	Jones	Illick	Steward	2
Presbyterian	Mills	Thomson	Buck Reisner	1
Baptist	-	-	-	2

In the College of Arts (1) we need a man qualified to properly organize and head up the work in the English Department, and if he could also direct the study ofother languages besides English, that would be very desirable. He should have had at least three years of graduate study in English so that he could teach advanced courses. If Dr. Fenn could come we should be very glad. (2) If a man with the personality of Dr. C. H. Hamilton (a former member of our faculty) could be secured for pure psychology and philosophy, it would be very fortunate, but unless a man had a background of Oriental as well as Western thought and psychology he could not make much of a contribution in this field. Even yet Dr. Hamilton's reputation as a teacher is spoken of, and though we have tried to get him back we have not succeeded in doing so.

In the College of Science the most pressing need at present is for an experienced professor to direct graduate research and teaching, one who has secured his Ph. D., or at least his M. A., and if he should already have had experience in China it would be a great advantage. The College is also in need of an entomologist, but Dr. Wiggans is trying to locate such a man and you will no doubt hear from him in due time should be succeed in finding the right person.

Mr. Reisner will have filed with you the needs of the College of Agriculture and Forestry. A teaching specialist in the field of plant physiology is one of the needs.

You will note, then, that there is one vacancy in the College of Arts (to make up the allotment of six board representatives), where the most pressing need is some one to head up the English Department; two vacancies in the College of Science (to make up the allotment of four board representatives), where the most pressing need is an experienced director of graduate research and teaching; and the two Baptist vacancies in the College of Agriculture and Forestry, which Mr. Reisner

has been trying to find men to fill, and who would make up the allotment of five board representatives for that College. The Reorganization Committee in planning for a total of fifteen, instead of seventeen, board representatives evidently did not feel they could count on the two Methodist vacancies being filled.

A desire has been expressed that we try to secure Dr. Willard J. Simpson, of the Methodist Mission, Changli, Hopei, but as the representation of the fully-cooperating boards is complete in the College of Agriculture and Forestry (i.e. 3+2 Baptist) I am afraid it might disarrange board representation in the different colleges if he should be transferred to the University. However, if Mr. Reisner is unable to continue permanently with the University, Dr. Simpson could fill the vacancy thus created, or the U. C. M. S. representative that Mr. Reisner has in mind could make up the board representation.

As you know, we have tried to secure some former members of the faculty but without success, and at present, with the exception of Dr. Simpson, we do not think of others on the field who would be available.

Hoping that what I have written answers your letter of October 29th,

Sincerely yours,

Y. G. Chen.

Y. G. Chen.

Nanking

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TRANSFER

University of Nanking

President Y. G. Chen,
Miss Elsie M. Priest,
University of Nanking,
Nanking, China.

February 4, 1931

AIR MAIL

ack 3/8/31

My dear Dr. Chen and Miss Priest:

We are attaching hereto a copy of an outline of the proposed retirement plan and annuity fund for the University supported staff at Nanking. Under separate cover we are sending ten more copies of this outline.

This plan as now drafted is the result of about six months of study and consultation between committees representing the Founders of the University of Nanking and the Trustees of Yenching University on the one hand, and the Sun Life Assurance Company of Canada on the other. These two Universities have been actively engaged during the last year on the working out of a satisfactory retirement plan, and we have been seeking to secure a plan that would be satisfactory from an actuarial standpoint and would give the maximum benefits to the University supported staff members of the University, both Western and Chinese, at the most advantageous rates we can procure.

We hope that the present plan will be found to combine satisfactorily these various objectives. We have tried to follow out, so far as we can, the wishes of the University supported members of the Nanking staff as revealed in the correspondence we have had with them during the past year, and we hope that we have been reasonably successful.

I trust that the retirement plan as described in the attached outline is so stated as to be fairly easy to understand. All insurance and retirement plans must necessarily be stated in somewhat technical language, and must be complicated by detailed provisions inserted to take care of exceptional cases. But in its essential outlines the enclosed plan is quite simple. It provides in essence that all permanent members of the University supported staff shall be eligible to participate in the retirement plan through taking out a policy with the Sun Life Assurance Company of Canada based on the payment of a premium of ten per cent of their salary, this payment to be divided equally between the staff member and the University. For past service the University will contribute one-half the premium if, and to the extent that, this payment is matched by similar contributions from the staff members.

These premium payments are to continue so long as the staff members remain in the employ of the University, either until they reach retirement age or until the amount of the retirement benefit earned by the

contributions has grown to two-thirds of the salary then being received by the staff member. When this basis of two-thirds of the salary has been reached the University's contributions will cease, but the staff member may continue or discontinue his own payments as he may desire.

The normal retirement age is defined as the July 1st following the staff member's sixty-fifth birthday. The staff member may, however, continue in service beyond sixty-five if mutually agreeable to himself and to the University. Where such continuation in service takes place the value of the annuity after retirement is proportionately increased upon an actuarial basis.

Upon retirement a staff member receives a monthly retirement income in accordance with any one of several options set forth within the plan.

Should the staff member become totally disabled while in the service of the University and before reaching retirement age, he shall be entitled to receive the sum of the combined contributions made by himself and the University, together with interest and dividends. Should the staff member die while in the service of the University and before retirement, his beneficiary shall receive the amount of the member's contributions, together with interest and dividends thereon, and if such beneficiary be a person who is dependent upon the member, he shall also receive the contributions of the University with interest and dividends thereon.

Should a staff member withdraw from service in the University before reaching the age of retirement he is entitled to the following benefits:- (a) If he has served the University less than ten years, he is entitled to receive back from the Assurance Company in cash the amount of retirement income standing to his credit which has been provided by his own contributions plus the additions by dividends earned by his own contribution. He does not receive in this case any benefit from the contributions made by the University. (b) If he retires after ten or less than twenty years' service he may either receive back his own contributions with interest and dividends thereon, but without receiving benefit from the University's contributions. Or he may elect to leave his own contributions with the Assurance Company as the basis for a retirement fund, and in this case the University will leave fifty per cent of its own contributions with additions thereto in the hands of the Assurance Company to the credit of the staff member. (c) If the staff member has served the University more than twenty years when he retires he may either withdraw his own contributions with additions thereto but without the benefit of the University's contributions; or he may leave his own contributions with the Assurance Company as a basis for a retirement fund, and in this case the entire amount of the University's contributions with all additions thereto will also be left to his credit with the Assurance Company.

These are the main outlines of the retirement plan. You will note that the attached statement elaborates on them, and includes various detailed explanations and safeguards.

The next steps to take in putting such a retirement plan into operation for the University of Nanking are the following:- (1) Ascertain whether the plan is acceptable to the field and to the staff members concerned. (2) Secure final approval from the Board of Founders. If study of the plan on the field makes it clear that modifications in the plan are desired some further delay may be required to allow you to report your suggestions to New York and have us bring the suggestions to the Sun Life Assurance Company and

the Board of Founders. Minor changes might be made without any serious delay, but any major alterations would probably consume more time.

One other factor that enters into the situation is this:- We understand that the Sun Life Assurance Company is likely to modify within a few months some of the provisions of this pension plan which is now offered. As a matter of fact, it is considerably more generous and more flexible than we have been able to obtain from any other source. Any restrictions the company may place upon its plan a few months hence would, of course, not affect in any way policies already in operation. If we are satisfied with the plan as proposed it would, therefore, be to our advantage to conclude our negotiations, and get out policies actually written at the earliest possible date.

We would like to request that the field take two actions after you have had an opportunity to give a thorough study to this plan:- (1) Will you please notify us by cable whether or not you are in general satisfied with the plan, so that we may be in a position to make some statement to the Assurance Company and to the Board of Founders as to whether the field desires to proceed with negotiations along these lines? (2) Will you please give us full details as to how we may proceed with putting this plan into effect if it is acceptable to you? The following are some of the most important questions to be answered:-

1. What members of the present University supported Western group desire to participate in the plan?

2. What is the wish of each of these members as regards payment for previous service?

3. How can we most simply provide from year to year for the payment by the University of the University's half of the premiums? (The Founders have already set aside a reserve fund sufficient to care for all the University's premiums, both for past service and for future service, for some time to come. But the usual policy in such matters is for the University's contributions to be provided from some current source of income. In this same connection the field may wish to raise the question of whether the University's payment on behalf of the hospital personnel shall be handled in some different way than its contribution for general University personnel.)

4. Is it likely that the Chinese staff of the University will also wish to avail itself of this pension plan? And if so, will the Board of Directors be able to find the necessary funds to provide the University's share of the cost? The Sun Life Assurance Company has already indicated its willingness to include the Chinese staffs of our Universities on the same basis as the Western staffs, making only the reservation that it may request the University to certify from time to time that Chinese staff members who have retired and are drawing pensions are still alive. Yenching University is already actively interested in having its Chinese staff brought under this retirement plan.

I understand that the technical procedure of the Sun Life As-

surance Company, once the adoption of such a pension plan has been consummated, will be as follows:-

1. A "Master Contract" will be entered into between the Assurance Company and the organization interested in setting up the plan. Since several of our China colleges will probably participate in such a plan on the same terms it may be that the Master Contract with the Assurance Company will be drawn in the name of our Central Office here in New York rather than each of the individual Universities participating.

2. Once this Master Contract has been entered into the Assurance Company will write individual policies for each staff member sharing in the plan. This policy will be the property of the individual under the conditions set forth in the pension plan.

3. Payments of monthly premiums will be made to the Assurance Company by our office here in New York and we will send to the various Universities the necessary notifications as to subtractions to be made from the salaries of the staff members participating.

We will probably not ask for any formal action by the Nanking Board of Founders or its Executive Committee until we have had some intimation from the field giving at least your general attitude toward this plan.

Very cordially yours,

B A GARSIDE

BAG-H

Enc.

CC: Later mail (1)

UNIVERSITY OF NANKING
NANKING, CHINA

Ack 3/11/31

February 11, 1931.

Nanking

TRANS

ENCLOSED

Mr. B. A. Garside,
China Union Universities,
150 Fifth Avenue,
New York City, U. S. A.

My dear Mr. Garside:

We mailed you yesterday in three packages forty copies of the minutes of the Board of Directors of November 21, and of the Hospital Committee of October 28, 1930. As all the actions taken by the Executive-Finance Committee on November 20 are recorded in the minutes of the Board of Directors of November 21, we have sent only five copies of these minutes, in case you should need them for your files.

My letter of November 26th covered the main points in the minutes of the meeting of the Board of Directors of November 21, such as those in regard to Baptist cooperation and their attitude with reference to language school funds. We are hopeful that these matters can be satisfactorily adjusted.

The only change made in the agreement between Yenching and our College of Agriculture and Forestry is under section 7, where responsibility for approving the agreement rests with the Board of Directors rather than with the Dean of the College of Agriculture and Forestry. Mr. Reisner and Dr. Myers will soon be here and I am sure satisfactory arrangements will be made with Yenching.

There is rather detailed report in the minutes under the heading "Hospital Committee," and, in addition, Dr. Daniels' report in full is attached to the minutes. The Hospital is desperately in need of funds and anything the Founders can do to aid in this direction will be much appreciated. Dr. Daniels is making an effort to secure a continuation of help from the Rockefeller Foundation but we do not know whether anything will come of it.

You will note the action (D-467) in regard to the return of Mr. Thomson after furlough and we shall be glad if you will take the matter up with the Presbyterian Board.

I am enclosing copy of a personal letter to Dr. J. H. Woods, one of the Trustees of the Harvard-Yenching Institute. The letter was mailed only recently. He asked me to write him of our needs, and so I have done so.

Feb. 11, 1931.

We are pleased to note from what Mr. Lucius Porter wrote to Mr. Reisner that the action by the Harvard-Yenching Administrativie Committee was more satisfactory than we were led to expect from Mr. Porter's letter to us here, as we did not understand the appropriation of $1,000 was to be made annually for a few years. We hope that through the information given you by Mr. George H. Chase in his letter to you of December 23rd you will be able to secure more funds for the collection of old Chinese books pertaining to agriculture and related subjects.

We have the records of the graduates of 1930 all ready to be signed by the American Consul and shall be forwarding them to you as soon as possible.

We shall also send you the records of the two seminary candidates for the B. D. degree about whom I wrote you on November 26th (see action D-463). The Seminary records previous to 1927 were lost so it is difficult to present their cases to the Regents. There is still a little information we are trying to secure from the Seminary and we shall then forward as much as we have to you so that you can pass it on to the Regents.

Your letter of January 8th enclosing agreement with Miss Hilda M. Anderson and copy of her health examination report has come to hand and we are looking forward to having Miss Anderson's help.

We are glad to have the information on Mr. R. C. Stuckert's qualifications. At present we do not know of an opening for him but shall let you know later (next week) if we have need of such a person.

Registration for the spring semester is proceeding, and physical examinations are being held at the same time.

The Christian Mission Administrative Committee have taken action that work be found for Mr. Schafer in some other place than the University, so he will not be returning to us this semester.

With kind regards,

Sincerely yours,

Y. G. Chen.

December 23, 1930.

Prof. J. H. Woods,
Department of Philosophy,
Harvard University,
Cambridge, Mass., U. S. A.

My dear Dr. Woods:

Since our short interview in Nanking a year ago, I have not availed myself of the opportunity of reporting to you on the cultural study being undertaken by the University of Nanking. If general conditions in China seemed somewhat precarious and uncertain then, they have worked out very well. Not since the founding of the Republic nineteen years ago has the situation given cause for such an optimistic outlook. The fact that a new capital has been created out of an old one and is taking advantage of new developments is in itself a great stimulation. If you should visit Nanking again after five years, I am sure you would be very much surprised at the physical as well as the social and intellectual progress of the new capital.

This progress, however, gives rise to a great many problems for the University, among them the increased cost of living since Nanking has become the capital. Nevertheless, if we succeed in what we are trying to do, our institution will have a very lasting influence on the system of national education in China. Our work in cultural study, as you know, was started a little later than that of Yenching University, partly on account of our misunderstanding of the requirements of the Trustees of the Harvard-Yenching Institute, and partly because in 1927 our institution suffered a great physical loss of equipment and facilities. The first year's interest on the funds of the Harvard-Yenching Institute was used in helping us to recover somewhat from the effect of recent disturbances. We have now been able to get things well under way, even with the very limited funds at our disposal, but we are anxious to make a success of our work. I am enclosing copy of our report for the year ending June 30, 1930, and I hope you will feel free, after reading it, to advise us along any line you see fit.

There is one thing on which I should appreciate greatly having your opinion. Our first President, Dr. J. C. Ferguson, has a collection of Chinese paintings, pottery,

porcelain, old bronzes, books, writings, oracle bones, coins, etc., a most valuable collection for cultural study, and he is willing to present this collection to the University if we can house it properly. Any institution that possesses such a collection is in a position to make a real contribution to Chinese cultural study. So far none of the existing universities or research organizations has as good or as representative a collection. Some of the pieces cannot be duplicated anywhere, and I can safely say that if we had this collection set up as a museum, it would be comparable to the palace museum in Peking. Our problem, then, is to provide a place where the collection can be exhibited. We feel if we concentrate on cultural study alone our work would be rather one-sided. We need a proportionate development in our arts work, emphasizing it even more than in the past. To do this we need more space for the cultivation of a research type of teacher and for this we should have to provide separate rooms for the different teachers. With our present very limited accommodation it is impossible to make such provision, so it has been suggested that an Arts Hall be erected which could also house the Ferguson collection and the Cultural Studies Institute. This building would cost, at present rate of exchange, $65,000 United States currency, or not less than $195,000 Chinese currency, for maintenance as well as construction. I should appreciate having your personal opinion as to whether it would be in order to send directly to the Trustees of the Harvard-Yenching Institute a request for funds to erect this building. I hesitate to take the matter up with the Administrative Committee newly created in China, because, although I have heard indirectly of it, I know practically nothing in regard to its organization or purpose.

Recently we presented a request to the Trustees of the Harvard-Yenching Institute for a grant of $10,000 United States currency, for the purchase of rare copies of Chinese official gazetteers, $5,000 to be used for immediate purchases, since the price of these gazetteers is increasing rapidly, and $5,000 for either purchasing or copying rare ones of the Sung, Yuan, and Ming Dynasties, occasionally preserved here and there in different libraries all over the country. In addition we asked for $2,000 annually for the continued purchase of gazetteers and similar works. As this was not a large sum, we thought it would be all right to present our request to the Trustees of the Harvard-Yenching Institute in the same way we present requests to other organizations, through our Board of Founders in New York. The Trustees, however, referred the matter to the Administrative Committee in Peking, who have

recommended the granting of $1,000. This would not accomplish much in the way of collecting gazetteers and we are puzzled to know how to proceed in renewing our request.

Hoping to hear from you before taking any steps in the matter of presenting a request for funds for an arts building, and with best regards to Mrs. Woods and yourself,

Sincerely yours,

Y. G. Chen.

P. S. The attached report will shortly be submitted to the Trustees of the Harvard-Yenching Institute through our Board of Founders in New York. If you will therefore regard it as confidential in the meantime, I shall appreciate it very much.

Y. G. C.

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Y. C. C.

WER

Nanking

University of Nanking

February 11, 1931

ack. 3/18/31

President Y.G.Chen,
University of Nanking,
Nanking, China.

My dear Dr.Chen:

I find I have a number of letters from you that have not been formally acknowledged, although the earlier of them have either been attended to or require no specific action.

Your Letter of October 31

In this you refer to the possibility of securing Miss Roberta Mohling Ma for work in Biology. Probably you have learned before this that Miss Ma was employed by Yenching last year, and began her work there in September 1930.

Your First Letter of November 26

This discusses the arrangements for Mr.Reisner's trip to China. I went over these matters with Mr.Reisner at the time your letter arrived. You suggest the possibility of asking the Presbyterian Board to provide half the expense of Mr.Reisner's trip, but I understand he considered it unwise to present such a proposal, since the Presbyterian Board has already been put to a large amount of additional expense in various ways.

Your Second Letter of November 26

Your letter discusses chiefly the matters dealt with by the Board of Directors on November 21. Apparently our New York office has not as yet seen copiesof the minutes of this meeting. It has been partly due to the fact that I have awaited the arrival of these minutes before replying to your letter that this acknowledgment has been so long delayed.

We are very glad indeed to know that Mr.Cressy was able to attend the meeting, and that he was willing to give every possible assistance in presenting the University's position on the Language School matters to the Baptist Mission and the Baptist Board.

We have been very much interested in the negotiations with Dr.Ferguson in regard to his gift to the University of Nanking of his very fine collection of jade porcelain and bronze. It certainly appears that the Harvard-Yenching Institute should be very keenly interested in this collection, and should be willing to render some assistance in providing for its proper housing, if a suitable approach can be made to them

The Yenching Trustees have already given their approval to the agreement between Yenching and Nanking as regards cooperation in agricultural work. I am sure that our Nanking Founders will also heartily welcome this cooperation.

I have not as yet taken up with the University of the State of New York the question of awarding B.D.degrees to the two seminary graduates who should normally have completed their work in May, 1927, but did not actually graduate until 1930. I assume that some reference to this matter is made in the minutes of the November 21 meeting of the Board of Directors so I have been awaiting those minutes in order to have a complete picture to present to the Regents.

I presume also that the request from the Hospital that the various cooperating Mission Boards take over the support of one nurse each year also is dealt with officially in the minutes of the November 21 meeting. Obviously the Hospital will be in a very difficult financial situation with the rapid reduction and early elimination of the Rockefeller Foundation support. The financial position of all the cooperating Mission Boards is just now so desperate that the prospects pf persuading them to assume any new commitments is far from bright. We do hope, however, that such an arrangement may be found possible.

We all look forward with great eagerness to your contemplated trip to the United States. The determination of a date for a meeting of our Board of Founders will be delayed until we know when such a meeting would best fit in with your convenience. It seems to me that it would be desirable for you to have at least a fortnight here in New York during which time you could become acquainted with the various members of the Board, and could cooperate with us in formulating the matters to be dealt with at the annual meeting. This period of preparation should make such a meeting of the greatest possible value. Of course, we might adopt the other alternative of holding the meeting almost immediately after your arrival, so that your first formal contact with the members of the Board would be at the meeting itself. In that case you would wish to spend a week or two after the meeting following up proposals raised at that time. It would probably also be desirable to hold follow-up meetings of various committees of the Board to deal with matters on which the Board would not be able to take final action. Much would depend upon your own plans both before and after the meeting.

Your Letter of January 12

With this letter you transmit two copies of the Report on Chinese Cultural Studies Work for the year ending June 30, 1930. I am at this time forwarding the original copy of this report to Dean Chase, the Chairman of the Trustees of the Institute.

We are glad to know of the auspicious opening of the spring semester.

We will await with interest the report of the Fact Finding Committee which is now making a study of Christian work throughout China. The creation of this committee, together with the abnormal financial depression in the United States, have inevitably produced a further delay in going ahead with any rapid progress in the final adoption of the correlated program and the beginning of any definite promotional work for its support. I sincerely hope, however, that before the end of the present year we will be able once

more to go forward in a vigorous way with this joint enterprise.

Your Letter of January 14

This letter deals with the University's negotiations with the Southern Presbyterian Board in regard to the possible renewal of their cooperation in the University Hospital.

We would all be most happy if the Southern Presbyterian Board could see its way to the resumption of its cooperation in the University Hospital. You are familiar with the long negotiations we carried on a year or two ago when Dr.Hutcheson was willing to return if his Board would continue his support.

From your letter I understand that the field does not expect the Board of Founders to take the initiative a second time in approaching the Southern Presbyterian Board, but that you hope the Southern Presbyterian Board may indicate its willingness to enter into negotiations for the revival of its cooperation. I know that the Board of Founders will heartily support this proposal of the field and will be eager to do anything it can to advance negotiations with the Southern Presbyterian Board.

We look forward with great eagerness to your coming to New York. I hope you will feel free to keep us informed of anything we can do to prepare for your arrival, to provide for your comfort and convenience while you are here, and to assist in making your stay in America both successful and pleasant.

Very cordially yours,

BAG-H

B A GARSIDE

Nanking

TRANSFER

University of Nanking

FEBRUARY 16, 1951

President Y.G.Chen,
University of Nanking,
Nanking, China.

My dear Dr.Chen:

I find that as yet I have not formally acknowledged receipt of your letters of October 4 and December 17.

Your letter of October 4 comments on our negotiations with Dr.Ely and other representatives of the Institute for Research in Land Economics and Public Utilities.

You will have learned from Mr.Reisner in more detail than we have been able to send by letter the outcome of our most recent conferences with Dr.Ely. Briefly, we have urged Dr.Ely to consider as the initial steps in the cooperation between the Institute and the University the appointment of one or two representatives of the Institute who could make a practical beginning of this cooperation and could at the same time make first-hand study of the present situation and the future possibilities for growth of this cooperation. It has been our hope that the Institute might find it possible to take this initial step within its own resources, or through enlisting the aid of a few men already interested without making it necessary to delay for an indefinite period seeking new funds.

I am rather doubtful whether Dr.Ely will find it possible to take any definite steps in this direction in time to send a representative to Nanking this year, but possibly things will move more rapidly than we anticipate.

I am sure that when you come to New York you will be able to render valuable service to the University in carrying forward our negotiations with Dr.Ely.

Your letter of December 17 acknowledges in a preliminary way our communication of October 29 in which we raise a number of questions in regard to Board quotas. We will await with interest further information on the various questions we have raised.

Your letter also discusses the recent actions of the Baptist Board with regard to the basis of their cooperation in Nanking. We earnestly hope that the Baptist Board will agree to continue their full cooperation in the University, but I believe that the decision on this point must be made by the groups in Nanking rather than those here in New York. The attitude of the New York headquarters of the Baptist Board has consistently been to look to the field for a decision.

Very cordially yours,

BAG-H

UNIVERSITY OF NANKING

NANKING, CHINA

February 18, 1931.

Mr. B. A. Garside,
China Union Universities,
150 Fifth Avenue,
New York City, U. S. A.

My dear Mr. Garside:

I am enclosing copy of letter to the Acting Mission Secretary of the East China Baptist Mission with reference to the actions taken at the last meeting of the Board of Directors in regard to Baptist Board and Mission actions on the language school building fund and Baptist cooperation in the University.

I am also enclosing a number of letters to and from Mission representatives concerning additional support for the Hospital, as well as copy of letter from Dr. Daniels to Mr. N. Gist Gee asking for a continuation of support from the Rockefeller Foundation. As the Boards in many cases refer matters back to the field, it should save time to have the recommendations from the Missions go forward at once. We shall appreciate all you can do in taking up this matter with the cooperating Mission Boards. We have not as yet referred the matter to the Methodist Mission but are doing so, though it is doubtful whether we can expect any help from them at present.

Your letter of January 13 in regard to prospect of securing more help from the Harvard-Yenching Institute for the Research Library has been received and we shall appreciate your renewing our request in due time.

We have also received your letter asking us to send Mr. Fenn information about the University. We shall do so in a few days and later will send him printed material we are getting out but which will not be ready for some time yet. We realize the importance of having such material for circulation and are doing what we can to remedy the situation.

We also acknowledge receipt of application papers of George Knight as a teacher of English. While our greatest need, perhaps, in the College of Arts for a teacher of English, we need an experienced person who would be able to head up the department and give advanced courses. Mr. Knight appears to be a very splendid young man but we want Mr. Fenn for our English work, if possible, and hope he will be able to come in the autumn. We wrote you last week that there might be a chance of our using Mr. Stuckert but find now that we shall not be able to pay his salary so there will be no opening for him in the University.

Sincerely yours,

Y. G. Cheng

February 16, 1931.

Miss Dora Zimmerman,
Acting Mission Secretary,
East China Mission,
American Baptist Foreign Mission Society,
23 Yuen Ming Yuen Road,
Shanghai.

My dear Miss Zimmerman:

Thank you very much for your letter of February 13 in regard to a successor to Mr. T. K. Van on the Board of Directors of the University.

In regard to number of Baptist students in the agricultural and forestry work, we are looking up the matter for you and will report later.

I am writing particularly to let you know that we are sending under separate cover a copy of the minutes of the last meeting of our Board of Directors on November 21st, of the Executive-Finance Committee on November 20th, and of the Board of Founders on October 10, 1930. The minutes of the Board of Directors are only just ready, and so we are rather late in calling to your attention matters that the Board referred back to your Mission.

After consideration of your Board's action ECRC 30096 with reference to Language School funds, the Board of Directors took action D-431, on page 11 of the minutes, as follows:

> "Voted, that we confirm the action of the Executive-Finance Committee (DEF-406) "that the matter of refunding to the Baptist Board financial equity in the capital funds of the Language School and purchase by the University of the Baptist equity in the Language School be deferred pending further correspondence with the East China Baptist Mission.'"

In view of this action, and in view of the rather detailed report concerning the Language School Building Fund which appears in the minutes, we shall be very greatly obligdd to you if you will take the matter up with your Board. If necessary, we shall be glad to furnish you with whatever information we may have concerning the appropriations made by your Board to this fund, and we shall appreciate anything you can do in our behalf.

There is another matter in the minutes to which I also wish to call your attention, and that is the matter of Baptist cooperation in the University. You will see, on pages 24 and 25 of the minutes, the action taken by the Board of Directors after considering the action of your Mission (30-183) concerning the support of a second man in the University. The Directors' action is as follows: (D462):

"Voted that, appreciating the cooperation of the Baptist Board and Mission in the work of the University, we request that in view of their action 23-182:

'In view of the loss to the University of Nanking of the service of Mr. Keen, to recommend that pending the appointment of some one from our Board to be sent to the University for the Department of Agriculture and Forestry or the Language School, that an appropriation be made of $4,000 to complete the share of this Mission in those two departments, but to state that this Mission strongly prefers that a representative on the staff of the Department of Agriculture and Forestry shall be secured,'

they hold in abeyance, until the University can present its case, their action 30-183:

'To recommend that the General Board take up with the Board ofFounders of the University of Nanking the question as to whether we need longer to supply a second man in the University or his salary, since the Language School for which we were jointly responsible has ceased to function;'

and that the President and the Baptist representatives on the Board of Directors be asked to take up the matter with the East China Baptist Mission."

In accordance with the instructions of the Board of Directors, I am asking if you will be good enough to bring the matter to the attention of your Mission for further consideration. Mr. Cressy, who was present at the meeting, will be able to report to you more fully on the discussion that took place with reference to the supplying of a second man in the University, and we shall appreciate a reconsideration of your Mission's action.

Copies of the minutes are being sent to the members of your Reference Committee also.

Sincerely yours,

Y. G. Chen.

COPY

UNITED CHRISTIAN MISSIONARY SOCIETY
China Mission
Nanking, Ku.

Office of the Secretary-Treasurer

February 13, 1931.

Dr. Y. G. Chen, President,
University of Nanking,
Nanking, Ku.

My dear Dr. Chen:

Your letters of February 5 presenting the request of the University of Nanking Board of Directors that our missionary society should assume the support of one nurse in the University Hospital in addition to the doctor already provided, were presented to the Mission Council and considered at their recent meeting. We are glad to report that favorable action was taken, as follows:

> "In reply to the request of the University of Nanking, as follows: 'That the cooperating Boards be approached to furnish the support of one nurse each, in addition to the doctor already provided, it being understood that this request is not for additional nurses, but for the support of those already on the field'
> VOTED: To approve of the request, and ask the Board to take over Miss Bauer, payment of her salary to begin immediately."

We shall forward this request promptly to our Society in America and await with interest their action on the same. We understand that this same request has been presented to our Society Headquarters through the New York Office of the University. It has not been done, I think it should be as that would give additional weight to the request.

We understand that the person you have in mind for our Mission to support is Miss Grace Bauer, and it is a pleasure for our Mission also to make this same recommendation to our Society.

Sincerely,

(Signed) Edwin Marx.

February 18, 1931.

Mr. Edwin Marx,
Secretary-Treasurer,
United Christian Missionary Society,
China Mission,
Nanking.

My dear Mr. Marx:

I acknowledge with thanks your letter of February 13th informing us that your Mission have voted to approve of the request of our Board of Directors that the cooperating Boards be approached to furnish the support of one nurse each, in addition to the doctor already provided, it being understood that this request is not for additional nurses, but for the support of those already on the field; and that your Mission has voted to ask the Board to take over Miss Bauer, payment of her salary to begin immediately.

We appreciate very much the action your Mission has taken and we are glad that Miss Bauer is the one on the Hospital staff chosen by your Mission to be supported by your Board. We sincerely hope your Board will see its way clear to give this additional aid to the Hospital. We have asked our Board of Founders to also take the matter up with your Board, and since it has already received the approval of the Mission we hope they will grant the request.

Sincerely yours,

Y. G. Chen.

P. S. Under separate cover we are sending you a copy of the minutes of the last meeting of the Board of Directors andof the Board of Founders.

Y. G. Chen.

COPY

University of Nanking,
Dec. 30, 1930.

To the Nanking Station
of the Presbyterian Mission.

Dear Friends:

At the recent meeting of the Board of Directors of the University of Nanking, the following action was taken, seeking to meet the financial difficulties of the University Hospital.

VOTED THAT "we recommend to the Board of Founders that the cooperating Boards be approached to furnish the support of one nurse each, in addition to the Doctor already provided, it being understood that this request is not for additional nurses but for the support of three already on the field."

Realizing that with some of the Boards, such action must originate from or have approval of the missionaries on the field, I am expressing this formal request on the part of the University Of Nanking that you, as local representatives of your Board and vitally interested in the University Hospital, will do all that you can to carry this earnest request thru the normal channels to your Board.

While the same request is being made to the Missions of the other supporting Boards, it is urged that your Board may consider the problem and act independently in order to avoid the dangers of dependent irresponsibility so often experienced by our Union Institutions.

Sincerely yours,

(Signed) Y. G. Chen
per J. H. D.
Y. G. Chen, President.

COPY

Dec. 30, 1930.

To the Members of the
Presbyterian Nanking Station.

Dear Fellow-members,

Concerning the desire of the University Hospital that our Board of Foreign Missions of the Presbyterian Church in the U. S. A. should assume the additional support of one nurse on its staff, I am writing this covering letter to accompany the formal request of Dr. Y. G. Chen, President of the University of Nanking. Trusting that the technicalities are thereby taken care of, I proceed to explain more in detail the urgent need, that the request may more readily be understood by the station, the mission, the Council and the Board.

Historically, I believe our Board first assumed medical mission responsibilities in Nanking in 1912. Since then it has carried its equivalent share with the Christian and Methodist Boards. During the reorganization in 1917 with the transfer of the medical school to Tsinan, it would have been impossible for the boards to decrease their quotas in staff as much as they did, had it not been for the generous grants of the Rockefeller Foundation. These grants were made, not for a new project to be later thrown back on the Board's responsibility, but inlieu of the medical staff transferred to Tsinan for the concentration of medical education at that place. These grants were continued steadily for ten years and then promised in decreasing amounts thru the next five years. Thus the last payment of $3000 Mexican will be received in 1931. It had been their presumption that during these fifteen years, the hospital could become largely self-supporting. Perhaps in the course of normal events this might have been accomplished.

The abnormal occurred in March, 1927. The staff was completely disorganized, the hospital lost for over a year, and after its return the total losses were estimated at nearly $100,000 Mexican. The new Chung Shan Road has destroyed in part and threatens the whole of the new $40,000 Peden Nurses Home. The unprecedented rate of exchange also strikes severely into all Mexican budgets where supplies and drugs must be so largely purchased in Gold. With these difficulties, perhaps it is not surprising that during the year ending June 30, 1930, a deficit of $8000 had been acquired, calling for drastic action.

In comparing our situation to other Presbyterian hospitals, we make no individual claim to the difficulties brought by exchange, nor are we alone affected by the cessation of aid from the Rockefeller Foundation. Regarding the loss of property, equipment, and supplies, for which no claim was made to the government, it is significant that no rehabilitation aid has been received from the supporting Boards, quite in contrast with that received by the non-union enterprises. Regarding personnel, it is significant to compare our quota of one doctor with the staffs of our other Presbyterian Hospitals, according to the Board's summary of "Medical Missionaries and Hospitals" of April 1, 1930.

	Hospitals	Doctors	Nurses	Av. of total staff
For Kiangan Mission	4	4	5	2.25
For China Missions	34	47	30	2.26
For all Missions	78	135	95	2.95

The minimum requirement of a mission hospital is usually conceded to be a mission doctor and a mission nurse.

It is difficult to make a similar comparison between our hospital and those of the other co-operating missions, but a few instances suffice to illustrate. At Wuhu and at Nanchang the Methodist Board has provided beautifully new modern plants and two foreign doctors and two foreign nurses in each place where the total bed capacity in each is little more than half that of our hospital and the responsibility to foreign patients a great deal less. The same is true of the near-by station of Nan-tung where the Christian Mission provide one doctor and three nurses and are asking for a fourth.

In Nanking the responsibility of our hospital to the foreign community has always been large factor. Among the mission delegations the North Presbyterians have always been well in the lead. If they alone were paying at the rate we are receiving for our family contracts, it would bring in over $2000 per year. Another factor bidding for special consideration is that of the four foreign members now supported by hospital receipts on the field, one is a good Scotch Presbyterian and two are good North American Presbyterians. It is distressing to have no means for these good people to arrange for pensions.

Turning to the Chinese people whom we have come to serve, there is more and more complaint that our increasing prices are forcing out more and more of the charity cases, and we regretfully acknowledge its necessity. So far there seem to be plenty of patients for us, for the government hospitals and for the private practitioners, but we must watch for that as one of the possible trends in the future. This point of view was well expressed by Miss Frame in speaking of the suggested topics for the 1931 Conference. Quoting this paragraph:

"With regard to medical work there seems to be a general feeling that as non-missionary institutions develop, the missionary hospital should be prepared to do more charity work and public health work of the sort which does not bring in large incomes We therefore seem to be prepared to ask for larger grants from the Board in order to make the best use of our present medical equipment. Are you in agreement with such a policy?"

In closing might I remind the Station that we are requesting not another nurse, but the support of one that we have. Specific recommendation is not made in this letter, leaving the matter more open to Station discussion, but an early decision is hoped for.

Sincerely yours,

Acting Superintendent.

C O P Y

Shanghai, China,
January 14, 1931,
23 Yuen Ming Yuen Road

Dr. Y. G. Chen, President University of Nanking

Dr. J. Horton Daniels, Acting Superintendent University Hospital.

Nanking.

Dear Doctors Chen and Daniels:-

A copy of your letter of January 3rd, 1931, addressed to Dr. Egbert W. Smith, Secretary, Executive ~~Secretary~~ Committee of Foreign Missions, Presbyterian Church, South, Nashville, Tenn. was duly received by the Mid-China Mission of the Southern Presbyterian Church, and was read at its recent annual meeting, held January 6-9, 1931.

Your request to the Board (Executive Committee of Foreign Missions) of our Church for co-operation in the conduct of the University Hospital at Nanking excited much interest and sympathy amongst our members, especially as you referred again to your warm desire that Dr. Allen C. Hutcheson might return again to the University Hospital.

The Mid-China Mission wishes to thank you for the courtesy of sending us a copy of your communication which made so plain to us some of the difficulties under which your great work is being carried on. This Mission looks back with genuine satisfaction upon its former years of co-operation with you under the leadership of Dr. Hutcheson, and wishes to express its deep regret that circumstances have thus far prevented the return of Dr. Hutcheson. In this connection we would like to refer to an action taken by us in November 1928, in which our Mission endorsed "the call of the Nanking University to Dr. Hutcheson to return to the University Hospital, but explaining that we do not wish this action to involve the resumption of official relationship to the University." This was intended to convey the meaning at that time, as it likewise does at this present time, that the Mid-China Mission would warmly welcome the return of Dr. Hutcheson to his place in the Mission, and to his work in the University Hospital, and would be greatly pleased if arrangements should be made which would secure his early return to our Mission and to the University Hospital. Beyond this the Mission is unable to go, as for instance, the assignment of any new workers to the University Hospital, or undertaking the support of a nurse, or favoring a financial grant.

The Mid-China Mission is now engaged in re-adjusting itself to the changed conditions which exist in its own field of work, and this is being done under the stress of depleted finances. It finds itself faced with strong calls for additional workers, and additional funds, for use within its own special bounds. It will be very difficult to even partially meet these calls in the case of work already undertaken and which must be maintained.

In addition to older work, the Mission has just voted to take up new work in a new region. Such circumstances make it impossible for the Mission to assign workers or funds in any way not included within its own special bounds.

We are aware of the splendid way in which you are carrying on your great work under the exceptionally difficult circumstances with which you are faced. Our knowledge of these facts adds greatly to the deep regret that the Mid-China Mission finds itself unable to bear a hand with you, nor to participate in any way except through the much-hoped-for return of Dr. Hutcheson.

The requests which were made in your letter to our Executive Secretary, Dr. Egbert W. Smith, will, of course, find their official settlement at home at the hands of our mission authorities, but the Mid-China Mission wishes to take this opportunity of expressing the Mission's warm good will and sympathy toward the University, and the University Hospital, even though it is unable to endorse the proposed co-operation set forth in your letter. This letter is written at the direction of the Mid-China Mission.

With best wishes,

For the Mid-China Mission,

per (Signed) Geo. C. Worth

Chairman, Medical Committee.

(C O P Y)

Nanking, January 19, 1931.

Dr.Y. G. Chen,
Nanking University.

Dear Y. G.,

Thank you for your letter and enclosure, copy of letter to Dr. Edward Grant. I am glad that you wrote this letter and hope it will bear fruit.

A copy of the letter to Dr. E. W. Smith, Exec. Secretary of our Mission Board in Nashville, signed by Dr. Daniels and yourself was read at our Mission Meeting week before last. The Mission, I am sorry to say, could not see its way clear to recommend that our Board send a physician to the University Hospital or renew its part in the work of the Hoppital. We are facing a forty per cent cut in appropriations and several of our own hospitals are calling for added doctors. However the Board may take independent action and send a man; this is within the range of possibility. The Mission did say that if Dr. Hutcheson desired to return to China it would advise ~~his~~ location in Nanking. I wonder if Dr. Hutcheson would be willing to ask our Board to send a man in his place. Two years ago he offered to pay half of his own salary but the Board, for strange reasons we do not understand, delayed their answer and Dr. Hutcheson meanwhile took a position at Houston, Texas.

When you go to America this spring I hope that you will see Dr. Grant and Dr. Smith and other members of our Board. The mail address of our Board is Box 330, Nashville, Tenn., and the street address 113 Sixteenth Ave. South, Nashville. I am sure you will find a warm welcome.

I have promised C. Y. Wang that I will teach one course in the University Department of Religion beginning this fall. Would you object if we reciprocate by asking C. Y. Wang to teach one course in the Seminary - Child Psychology or Organization of Religious Education?

Very sincerely,

(Signed) Frank W. Price.

COPY

February 3, 1931.

Mr. N. Gist Gee,
The Rockefeller Foundation,
Peiping, Hopei.

Dear Mr. Gee:

It is a pleasure to report with optimism concerning the growth of the University Hospital during the past year of 1930. Perhonally having just returned to Nanking in the fall, I am glad to give full credit to the staff as a whole and especially to those who have guided the affairs of the hospital through these two years or more of difficult reconstruction. The political peace and relative stability of the government for the latter half of the year have helped very much. However, the goverhment program of road building has brought with it the destruction of one-third of our Peden Nurses' home, built by your aid in 1924. The remaining two-thirds and other minor buildings, valued at approximately forty thousand dollars, Chinese currency, are being threatened constantly by plans for further widening of the road. Another crossroad, planned for the uncertain future, will threaten our well, engine house, and the foreign nurses' residence. These future and present capital losses added to those incident to the 1927 affair, - approximately one hundred thousand dollars, Chinese currency - have created our major financial problems. Second only to this comes the mysterious unprecedented gold exchange sending the cost of foreign goods and foreign salaries almost beyond the reach of our silver income.

Administrative organization has had two charges. A larger, more representative and more powerful Hospital Committee, appointed by the Board of Directors of the University of Nanking, has been created and bids fair toward adding a real contribution. Within the hospital, the former Executive Committee has been replaced by the superintendent with an executive council, and to this position I was appointed as acting superintendent, looking forward to a Chinese administrator in the future.

The various medical services are being carried on as usual, except for the conspicuous lack of any specialist in Eye, Ear, Nose and Throat. It has been a real satisfaction to have Dr. Elbert Y. Chang of the Central Hospital available to whom we may refer urgent cases. We are in hopes of securing a man for this position soon. Dr. Vera Hsiung has very ably carried on the Gynecological and Obstetrical service with constant increase in numbers. Dr. James Cheng and Dr. Roland Slater have directed jointly the surgical work. No doubt the resignation of Dr. F. Y. Chang, former superintendent and surgeon of many years standing, took with him much of the former confidence of the community, but this is being built up again steadily. Dr. C. S.Trimmer and Dr. C. B. Chang together share the Medical Service which has assumed first place in numbers of in-patients. Dr. Margaret Smythe has been giving us part time service in conducting a Well-Baby Clinic, as well as doing her own work with student clinics in Ginling College and other girls schools in the city. We have also one surgical resident and three internes on the staff.

The laboratory under Miss Bauer's direction is one of our biggest assets both financially and professionally. Her graduate students have been going out for many years into important government and hospital positions. This past year definite fees have been charged for most of the out and in-patients, which has not only helped greatly to increase the income but has added to the patients' appreciation of the service. The assistance of the Peking Union Medical College in further training, both for Miss Bauer and for her graduates has been most helpful, and Mr. Yeh Ku, now studying there under a fellowship, joins with us in expressing our appreciation.

In the same spirit of appreciation for his work under Dr. Cameron, our druggist, Mr. Loo Hok-sung, continues faithfully at his post, carrying more executive work and teaching two students.

Dr. Trimmer is carrying on the X-ray work with increasing benefit to all services as well as to the patients. It is difficult to bring the fees to an amount to cover actual cost.

The Nurses' Training School for women students, with Miss Van Vliet in charge, is gaining ground steadily, and we look forward before long to having some of our own graduates on our staff. Miss Hynds continues supervising the Special Ward and Miss Jeffrey is supervising the regular wards.

Statistically speaking, there is no opportunity to boast of increased numbers. There is a slight decrease in both the out-patients and the in-patients. In both, I think we may fairly say, the quality of work has improved and the resultant increase in returns through fees is apparent. I had hoped to present statistics up to date but lack of preliminary planning for this made it impossible at this time, so the following brief advance report is given for the fiscal year ending June 30, 1930:

O. P. D. - New Registrations	18,214
O. P. D. - Return calls	26,659
Student Health Clinics - exams and treat.	10,000
Home calls	400
Hospital In-patients	3,112

By Services:		By Classes:		By Sex:	
Med.	1,575	Special	150	Male	2,205
Surg.	1,232	First	476	Female	907
G-O.	250	Second	601		
E.E.N.T.	55	Third	1,885		
	3,112		3,112		3,112

In-patient days	43,342
Average days per patient	13.9
Average patients per day	118.6
Average bed capacity	163
Percentage bed occupancy	72.8%

To return to the financial situation, we are seeking every way possible to meet the loss of capital amounting to over one hundred and forty thousand dollars Chinese currency. In this connection, let

me thank you again for your generosity in 1928 in making the full payments for 1927-1928, the period the hospital was out of our control. Without that aid it would have been exceedingly difficult to reopen. Themore we continue to advance, however, the more we feel the pressure for replacing the losses. Now we begin to need the foreign house that was burned, and must build a new one. The old Macklin Building, which formerly provided foom for sixty or more patients' beds has been completely absorbed by the women's Nurses Training School for class room and dormitory space. The remaining two-thirds of the Peden Nurses' Home and other buildings must come down for further widening of the Chung Shang Road within the hear future, which will make an emergendy need for housing fifteen men graduate nurses and laboratory students as well as forty-five servants. If these and other such emergency needs for replacing aapital must be met as running expenses, it is likely that we shall be rather submerged before long - at the close of the fiscal year ending June 30, 1930 there was a deficit of eight thousand dollars in our current accounts.

The professional fees are being increased rapidly. The new laboratory charges are bringing in additional profit of six or seven thousand dollars. Registration, rent, special ward and drugs each show a gain of two or three thousand dollars per year, but with drugs - due to exchange - the gain is offset by the increasing cost. We must continue to push the fees up and up but we hate to do this, for it has already antagonized some of the middle and lower economic classes. The large increase in wealthy people in Nanking is the only hope we have for the solution.

Appeals are being made to the business people here, and to the officials. An urgent appeal has been made to five Mission Boards to take on new or additional support, preferably to take on the full support of the Western nurses, but no great anticipation is held due to the present financial condition of the Boards.

Is it not possible that in this struggle we may appeal with success for further aid from the Rockefeller Foundation? Ido not know whether on the basis of a capital grant or for a continuation of a current expense grant would be best. Neither the ChineseGovernment nor the Mission Boards have helped to meet these losses, so with full frankness and confidence in your interest and sympathy we state these facts and make this appeal.

It was a great pleasure to us to have your visit in Nanking and to know that you understand our situation.

Cordially yours,

J. Horton Daniels,
Acting Superintendent.

over

University of Nanking

March 11, 1931

ack. 4/1931

President Y.G.Chen,
University of Nanking,
Nanking, China.

My dear Dr.Chen:

Let me acknowledge receipt of your letter of February 11, and also of the packages containing 40 copies of the minutes of the Directors' meeting of November 21, 40 copies of the minutes of the Hospital Committee meeting on October 28, and 5 copies of the meeting of the Directors' Executive Finance Committee on November 20.

We are at this time sending copies of all this material to the members of our Nanking Board of Founders for their study. Such of this material as requires consideration and action by the Founders will be brought to their attention at the next meeting of the Board, or possibly of the Executive Committee.

As yet we have not set a date for the spring meeting of the Nanking Board because we are hoping that you will be able to attend such a meeting, and we are awaiting more definite word as to dates that will fit in with your other plans. No doubt some word on this subject will be reaching us soon.

I have read with interest the copy of your letter to Dr.J.H.Woods of the Harvard-Yenching Institute. It is greatly to be regretted that the Peiping Administrative Committee of the Harvard-Yenching Institute took such an unsatisfactory stand on the request of the University of Nanking for assistance in developing your research library. The procedure now being worked out by the Institute will require that actions on all requests for assistance at any point in China will be based on recommendations made to the Institute by the Administrative Committee in Peiping. This is a natural and logical procedure, but if it is to work out in a way that will enable the Institute to carry on work with any breadth of scope it is absolutely essential that the Administrative Committee on the field shall be so constituted as to have both an impartial and a national viewpoint and acquaintanceship with the field of Chinese cultural studies. This situation has caused us to view with rather grave concern the developments in this test case presented by Nanking's request for assistance. I hope, however, that future experiences will be more happy.

It would be very difficult for the Trustees of the Institute to go beyond the appropriation recommended by their Administrative Committee on

the field. Even though I am keenly disappointed at the action of the Administrative Committee in Peiping, I believe it would not be desirable that the Trustees in Boston ignore this recommendation in makihg a larger appropriation than has been advised by the Administrative Committee.

In the earnest hope that before many weeks we may have the privilege of welcoming you to New York City, I am

Very cordially yours,

BAG-H

B A GARSIDE

UNIVERSITY OF NANKING

NANKING, CHINA

Nanking March 18, 1931.

ack. 4/22/31

TRANSFER

Mr. B. A. Garside,
China Union Universities,
150 Fifth Avenue,
New York City, U. S. A.

INDEXED

My dear Mr. Garside:

Recommendations for Degrees

Sent on to Albany

Last week we sent you under registered cover the records of our graduates whom we are recommending for the bachelor's degree. There are seventy-five in all and we shall greatly appreciate your securing diplomas for these men.

Candidates for B. D. Degree

Your attention has already been called to actions taken in regard to recommendation of seminary graduates for the B. D. degree. The Board of Directors on November 21, 1930, took the following action:- "Voted that we recommend that the Board of Founders do their best to secure diplomas for the two candidates for the B. D. degree, independent of the University of Nanking." On December 26, 1930, Dr. Edward James, Acting Dean and Chairman of the Curriculum Committee of the Seminary, wrote as follows in regard to the records of the two candidates:

mind take up

> "After considerable searching I find what I ought to have known before, viz., that the records of the two men recommended for the B. D. degree were lost during 1927, the same as those of all other students in the Seminary. They returned to the Seminary only to take the last semester's work over, and it is only for this work that we have record. It is impossible to overcome this hindrance. It must be taken for granted, as, of course, was the case, that their previous work was at least of recognized passing grade. In these cases probably it was not merely passing, but was a commendable grade. We do not wish to be unfair to the men, or to mark them lower than they merit; but let us give them credit for average of 87 on a scale of 100, for what is irrecoverably lost."

The course of study taken by the two candidates covered the following subjects:-

First year:	Old Testament	3	units	through	yr.	each	term
	New Testament	3	"	"	"	"	"
	Church History	3	"	"	"	"	"
	Theology	3	"	"	"	"	"
	Homiletics	2	"	"	"	"	"
	Religious Education	2	"	"	"	"	"
Second year:	Old Testament	3	"	"	"	"	"
	New Testament	3	"	"	"	"	"
	Church History	2	"	"	"	"	"
	Theology	2	"	"	"	"	"
	Homiletics	2	"	"	"	"	"
	Greek Exegesis	2	"	"	"	"	"
	Religious Education	2	"	"	"	"	"
	PracticalEvangelism	2	"	"	"	"	"
Third year:	Old Testament	3	"	"	"	"	"
	New Testament	2	"	"	"	"	"
	Church History	2	"	"	"	"	"
	Theology	2	"	"	"	"	"
	Comparative Religion and Apologetics	3	"	"	"	"	"
	Religious Education	2	"	"	"	"	"
	Philosophy of Religion	3	"	one term			
	Greek Exegesis	1	"				

We have already written you that the work of the candidates should have been completed in June 1927, but because of the interruption caused by the troubles of March 1927, they took the last term's work again in the spring of 1930. Dr. James has given the standing of Tseo Ping-i for this period and it will be found below. The Seminary decided recently that they were not ready to recommend Mr. Chu Chi-chang as his thesis had not yet been prepared, so Mr. Tseo is the only one being recommended for the B. D. degree at this time. Dr. James wrote as follows on March 16,1931:

"Mr. Tseo's average (for the spring term 1930) was 92% and I have to give you the details as follows:-

Apologetics	94
Church History	90
Pastoral Theology	92
Religious Education	92
Old Testament	90
Church in China	94

"Mr. Tseo's work was all of high grade; and his thesis highly satisfactory.

"Mr. Chu Chi-chang has not yet prepared his thesis, and his name is hereby withdrawn from application for the degree. This is done by order of recent meeting of the Faculty, February 16, 1931."

You have probably already taken up this matter with the Regents and I regret that this additional information is so late in reaching you. We have been waiting, however, until we could get as many details as possible from the Seminary, and the Seminary will be very grateful for what you do in an effort to secure the degree for Mr. Tseo.

Report to Regents

Sent

The officially signed copy of this report was mailed you with the records of our 1930 graduates and we hope it is not too late for the Regents' purposes.

Budget for 1931-1932

The budget for 1931-1932 was presented in excellent shape and adopted by the Board of Directors at their meeting on March 13th. A request that the following non-recurring items, amounting to $57,000, be provided for from estimated gain in exchange for 1931-1932 was considered and the following action taken:

VOTED that, provided funds can be secured from gain in exchange for 1931-1932, we approve of expenditures for the following items listed in order of preference:

1. Salary increases and special grant of 5% (included in budget for general items)	$16,000
2. President's trip to the U. S. A.	4,000
3. Contingent, emergency, etc.	8,720
4. Balance of residence repair account	6,500
5. Repairs and changes in east compound of college group (authorized by Directors on Nov. 21, 1930, D-437)	4,000
6. Four-unit house	8,750
7. In lieu of professor - if required	2,730
8. Changes in basement of Bates house	560
9. Leave for study grant for one professor	3,240
10. Printing	2,500
	$57,000

need take up

It was also voted that the Board of Founders be requested to grant the use of $40,000 from estimated gain in exchange for 1931-1932 on funds they control, to cover the above items. Miss Priest will be writing you fully on financial matters that should be reported to the Founders. The special grant of 5% on salaries was voted in view of the high cost of living.

Pension Plan

Your letter of February 4 in regard to the pension plan, enclosing copy of the minutes of the Committee on Salary, Retirement, and Status of University Supported Staff, as well as the outline of proposed retirement plan and annuity fund as worked out by the Sun Life Assurance Company of Canada, was read with much interest. The ten extra copies of the outline were also received. The plan seems a very fair one, more especially for those who have joined the staff more recently. The possibility of Chinese members of the staff wishing to avail themselves of the plan was discussed at the meeting of the Board of Directors on March 13th and a small committee was appointed to go into the matter. We certainly appreciate all the time and effort you have spent in working out the plan. Miss Priest will be writing you in regard to those who wish to insure under the proposed plan.

Cont'd

Hospital

Advantage was taken of the presence at the Directors' meeting on March 13th of Dr. George T. Scott, who attended the whole meeting and took part in the discussions, to ask him, on behalf of the Board, to take up with the Rockefeller Foundation the question of financial aid for the Hospital, and we hope the Board of Founders will approve of Dr. Scott's doing all he can to secure such aid, as he knows the situation and can present the need of the Hospital after personal observation. The Directors present their request in the following action:

Cont'd

VOTED that this Board requests the Board of Founders to approve of the appointment of Dr. George T. Scott to report to the Rockefeller Foundation the present condition of the University Hospital, for the purpose of asking for $100,000 Chinese currency to repair our property and ~~for~~ providing in addition an endowment fund to replace the annual contribution which has been generously made in recent years.

Correlated Programme

You will be interested in the actions taken in regard to the East China Federated University. The Board were not in favour of the scheme to establish a central university in Shanghai, and after a very lively discussion it was

Cont'd

VOTED that our representatives on the Board of Trustees of the East China Federated University be instructed that it is the opinion of this Board that no immediate steps should be taken towards implementing the Centralized Federated University.

VOTED that we instruct our delegates to recommend some form of round-table discussion between representatives from the United States and England with the representatives of schools in China for revising the askings of the various schools.

Other Matters

Mr. Reisner was present at the Board of Directors' meeting and it was with regret that his resignation was accepted.

We had the pleasure of having Dr. George T. Scott, Dr. K. L. Butterfield, and Dr. A. L. Warnshuis address the Board and were glad they could be present at the meeting and know something of our problems.

Your letter of February 11th reached me on the last mail and I wish to thank you for the preparations you are making for my visit to the United States. I am sorry to write you, however, that it is not possible for me to leave in the immediate future, as I had hoped. The Dean of our College of Arts is making plans to go on leave for study abroad next school year and it is quite uncertain whether Mr. Sie will remain with us in the College of Agriculture and Forestry, so I do not see how I can be absent, under the circumstances, and we are still looking for some one to act as president during the time I am away. The Board of Directors felt it would be better if I waited till after school opened in September, and I am now planning to go at that time.

Report

Dr. Myers left day before yesterday for Peiping and we hope he will be able to make arrangements for putting into operation without further delay the agreement between Yenching and Nanking. Mr. Reisner will have written you fully in regard to this and other matters.

The minutes are not yet ready and it will be some time before they are in proper shape for approval, but these are items which should be called to your attention without delay.

Dr. Hamilton has written to one of the members of the staff indicating that there is a possibility that he will consider returning to the University and we are hoping that he will come back. If you have opportunity to assure him of our desire to have him on our faculty again, we shall appreciate all you can do to persuade him to return.

Write informally

Sincerely yours,

Y. G. Chen

Y. G. Chen.

UNIVERSITY OF NANKING
NANKING, CHINA

Nanking

April 10, 1931.

ack. 5/12/31

INDEXED

TRANSFER

Mr. B. A. Garside,
China Union Universities,
150 Fifth Avenue,
New York City, U. S. A.

My dear Mr. Garside:

I am enclosing copy of a letter from Professor James H. Woods of the Harvard-Yenching Institute, and a copy of a second letter I am writing him. While we may not receive anything from the Institute for a building, I feel that if Dr. Woods has as much information as possible in regard to our situation he may be in position some time to help us.

I appreciate your writing us in regard to the request for aid from the Harvard-Yenching Institute for our Research Library and think you are right in feeling it would be wise not to press the matter further. My idea in writing to Dr. Woods about it was really to see what his reaction would be and to find out if he had any suggestion to make as to procedure if he thought we might follow the matter up.

Sincerely yours,

L. A. Chen

C O P Y

HARVARD UNIVERSITY
Department of Philosophy
and Psychology

Emerson Hall
Cambridge, Massachusetts

March 6, 1931

Dear President Chen:

I have received your letter of December 23, and also the report on Chinese cultural studies at the University of Nanking, ending June 30, 1930.

I will see that your proposal that a building be erected at Nanking to make it possible for the University of Nanking to receive Dr. Ferguson's gift receives consideration. It would be best, I think, to sound unofficially one or two of the Trustees before making a formal proposal. There is no need whatever to take up this matter with the Administrative Committee in China. As I told you, each university is directly responsible to the Trustees. I am somewhat doubtful, however, whether the Trustees would approve your plan. The Board has been very loathe to appropriate any money for land or for buildings. I will let you know a little later about this.

I am very glad to hear of the progress of your library, which made a very vivid impression upon me.

May I ask you to give our best wishes to Professor and Mrs. Bates, and to our other friends at Nanking. With best regards from us both,

Sincerely yours,

(Signed) James H. Woods

President Y. G. Chen
University of Nanking
Nanking, China

April 9, 1931.

Prof. James H. Woods
Department of Philosophy and Psychology,
Harvard University,
Cambridge, Mass., U. S. A.

My dear Dr. Woods:

I take pleasure in acknowledging your kind letter of March 6th and want to thank you again for your interest in the University.

Although you think there is not much hope of the Harvard-Yenching Institute granting our request for help in putting up a building, I should like to give you a few items of information to make our case clear. You undoubtedly know that our University, on account of the 1927 difficulties, suffered tremendously in the matter of buildings, property, equipment, and staff, and you will have seen how very rapidly we have recovered from our misfortunes. We are still having a little difficulty, however, financially, mainly due to the great increase in cost of living in Nanking. In spite of the situation as I have just pictured it, we are keeping very strictly to the spirit and letter of the terms of the endowment for cultural study, and we are fully cognizant of the fact that other recipients of the fund are not fulfilling the terms and are using the money in a way entirely different from that specified. I believe we are the only institution in China that lives up to the wishes of the donor, both in letter and in spirit. So you will see that it is not because of careful financing that we are able to do this but because we try to live within our means and faithfully carry out the terms of the endowment.

Our request for a contribution towards a building is a very reasonable one. We are anticipating a gift which is worth many times the value of a building - in fact, quite a few of the articles composing the gift are invaluable to the study of Chinese culture. There is a strong possibility of our not receiving this gift of an art collec-

tion if we do not have a suitable place to house it, so what we are asking for is entirely in accord with the spirit and letter of the donor, even though we should use part of that building for classrooms and offices. If we secure this collection we shall be far better equipped than any other institution for the study of Chinese culture, as I wrote you in my last letter, for we shall be the only institution with such a wealth of material to study - a collection comparable to the Palace Collection that you saw in Peking. And we would be the only institution capable of making a real contribution in this study. On the other hand, it would be a real misfortune if we lost this collection simply because we did not have a suitable place to house it.

I wonder whether it would be possible to overcome the technical difficulty that you mentioned - that the Trustees may be very loath to appropriate money for land or for a building. Would it be possible to suggest that funds be appropriated for equipment for the study of Chinese culture and freedom be given us in making use of the grant, so long as we use it in developing Chinese cultural study? Or, perhaps if the Board of Trustees knew we were making a real headway in cultural study they would be willing to grant additional endowment, yielding, say, an income of $30,000 gold, for further work, in addition to the grant for equipment. In case you feel it would weaken our request to mention the additional endowment, please do not do so. This does not mean, however, that we would have no good use for such a fund. We are sure that with the anticipated art collection our research and study in Chinese culture will be very much strengthened and our needs may be much greater than at present. We do hope that you will give us a "lift" in this matter and would remind you again of our strategic position for handling this study well.

May I assure you once more of our appreciation of your trip to Nanking in response to our request, and of your general interest in the work we are doing.

With best regards to Mrs. Woods and yourself,

Cordially yours,

Y. G. Chen.

Nanking

INDEXED

University of Nanking

April 13, 1931

President Y.G.Chen,
University of Nanking,
Nanking, China.

My dear President Chen:

We enclose herewith a copy of the minutes of the meeting of the Executive Committee of the Nanking Founders which was held on the morning of March 31.

You will note that this was a special meeting of the Executive Committee to take action on the Pension and Retirement Plan on which we have been working during recent months. We found that it was necessary for us to take definite action accepting this plan not later than March 31 if we hoped to have the Sun Life Assurance Company of Canada take charge of the operation of such a plan. For some months we have known that the Sun Life Assurance Company was planning to discontinue the negotiation of any new contracts for this plan, and was working out a new group pension plan as a substitute therefor, but we had hoped that the company would keep the matter open for some months yet. However, it transpired that the head office of the Sun Life Assurance Company issued definite instructions to all its representatives that no new contract be entered into after March 31. This action on the part of the Company was due to the fact that the plan proposed for the University of Nanking was somewhat more generous than the company desires to continue without limitations, particularly in the present period of financial depression.

I believe, therefore, that we were quite wise in accepting the plan and entering into a contract with the company before the time limit expired. The acceptance of this contract by the company means, of course, that future appointees of the University will be able to secure the same pension policy as those who are now on the campus; and also that the Sun Life Assurance Company will adhere to its agreement to write such policies for Chinese members of staff, as well as for Western members of staff.

No doubt we will be receiving from Nanking within the next fortnight more definite information as to the wishes in the carrying out of our plan for the setting up of this retirement fund. When we have received such further word from you we will probably be writing again.

If the field has not already taken all possible steps in the direction of having the individual members of staff fill out their appli-

cations for these policies, we hope that this will be done without any further delay so that we can have these policies actually written and in effect before the close of the present fiscal year.

Very cordially yours,

BAG-H

B A GARSIDE

Enc.

CC: Miss Priest

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University of Nanking

April 22, 1931

President Y.G.Chen,
University of Nanking,
Nanking, China.

My dear Dr.Chen:

Let me acknowledge receipt of your letter of March 18.

Recommendations for degrees. We have forwarded to Albany the papers for the 75 candidates for the bachelor's degree. We trust that these diplomas will be issued in due course.

Candidates for B.D.degree. I have not heretofore taken up with the State Department of Education at Albany the question of the issuance of diplomas to the two seminary graduates who should have received their degrees in 1927, but whose graduation was delayed until 1930 as a result of the disturbances that took place in the spring of 1927. My delay has been due to a desire to have all the facts in hand before making this presentation. On the basis of the information contained in your letter of March 18 I am writing to the State Department of Education in regard to Mr.Tseo Ping-i. His case presents some very serious technical difficulties and I am not at all sure that the State Department of Education will be able to find any procedure by which this diploma can be issued. However, we will wait and see what can be accomplished.

Report to the Regents. We have forwarded one copy of this report to the Regents. Each year the Regents object quite strenuously if these annual reports are not received within a month or two after the close of the year on August 1. We appreciate the delays which the field encounters from year to year in preparing such reports as these, but it would be of material value in maintaining our cordial relation with the State Department of Education if these reports could be forwarded quite promptly each summer.

Budget for 1931-32. I have received Miss Priest's letter commenting on the 1931-32 budget. With this letter she enclosed one copy of the proposed budget. As yet we have not made a very detailed study of this material, but I hope to do so within the next week or so. We have been delaying the appointment of a date for the annual meeting of the Nanking Board of Founders in the hope that you might find it possible to be present. Now that your trip to the United States has been postponed until the autumn we will take steps immediately to arrange for such a meeting sometime in May. I trust that well in advance of the day of this meeting we will have copies

of the minutes of the March 13 meeting of the Board of Directors, and will be able to clear up all matters contained therein requiring note or action by the Board of Founders..

Pension plan. We are glad to have your comments on this proposed plan. Miss Priest has also written more in detail. We have kept you informed of the steps that have been taken thus far here in New York. I sincerely hope that within the next month or two we will be able to complete the details of securing policies for such members of the staff as are desirous of participating in this plan.

Hospital. We are very much pleased that Dr.Scott was able to be present at the Directors' meeting on March 13 and that he took such a warm interest in the financial problems of the University Hospital. I know that the Board of Founders will be happy to carry out the Directors' request that Dr.Scott be appointed as a representative of the University to approach the Rockefeller Foundation for further financial assistance for the Hospital.

Correlated Program. We are keenly disappointed that recent news from China has revealed new difficulties in securing agreement among the various institutions with regard to details of the Correlated Program, particularly as this program applies to East China. I have had very little direct word from Mr.Cressy since he returned to China and am awaiting his return with interest and some anxiety. We earnestly hope that at the recent meeting of the Council of Higher Education some satisfactory solution was found to these very perplexing problems of cooperation.

Your visit to the United States. We regret greatly that it has been necessary for you to postpone until the autumn your visit to the United States. We quite appreciate, however, the difficulties involved in your being absent from the campus for a rather long period, particularly when several important administrative officers of the University are likely to be leaving the campus, and when the securing of an acting President has proven such a difficult task. We sincerely hope, however, that in the autumn the situation will be such as to permit your coming to the States.

Possible return of Dr.Hamilton. Several months ago we heard intimations that Dr.Hamilton might not return to the Kennedy School of Missions next year and we have been hoping that it might be possible for him to return to his work at Nanking. I will correspond with Dr.Hamilton informally to assure him of the University's eagerness for his return. If there seems to be any real chance of our securing him we will get in touch with the United Christian Missionary Society to see if they could again assume his support.

Very cordially yours,

BAG-H

B A GARSIDE

Nanking

TRANSFER

INDEXED

University of Nanking

May 1, 1931

ack. 5/28/31

President Y.G.Chen,
University of Nanking,
Nanking, China.

My dear Dr.Chen:

A few days ago we received your cablegram reading as follows:

"MR.W.R.WHEELER IS URGENTLY NEEDED HERE. MUST BE FULLY QUALIFIED FOR ADVANCED ENGLISH. HOUSE IS AVAILABLE; WILL ACCOMMODATE."

In response to this cablegram we are today sending you a reply of which a confirmation copy is enclosed..

Within the last month the serious illness of one of Mr.and Mrs.Wheeler's children has diminished greatly the prospects of their going to China at an early date. The specialist in charge of the child has stated rather emphatically that he feels it would be most unwise for them to go to China for this year at least. There are also a number of other factors complicating the situation, with some of which you are already familiar.

For a number of years Mr.and Mrs.Wheeler have been very anxious, as you are no doubt aware, to get back to the work in China. Mrs.Wheeler's ill health has been one of the major factors preventing their return but this has not been the only one. Mr.Wheeler is doing very fine work for the missionary enterprise in his position as Secretary of the Presbyterian Board, and the Board has naturally been reluctant to see him leave this position unless it was sure he could fill a post on the field where the urgency and importance of the need would more than compensate for the loss to the missionary enterprise growing out of his resignation from his present position.

Even with the favorable medical report of a few months ago which seemed to clear up to a large extent the health difficulties involved in their return to China, the Presbyterian Board has been somewhat reluctant to have Mr.Wheeler give up his present position, and to reappoint him to a position like that in the Department of English at Nanking.

The situation has been complicated somewhat by the fact that Mr.William Fenn has already been thought of as being in line for this position. Mr.Fenn would not in any way insist that the University had obligated itself with regard to this appointment, and would be happy to turn his at-

tention elsewhere if the English vacancy at Nanking could be filled by some more acceptable person. On the other hand, the University would not wish to lose Mr.Fenn's services unless we were quite certain that other arrangements were for the best interest of the institution.

Thus we are faced by the unavoidable necessity of making a friendly and sympathetic comparison of the possibilities of Mr.Fenn and Mr.Wheeler:-

In Mr.Wheeler we have a man who has already served in the missionary enterprise in China, both at Nanking and elsewhere. He has demonstrated his unusual ability at winning the friendship of those with whom he comes in contact, particularly his Chinese students and associates, and exerting upon them a profound Christian influence. Mr.and Mrs.Wheeler are both most eager to get back into the work, and we can be sure that they would render the very finest service of which they are capable. On the other hand, I believe that Mr.Wheeler has not had any great amount of specialized training for the teaching of English. In some ways the teaching of English requires both a specialized technique, and an unusual amount of patience and willingness to endure the routine of drill, correction of papers, and the other rather uninspiring details of English instruction. Those who know Mr.Wheeler best feel that his strength lies in a somewhat different field,and that he might soon find it difficult to devote so large an amount of his time and interest to the rigid requirements of a teaching schedule of English subjects. Even though he should prove of great value to the University in other ways, it would be unfortunate if the work in English should prove to be a rather uninspiring task.

On the other hand, Mr.Fenn is a somewhat younger man who has specialized for a number of years in training for the teaching of English. Having grown up in China he is quite familiar with the conditions, the people, and the language, and knows in general what will be required in the teaching of English or the direction of the Department of English. However, he will not be available until the summer of 1932, and there is always an element of experiment in making a new appointment to the University staff even though all the visible factors seem to indicate success.

The Presbyterian Board has been studying these problems with a great deal of care and has not reached a solution even yet. I wrote informally to Dr.Bowen several weeks ago and asked his judgment as to whether we should urge the appointment of Mr.Wheeler or should recommend that the plans for Mr.Fenn's appointment should be continued. Dr.Bowen replied stating that he recognized the fact that there is much to be said on either side, and recommending that a decision be left to the field.

The Presbyterian Board has thus far been reluctant to have the matter taken up officially with the University because it has not reached any definite decision in favor of Mr.Wheeler's withdrawal from his present position and his return to the field. For this reason I have delayed somewhat in communicating to you all the factors in the situation. I feel, however, that the importance of the matter is such that you on the field should be fully informed how matters stand at the present time. Also I am anxious to have your judgment as to what is our most desirable course of procedure.

As matters stand now it seems unlikely that the University would be

able to secure either Mr.Wheeler or Mr.Fenn during the year 1931. Whether Mr.Wheeler would be able to go out in 1932 is still unsettled. There are no new developments in Mr.Fenn's case, and he is still hoping to be available for service in China as soon as he receives his Ph.D. degree in the spring of 1932.

I had been hoping that you would be arriving in New York this month and we could then discuss these matters with you at first hand and could reach a better decision than can easily be secured by correspondence. Becaus of the postponement of your trip to the States, however, it becomes necessary for us to report all these factors to you by letter, and to seek your wishes as to methods of procedure. Will you please write us quite frankly in regard to all these matters.

You will remember the correspondence we sent you in March, 1930, stating that Mr.P.T.Lau was anxious to secure teaching service in some Christian University in China, preferably the University of Nanking, in the field of economics. At that time you replied that no opening was available in this field. Within the last few weeks Mr.Lau has again written us of his desire to get out to China, with a preference for Nanking. I am writing him that we are passing on this new information to you, but that I have no knowledge as to any change in the teaching staff in economics that would make it possible for the University to consider his appointment. In case it does happen that you are seeking a man in economics, and would like to correspond direct with Mr.Lau he can be reached at 318 South Juniper Street, Philadelphia, Pa.

Very cordially yours,

BAG-H

Enc.

B A GARSIDE

over

Nanking

TRANS.

INDEXED

University of Nanking

May 4, 1931

ack. 5/28/31

President Y.G.Chen,
Dean John H.Reisner,
University of Nanking,
Nanking, China.

My dear Dr.Chen and Mr.Reisner:

We enclose herewith copies of Dean Chase's letter of April 28, and a reply sent him on May 2.

I confess that I have received with mixed emotions the notice of the action by the Trustees of the Harvard-Yenching Institute appropriating G$2,000 for the work of the Research Library at Nanking. It is not always true that "half a loaf is better than no bread", and the very small and inadequate appropriation made by the Institute is so far below the total of G$16,000 asked for in connection with the outline of the project submitted by Mr.Reisner last September that I seriously question whether the University does not lose more than it gains by the acceptance of such an unsatisfactory reply to its request. At the time this project was presented to the Institute I was convinced that it was quite in line with the program which the Institute is presumably formulating for its work in China, and I felt too that the amount asked was a very moderate one. I have not changed my mind on either of these two points. I consider that the Administrative Committee in Peiping dealt with this request from the University of Nanking in a very unsympathetic and unintelligent manner, and I fear that if their action in this case is any indication of what the attitude of the Committee is to be in dealing with proposals for work outside that carried on directly from Peiping, then the prospect for any comprehensive program for Chinese cultural work throughout China is indeed dark. In the light of these considerations this very modest request from the University of Nanking takes on a far greater significance than if it were simply a matter of the appropriation or refusal of the sum of G$16,000.

At the risk of offending our friends in Peiping, I have expressed in rather plain language, both to the Trustees of the Institute and to Dr.J. Leighton Stuart, my views as to the attitude and viewpoint of the Administrative Committee in Peiping. I have no greater loyalty for one institution than any other in matters where the interests of the whole field are at stake, and I am profoundly convinced that it would be a disaster of the first magnitude if we should allow the program for the promotion of Chinese cultural work throughout China, with the large support available for this work and the unlimited possibilities of development under wise guidance, to degenerate into a very narrow undertaking carried on for the interests and prestige of a small group with a narrow viewpoint.

On the other hand, we must avoid any statements or actions that would create needless friction or misunderstanding.

We will await your instructions as to the procedure we should follow in drawing the $2,000 appropriated by the Institute for the work of the Research Library.

Very cordially yours,

BAG-H

B A GARSIDE

Enc.

P.S. You will, of course, hold in complete confidence the very frank statement of my personal opinion set forth in the foregoing.

Nanking

TRANSFER

University of Nanking

May 4, 1931 #2

ack 6/15

President Y.G.Chen,
University of Nanking,
Nanking, China.

My dear Dr.Chen:

On May 2 we received a cablegram reading as follows:

"SECURE GEORGE WARREN ALTERNATE BOYLE, CABLE DECISION IMMEDIATELY. DEPOSIT SIX HUNDRED LOVE TOMPKINS COUNTY BANK ITHACA."

The first part of this cablegram puzzled us somewhat for we have been able to find no mention in recent correspondence from Nanking of any "George Warren" or "Boyle". Letters from Miss Priest under date of March 4, April 1, and April 2 discuss arrangements with Mr.Stanley Warren, but we assume that he is not the one referred to in the cablegram.

Last year when Mr.Buck prepared his list of visiting specialists who might be available for service in China in connection with the China Land Utilization and Population Project, he included the name of "G.F.Warren, Cornell University" for six months service under the project including courses in agricultural policies and research methods. However, the period suggested for this work in Mr.Buck's outline is May to November, 1930.

We have written letter to Dr.George F.Warren of Cornell University quoting to him the first part of the cablegram and asking him whether he has had any correspondence from, or understanding with, the University which will enable him to interpret correctly the meaning of this cable. We should have a rpply from him within a few days.

Probably some letter now en route will make the situation clear to us.

In accordance with the instructions in the last half of the cablegram, we are today depositing $600 in the Tompkins County Bank, Ithaca, to the credit of the account of Professor H.H.Love.

Very cordially yours,

B A GARSIDE

BAG-H

UNIVERSITY OF NANKING

NANKING, CHINA

May 5, 1931.

ack. 6/17/31

Nanking

Mr. B. A. Garside,
China Union Universities,
150 Fifth Avenue,
New York City, U. S. A.

My dear Mr. Garside:

INDEXED

Your cablegram of May 1st in reply to ours of April 14th has been received and we have decoded it as follows:- "W. R. Wheeler's youngest child is very ill, must remain here for the present." The last code word reached us as u c u x b but we were unable to find such a word in the Missions Code, and as it was reasonable to suppose that it should have been u g u x b, we concluded that the Wheelers will not be returning to China in the very near future.

We felt it necessary to include the qualifying clause in our cablegram of April 14th in reply to your letter of March 27th, because we need to use extreme care in the selection of English teachers from now on. We have heretofore laid a good deal of stress on the qualifications of board-supported members of the faculty and we should like every new member to be well trained in the particular field in which he is to work, in addition to having a strong Christian personality, for then his main interest will be in this field and he will be able to make his best contribution there. Among those who have come so far for English, I wish to mention Mr. Young (though he is not a board-supported member of the faculty), who is not at all prepared to teach advanced courses or other than elementary English; and Mr. Jones, of whom we had great expectations. He has very thorough preparation, but not for teaching English, and though he is no doubt familiar with this subject, he seems to lack the ability to present it in a way that appeals to the students. He is an M. A. of Chicago, a B. D. of Garrett Biblical Seminary, and S. T. M. of Union Theological Seminary. What I have written is not in any sense a criticism of any board or board-supported member of the faculty, but I feel you would like to know the actual circumstances on the field so that you can select suitable men who can make the largest contribution to the work for which they are needed. I feel it only right and my duty to let you know these details, and I am sure the Boards will welcome a frank statement from the field. While we are overstaffed now in our English Department for the beginning courses, we have no one who can properly handle advanced elective courses. There is very urgent need for teachers who can give such courses and we were hoping that Mr. Wheeler or

Mr. Fenn had the training necessary for this work. If they do not have it it will mean that we shall have an additional teacher for elementary English (we now have four Americans for this) when we already have enough to take care of it. We are sorry Mr. and Mrs. Wheeler are unable to come at present, for they would be very desirable additions to our faculty in many directions.

Should Mr. Fenn be fitted to fill our need, we could use him too in advanced English work, even if Mr. Wheeler can come later. Now that Mr. Reisner has resigned, there are two vacancies on the Presbyterian quota, so Mr. Fenn's support could be taken care of. Then, too, Mr. Mills' term comes to an end in 1933 and he will not be returning to the University.

I enclose copies of letters written to accompany those of Dr. Trimmer to Bishop Birney and the Central China Conference of the Methodist Episcopal Church regarding the support of a nurse in the University Hospital. Dr. Trimmer was planning to send the same to Dr. J. R. Edwards and Dr. R. E. Diffendorfer, Corresponding Secretaries of the Methodist Board, but finally thought it best to leave the matter in the hands of Bishop Birney and youself to present to that Board. As his covering letter contains items of information you might like to have in taking up the matter with the Methodist Board, I am enclosing a copy and we shall all appreciate your efforts in securing aid from this source.

You will be interested to know that the Baptist Mission Reference Committee have appointed Dr. F. J. White and Dr. J. W. Decker a special committee to make a study of their relations to the University of Nanking and to report to the Reference Committee. These men are expected to come to Nanking about the middle of the month, and as Mr. Reisner will be here then it will be possible for him to go into the matter with them.

The People's Conference opens to-day, and while there is always a possibility of a split occurring among the delegates, we are hoping that the present Government can remain in power and that all will come all right.

With kind regards,

Sincerely yours,

Y. G. Chen

Y. G. Chen.

TRANSFER

University Hospital,
Nanking, China,
April 27, 1931.

Concerning the desire of the University Hospital that our Board should assume the additional support of one single woman on its staff, I am writing this covering letter to accompany the formal request of Dr. Y. C. Chen, President of the University of Nanking. Trusting that the technicalities are thereby taken care of, I proceed to explain more in detail the urgent need that the request may be readily understood by the members of the Mission, Bishop Birney and the Board at home.

The record of medical service in Nanking on the part of the Methodist Mission is one of which we can be proud. Dr. Beebe's work and name will long be remembered in Nanking and in China. The union work in the Hospital started, I believe, in 1912. Later, during the reorganization in 1917, with the transfer of the Medical School to Tsinan, it would have been impossible for the Boards to decrease their quotas in staff as much as they did had it not been for the generous grants of the Rockefeller Foundation. These grants were continued steadily for ten years and then promised in decreasing amounts through the next five years. Thus the last payment of $3,000 Mexican will be received in 1931. It had been their presumption that during these fifteen years the Hospital could have become largely self-supporting. Perhaps in the course of normal events this might have been accomplished.

The abnormal occurred in March 1927. The staff was completely disorganized, the Hospital lostfor over a year, and after its return the total losses were estimated at nearly

$100,000 Mexican. The new Chung Shan Road has destroyed in part and threatens the whole of the new $40,000 Peden Nurses Home. The unprecedented rate of exchange also strikes severely into the all Mexican budgets where many supplies and drugs must be purchased in gold. With these difficulties, perhaps it is not surprising that during the year ending June 30, 1930, a deficit of $8,000 Mexican stood against us, calling for drastic action.

In comparing our situation to the other denominational hospitals we make no individual claim to the difficulties brought by exchange, nor are we alone affected by the cessation of aid from the Rockefeller Foundation. Regarding the loss of property, equipment and supplies, for which no claim was made to the Chinese government, it is significant that no rehabilitation aid has been received from the supporting Boards, quite in contrast with that received by the non-union enterprises. Regarding personnel, it is significant to compare our quota of one doctor with the staffs of other hospitals, as, for instance, under the Presbyterian Board. According to that Board's summary in "Medical Missionaries and Hospitals" of April 1, 1930, the condition is as follows:

	Hospitals	Doctors	Nurses	Av. of Total Staff
For Kiangan Mission	4	4	5	2.25
For China Missions	34	47	30	2.26
For all Missions	78	135	95	2.95

The minimum requirement of Mission hospitals is usually conceded to be a mission doctor and a mission nurse.

I am unable to give you the details of the Methodist hospitals in China, but I can tell you a little about two Methodist hospitals, the one in Wuhu and the one in Nanchang. In Wuhu there are two full-time doctors supported by the Board, one nurse supported by the Board and money equal to her support supplied to get another nurse, and a nurse supported by the W. F. M. S., besides $3,000 a year. Here we have one doctor and $750 a year. There is one large government hospital here of good grade but we have a large and rapidly growing foreign community that we have to serve together with a population that is increasing in the Chinese as well. In our own Mission we have thirty-four persons, the Presbyterian doctor has about the same number in his denomination, and the United Christian Missionary Society's doctor a lesser number. The bed capacity both at Nanchang and at Wuhu is but little more than one-half of ours and the responsibility to the foreign community less because their number is less. At Nanchang there are two full-time doctors and two full-time nurses supported by the Board. If the Board can and does support Nanchang and Wuhu to this extent it seems only fair and reasonable to support one doctor and one nurse here. In the Christian Mission Hospital at Nantung one foreign doctor and two foreign nurses are provided.

In the city of Nanking we are having an increasing number of well-to-do patients so that we have been able to meet our difficulties in part by a considerable increase in fees. This, however, has aroused some antagonism on the part of those less able to pay and considerable dissatisfaction to ourselves in that we are less and less able to administer to the really poor and needy as we should like. The rich can well afford to pay for the influx of well-trained private physicians (Chinese) who are already coming to the capital, but who is to look after their more unfortunate brethren? Certainly not the state as yet, and the ones who should be concerned about the poor are as yet far too few. Christianity alone can change men's hearts to bring that about in any appreciable degree. Public health work that our hospital should be doing also will be helped if the Board supports one nurse here. For the carrying out of old standards as well as the newer policies we need your increasing consideration and cooperation.

In closing might I remind you that we are not asking for a new missionary but for the support of one now on our staff. While we are fully aware of the financial difficulties throughout the world, we are confident that the cause of Christ must be carried on, and we in our humble way are doing the best we can. We feel convinced that a little more backing from the Board is only a reasonable request and expectation.

Sincerely yours,

C. S. Trimmer.

P. S. We are asking that the Methodist Board assume the support of one of our nurses, Miss Jeffrey. Miss Jeffrey is now a member of the Presbyterian Church, but I am sure that she would be willing to become a member of the Methodist Church if it would make any difference. I believe it is a policy of the Board that they can take only Methodists as missionaries of our Board. I understand also that she could not participate in our pension fund without becoming a missionary of the Board and a member of the Methodist Church. Miss Jeffrey has been a missionary in China for eight years. She has been at the University Hospital, Nanking, about three and one half years. I believe that she is forty-seven or forty-eight years of age.

In passing might I refer to the Journal of the Annual Meeting of the Board of Foreign Missions of the Methodist Episcopal Church for November 20-22, 1930. Under the report of the Corresponding Secretaries is an item on China Medical Work, pages 50 to 52. This report states that "In 1921 and 1922 the average appropriation for five of our hospitals was Mexican $3,645. In 1927 and 1928 the average was Mexican $2,782." This shows that there is more being raised on the field. However, above in this article it says, "The annual expense of maintaining the work of our five chief China medical institutions has increased from an average of Mexican $16,500 in 1921-1922 to Mexican $31,800 in 1929, exclusive of missionaries' salaries. In Nanking we have been getting only Mexican $1,500 a year exclusive of the missionary's salary. (This year I believe we are to get $750 gold.) Does it seem unreasonable to ask for the support of a nurse here in the employ of the Methodist Board, for which we are responsible as well as for the large Chinese population that depend upon us? We have here, I believe, a larger number of Methodists than at any other place in the Yangtze valley.

We should not have had to make this request had it not been for the heavy losses incident to 1927, the withdrawal of the Rockefeller appropriations and the unprecedented high rateof exchange. However we must face facts as they are. We hope that you will join the missionaries of the other two supporting missions - i. e., the Northern Presbyterians and the Christians - and decide to support one of the nurses here on the field.

C. S. T.

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C. S. T.

MCK

Nanking

TRANSFER

INDEXED

University of Nanking

May 12, 1931

Dr. Y. G. Chen,
University of Nanking,
Nanking, China.

AIR MAIL

My dear Dr.Chen:

Let me acknowledge receipt of your letters of April 8, 9, and 10.

Supply arrived for meeting.

Your letter of April 8. With this letter you transmit, under separate cover, 40 copies of the minutes of the meeting of the Board of Directors held on March 13, and 10 copies of the minutes of the meeting of the Executive-Finance Committee held on March 11. Thus far we have received only the one set of these minutes which you attached to your letter. At 2 P.M. today we are having a meeting of the Nanking Founders. Should this supply of minutes arrive in the noon delivery, we will be able to present this material to the Board this afternoon. Otherwise I will simply report informally that one copy of the minutes has arrived, and will bring to the attention of the Board such matters as they are able to deal with without having had an opportunity to study this material. Since you have already written to us with regard to such items as require special attention by the Founders, we will probably be able to clear up all the important matters dealt with in the minutes of the March 13 meeting even though a supply of the material is not on hand this afternoon.

Your letter of April 9. This letter calls attention to the fact that the term "Trustees" still appears on the diplomas granted by the New York Regents rather than the term "Founders". You inquire as to the possibility of having the word "Founders" used in place of "Trustees" in all future diplomas issued.

The legal name of the home Board is still "Board of Trustees of the University of Nanking", this being the title used by the Regents of the University of the State of New York in granting the University's Charter on April 19, 1911. At the time of the reorganization of the University in 1927 it was considered inadvisable to petition the Regents for an amendment to the Charter changing the name of this Board from "Trustees" to "Founders" because it was feared that legal difficulties might be involved, and also that a formal presentation of the regulations of the Ministry of Education at Nanking as to the source of control of privately established universities in China might precipitate at an unfortunate time a decision on the rather complicated question of whether, under the new conditions in China, the New York Board of Regents desires to continue its same policy with regard to institutions in China. For that reason no request has been made to Albany for this charter amendment.

In Article III of the Constitution of the University of Nanking

as revised on April 2, 1929, this situation is recognized by the acceptance of the title "Board of Founders" as the term to be commonly used, but at the same time recording the fact that the corporate title of the Board is still "Board of Trustees".

This duality of identity seems to have worked out fairly well thus far but if there is any serious reason for having the legal title of the Board changed to "Founders" we should take the matter up with Albany in due form and with a great deal of diplomacy. It would not be quite in order for us to ask the Regents to change the word "Trustees" as it appears on the diplomas to the word "Founders" unless legal recognition had been given to this latter term.

It is already too late to secure the change on the diplomas recently asked from the Regents, and I presume there will be sufficient time before the next diplomas are printed for a full consideration of these problems both on the field and here at the home base. Will you please let us know the wishes of the field?

Your letter of April 10. With this you enclose a copy of a letter from Professor James H.Woods of the Harvard-Yenching Institute and a copy of the reply you are sending him. I am very much interested in this correspondence, for I am increasingly concerned at the evidences of the lack of clarity and direction in the program - or lack of program - for the work in the field of Chinese cultural studies to be carried on in China under the direction of the Harvard-Yenching Institute, and with funds either held by the Institute outright or held by the Institute in trust for the various Universities. The Trustees of the Institute are all genuinely interested in this work being proposed for China, but all nine Trustees are exceedingly busy men, and are able to give comparatively little time and thought to the important problems now confronting the Institute.

The situation is made infinitely more difficult because of the fact that as yet we have not seen any indications that the Administrative Committee in China has been able to gain a very wide or comprehensive view of the field and opportunities of such a program in China. The whole problem is one of great delicacy. We are faced by the opposing dangers, on the one hand that if we do and say nothing, the situation may drift into a most unfortunate state; and on the other hand, that any expression of dissatisfaction may create misunderstandings and unfriendliness. I have written quite frankly to you and Mr.Reisner as to some of my own fears and have also written and spoken with equal frankness to some of our friends at Yenching and to some of the Trustees of the Institute. I recognize, however, that delicacy and the difficulties involved.

In the second paragraph of your letter to Professor Wood you make a statement which I believe is not quite in accordance with the facts, and is likely to cause some misunderstanding:-

> "We are keeping very strictly to the spirit and letter of the terms of the endowment for cultural study, and we are fully cognizant of the fact that other recipients of the fund are not fulfilling the terms and are using the money in a way entirely different from that specified. I believe that we are the only institution in China that lives up to the wishes of the donor, both in letter and in spirit."

Each year I send to the Institute a detailed statement showing

TRANSFER

the expenditure within each of our Universities, aside from Lingnan (for which a report is sent in through other channels), of all the income received from the funds held in trust for these institutions by the Harvard-Yenching Institute. While we have recognized frankly that some of the institutions have been more liberal than others in their interpretation of the instructions received from the Institute, the Institute has thus far indicated its approval of all such statements submitted. I am afraid, therefore, that for Nanking to assume that it is the "only institution in China that lives up to the wishes of the donor" is apt to create some difficulties. As a matter of fact, at least one of our other colleges has been fully as rigid and meticulous as has Nanking in its expenditure of this income.

There is also one other aspect of the matter. Many of us have always felt that the last instructions of the Institute with regard to the use of this income were far too rigid and restrictive, and have feared that should the Institute insist upon the strict observance of these instructions, it would mean an overdevelopment of certain departments in our institutions in a way that would be detrimental to the symmetrical growth of the institutions as a whole. I believe that the Trustees of the Institute are themselves almost convinced that this is the case, and are gradually coming around to a position where they will be willing to liberalize these last instructions. They have already stated informally that they do not insist upon the rigid observance of these instructions for the time being where such observance would be clearly to the detriment of the institution concerned.

We have been hoping that sometime this spring we could arrange a meeting with the special committee appointed by the Trustees of the Institute to deal with these matters. It now seems rather unlikely that such a meeting can be held before the fall. If such a meeting is delayed until the autumn we hope that it can take place at a time when you will be here and can attend.

Letter from Professor G.F.Warren. I wrote you on May 4 reporting the receipt of your cablegram of May 2 and stating that we would communicate with Professor G.F.Warren of Cornell University. I have just received a letter from Professor Warren in which he writes as follows:

> "Stanley Warren has definitely arranged to go to Nanking University about August first.
>
> "Mr.Buck was very anxious to have me go to China, but it is impossible for me to get away this year and I doubt if I shall be able to leave next year. I assume that his cable refers to this desire, but I am not certain.
>
> "Professor Boyle has no definite knowledge about the cablegram which you mention and does not have a sabbatical leave of absence at this time."

I am sending you a cablegram today summarizing the facts given in Dr.Warren's letter. A copy of this cablegram is attached.

With all good wishes, I am

Very cordially yours,

B A GARSIDE

BAG-H
Enc.

Nanking

TRANSFER

INDEXED

University of Nanking

May 15, 1931

President Y.Q.Chen,
University of Nanking,
Nanking, China.

My dear Dr.Chen:

I am enclosing herewith a copy of a letter we have recently received from Mr.H.H.Horner, Acting Assistant Commissioner for Higher Education of the University of the State of New York. You will note that Mr.Horner does not see any possibility whatever for granting to Mr.Tseo and Mr.Chu the diplomas and degrees which we have been hoping they might secure on the basis of their graduation from the Nanking Theological Seminary.

Is there anything further you wish us to do on this matter, or is there additional information we could give to the educational authorities in Albany, that might prevail upon them to modify their adverse tentative decision?

I notice that Mr.Tseo was awarded his diploma and Bachelor of Arts degree in May 1930, so this invalidates Mr.Horner's suggestion that the problem might be solved by having him qualify for the Bachelor of Arts degree.

I am sorry that the prospects for obtaining the diplomas and B.D. degrees for Mr.Tseo Ping-i and Mr.Chu Chi-chang are so discouraging, but it is difficult to see how we could make any presentation of their case that would enable the Regents to take favorable action.

Very cordially yours,

B A GARSIDE

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University of Nanking

May 20, 1931

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President Y.G.Chen,
University of Nanking,
Nanking, China.

My dear Dr.Chen:

I quote below the essential part of a letter we have just received from Mr.Hadley, the Candidate Secretary of the Presbyterian Board:-

"I brought up to Executive Council yesterday the question of Mr.William Fenn and his preparation for the work at Nanking.

"Their judgment is that Mr.Fenn is the man who is prepared for such work, and that we should encourage him to proceed with his study at Iowa University with such work in mind.

"In the second place, it was suggested that we should get in touch with the University through you and see if this plan still meets with their approval as it did before. Of course, this means one more year at Iowa City and one year at language school, which means two academic years."

This letter from Mr.Hadley, together with conversations I have had with him during the last fortnight, brings out one factor in connection with Mr.Fenn's case which I did not have clearly in mind before, viz: Mr. Fenn's desire that he spend a year at language school before taking up any active teaching work. Knowing that Mr.Fenn spent his boyhood, and at least part of his young manhood in China, and knowing how good a linguist is his elder brother Henry, I have assumed that he would be able to start in immediately with his work in Nanking, with perhaps a fairly light schedule during the first year or so to permit him to do some brushing up in his language study under the tutelage of a private teacher. However, Mr.Fenn feels quite definitely that he has been out of contact with the Chinese language for so many years that he would need a full year of language study at Peiping before beginning active teaching work. This would mean that he would not be able to take up his active duties as head of the English Department until September 1933.

Meanwhile uncertainty with regard to the appointment of Mr. and Mrs.Wheeler has continued. While the condition of the Wheeler child who has been so seriously ill has recently improved steadily, I believe that there is still little prospect of their obtaining medical approval

in time to go out to Nanking this autumn, or even in time for the opening of the spring semester of 1931-32. Whether they are to get out to China at all is still an open question.

One possible solution might be for Mr.Wheeler to serve as acting head of the Department of English at Nanking from whatever date he is able to go to the field until the autumn of 1933. At that time Mr.Wheeler might be transferred into some other work, either at Nanking or elsewhere, where he could make more definite use of his very fine talents for influencing the Christian character of those with whom he comes in contact, thus leaving the headship of the Department of English to be assumed by Mr.Fenn. I realize that such a suggestion is a rather delicate one, and possibly there is no way in which it could be carried through. What do you think of such a proposal, assuming that it were acceptable to Mr.Wheeler and the Presbyterian Board.

If you have already written to us in reply to my letter of May 1, and can compress within the limits of a cablegram any new recommendations you may have as a result of the information contained in this letter, it might be wise for you to send such a cable so as to facilitate decisions here as to the plans for Mr.Wheeler and Mr.Fenn.

Very cordially yours,

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University of Nanking

May 25, 1931

#1

President Y. G. Chen
Miss Elsie M. Priest
University of Nanking
Nanking, China

My dear Doctor Chen and Miss Priest

This letter will report on matters in connection with the pension plan.

You will notice that the Founders by action BF-567 voted to refer to the Committee on Salaries and Pensions inquiries by the field as to the source of funds for the University share of the pension premiums for University-supported members of the staff, and also the question of special consideration in the cases of Miss Hynds and Miss Jeffrey. As yet we have not been able to secure a meeting of the Pension Committee, but I hope this can be accomplished during the next few weeks.

We have now received from the Sun Life Assurance Company index cards for the six staff members who have applied for policies under the pension plan. The Company assures us that they will issue a master contract and individual policies within about a fortnight.

About May 1 we sent a check to the Sun Life Assurance Company in payment of the monthly premiums for the first ten months of the fiscal year 1930-31, including a slight amount of interest for the premiums that were overdue. We are today sending a check to cover monthly premium for the month of May. Hereafter we will send remittances about the 25th of each month.

I am attaching to Miss Priest's copy of this letter a tabulation showing the disbursements which we have thus far made for the various staff members, or will be making during the next few months, and indicating the deductions we plan to make from month to month until these back premium payments have all been refunded to the University. In this connection we have noted that we are sending $20.00 per month to Miss Bauer's mother, and $25.00 per month to Mr. Young's brother. This reduces quite substantially the amount that will be available in cash for these two staff members during the next few months. So far as I have been able to check up we have not had any directions from the field to deduct the premium payments from the remittances being sent these two relatives of staff members, so for the time being we are deducting such payments from the monthly remittances to the two staff members themselves. If this is not what these staff members desire, will you please send us instructions.

I have been in correspondence with the Sun Life Assurance Company as to the best procedure to follow in securing similar policies for the Chinese members of staff. Miss Priest has written that these Chinese staff members will probably prefer that their pensions be written on a silver basis rather than a gold basis. From the enclosed copies of correspondence as had with the Sun Life Assurance Company you will note that they find it impossible to write such policies on a silver basis, but will be happy to write them on a gold basis on exactly the same terms as the policies which are now being written for the Western members of staff. The policies for the Chinese members of staff can be handled by the agents of the Sun Life Assurance Company in Nanking, and monthly premium payments can likewise be made in Nanking.

We sincerely hope that these arrangements will prove satisfactory to the Chinese members of staff. As a matter of fact they are exactly the arrangements which the Chinese members of the Yenching staff preferred above the various other possibilities. I believe it was the feeling of the Chinese staff members at Yenching that the use of the gold basis in writing their policies gave greater stability for the future, and gave a much more definite assurance that upon retirement at 65 they would have a substantial retirement allowance, no matter what the vagaries of the silver market may be in the meantime.

We will await your further instructions as to the procedure to take in behalf of the Chinese members of the staff.

Very cordially yours

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University of Nanking

May 25, 1931

#2

President Y. G. Chen
Miss Elsie M. Priest
University of Nanking
Nanking, China

My dear Doctor Chen and Miss Priest

We are enclosing herewith a copy of the minutes of the meeting of the Board of Founders held on the afternoon of May 18. Under separate cover we have sent you 40 copies of these minutes.

In this letter I will comment on most of the matters discussed by the Founders at this meeting. I am also writing separate letters on several topics requiring more detailed discussion.

Attendance at Meeting. The attendance at the meeting was not large, in view of the fact that an unusually large proportion of the Board members were absent from the city. However, we were privileged to have Mr. Creasy with us, and he brought a great deal of valuable first-hand information direct from the field. Dr. Scott also had just returned from China and was able to give us some interesting comments on his visit to the campus.

Pension Plan, Financial Items, 1931-32 Budget. I am writing separate letters on these topics.

Minutes of Meeting of Board of Directors. A fairly large proportion of the time of the meeting was devoted to a discussion of matters growing out of the minutes of the meetings of the Board of Directors held on November 21, 1930 and March 13, 1931. The minutes of the earlier meeting had been distributed well in advance of the meeting. The minutes of the March 13 meeting arrived only on the morning of May 12, so we were not able to get them in the hands of the members in advance, though copies were available at the meeting for all those present. Fortunately we had sent to the members of the Board as a part of the docket President Chen's report and comments on the most important matters in the minutes of the March 13 meeting, so we were able to deal with these minutes as well as with the ones for the November 21st meeting.

The question of the Baptist share in the Language School Building fund was discussed informally, but it was the judgment of the Board that the status of this question at the present time is such as not to call for any formal action.

The Board expressed itself as warmly in support of the cooperation between Yenching and Nanking in the field of agriculture. A great deal of inter-

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est was manifested in the last paragraph of the Report of the College of Agriculture and Forestry which mentions a "bitter attack" by some of our Yenching friends who seem to oppose this cooperation. This was the first intimation we had had of any rift in the cordial relationships between the two institutions. We would appreciate receiving further facts as to the working out of this proposed correlation.

The Board gave very sympathetic study to the financial needs of the University Hospital. They discussed at some length the proposal that the cooperating mission boards be asked to assume the support of one nurse each. The representatives of practically all the mission boards, while expressing their warmest sympathy for the financial problems of the Hospital, stated quite definitely that they felt sure the mission boards they represented would find it utterly impossible at this time of severe financial crisis to add another member to the quotas they are already supporting at Nanking. Also some fear was expressed lest the presentation of such an ap eal for increased personnel just at this time of severe depression, might injure rather than advance the sympathetic interest and support of the cooperating boards. However, the earnest hope was expressed that we might be able to pursuade the Rockefeller Foundation to assist in the present emergency along the lines proposed by the Board of Directors in minute D-432. Therefore by action BF-575 the Board voted the endorse this action of the Directors and to appoint Dr. Scott to make the report and present the request to the Rockefeller Foundation.

Mr. Cressy reported on the progress being made in the Correlated Program. Attention was also called to the fact that the Founders had not as yet endorsed action D-458 whereby the Directors "accept in general the correlated program as a whole and in so far as it affects directly the University of Nanking." Therefore the Board adopted action BF-574 with a great deal of heartiness.

I reported the steps we have taken in the direction of trying to secure diplomas and degrees from the Board of Regents for the two Theological Seminary graduates. It appeared that no formal action by the Founders was necessary, so t is matter was simply recorded in the minutes as having been noted.

Communication from Methodist Board. I believe you are already familiar with the action of the Methodist Board stating formally that it had been necessary to reduce their quota on the general University staff from five to four. As a matter fact, they have reduced their representation by two members rather than one, for formerly they had five representatives on the general University staff without counting Miss Wixom, and now they have only four, including Miss Wixom. However, our Methodist friends say that the support of Mr. Illick, Mr. Jones, Mr. Stewart, and Miss Wixom is the maximum they can provide at the present time, so it seems to be quite useless for us to press them to do an thing more at present.

Problem of Missionary Housing. This question came up from the general standpoint, rather than from any specific questions affecting missionary personnel at Nanking. Representatives of the Presbyterian Board stated that throughout China certain problems of housing their missionary personnel had grown out of the gradual shift in the center of responsibility away from direct mission control, and they raised the question of whether this general problem had been encountered at the University of Nanking. You will notice that a special committee was appointed to make a study of the question.

I believe that the matters discussed above, together with those on which I am writing separate letters, cover all the important actions of this meeting of the Board of Founders. The next meeting will probably be held some time in the autumn.

Very cordially yours

B A GARSIDE

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University of Nanking

May 25, 1931
#3

AIR MAIL

President Y.G.Chen,
Miss Elsie M.Priest,
University of Nanking,
Nanking, China.

My dear Dr.Chen and Miss Priest:

This letter will deal with some of the financial items taken up by the Nanking Founders at the meeting on May 12, and more particularly with the budget for 1931-32.

Financial Items. Mr.Evans presented to the meeting of the Founders a brief analysis and forecast showing the probable status of our current funds here in New York at the close of the present fiscal year on June 30. This analysis seems to indicate that we will come out fairly near to the estimates we made at the beginning of the fiscal year. As a matter of fact, it appears that we may show a deficit of around G$500 at the end of this year due to the fact that we will probably not receive from bank interest and other sources more than half the G$710.90 which the Founders guaranteed from unknown sources of income in order to balance the 1930-31 budget, and also due to the fact that one or two other sources of income have been slightly less than we counted on. This estimated deficit does not take into account any income on endowment funds above 5%, for we have already allocated any surplus endowment income above 5% to retirement reserve fund. We estimate that this surplus endowment income during 1930-31 will amount to approximately G$2,200.

There is one other point at which the Founders expressed some surprise and disappointment. By action BF-530 adopted on June 25, 1930, the Founders made a special appropriation of L.C.$17,900 from anticipated gain on exchange to meet a list of special items outside the regular budget, which were recommended by the Directors in action D-552. At the time the Founders took this action it was thought that the gain in exchange would probably be well in excess of L.C.$17,900. However, the gain in exchange, so far as we are able to ascertain the figures on our New York books, has to date been much less than we anticipated, due to the fact that most of the current appropriation of the Founders has been expended in gold rather than transferred to the field at the prevailing favorable rates of exchange.

A glance at our budget analysis as of April 30, 1931, will show that the only funds on which any available gain in exchange is shown to date are the funds transmitted to the field under account 31, amounting to G$6,565.45, or L.C.$24,899.79. At the rate of 2.10 to 1 G$6,565.45 would have produced L.C.$13,787.40. Since these funds actually produced

L.C.$24,899.78 the gain in exchange to date is L.C.$11,112.39. Since on April 30 only about L.C.$10,000 still remained to be disbursed to the field under the general appropriation of the Founders, and since a substantial part of this will undoubtedly be expended in gold, the prospect for any large increase in the gain on exchange is quite remote. I hope, however, that Miss Priest's accounts will also show a further gain on exchange on items concerning which we have no record here in New York. For example, we have disbursed here in New York under account 31 G$8,115.36, all of which we have charged to the field at the arbitrary rate of 2.10 to 1. Some of these items may be of such a nature that Miss Priest has charged the individual or account affected at the prevailing rate of exchange rather than the fixed rate of 2.10 to 1, thus showing a gain in exchange on her field records.

Unless some substantial gain in exchange has accrued, or does accrue on the field we will probably be unable to complete the special appropriation of L.C.$17,900 made by the Trustees on June 25, 1930. Moreover, there are a number of items pending in our Founders' accounts here in New York which have for some time been carried as increasing deficits, and which we had hoped would be cared for this year from the unusually favorable rate of exchange. There has never been any appropriation to cover the miscellaneous expenses of the Board of Founders such as premium on the bonds of the financial officers, miscellaneous expenses in connection with the meetings and other activities of the Founders, or such special appropriations as the Founders have made for the work of the Committee for Christian Colleges in China. The Trustees have occasionally been able to close the year with a small surplus either from unanticipated additions to income or from gain in exchange which could be utilized to take care of such non-budget items of expenditure. However, for several years we have been appropriating practically all our surpluses and gains on exchange for such items requested by the field, and have set aside all surplus income above 5% to provide for the retirement reserve fund, so there has been no source from which the Trustees could care for deficits of this kind, and as a result they have been growing steadily. I hope that before the close of the fiscal year some source of income will develop which will permit us to clear the slate of these items.

<u>Budget for 1931-32</u>. You will note the actions of the Founders with regard to the budget for the coming year.

In action BF-568(a) we have set forth in great detail all the anticipated income from designated funds (Class B) which the Founders will transmit to the field as and when received. Some of these items, such as the support of Mission Board personnel, do not actually pass through our hands, but are merely a record of what the supporting Boards are contributing. Since most of the Class B money is appropriated in local currency the University neither profits nor loses by variations in exchange. However, G$2[illegible],110.00 is appropriated on a gold basis and the field is expected to make use of any gain in exchange along the same lines as those for which these funds are originally designated.

In action BF-568(b) are itemized the general sources of income (Class A) from which the Board of Founders undertake to contribute the sum of L.C.$78,330.00. Practically all of this income is in gold and the local currency equivalent is figured at 2.10 to 1. At first glance it would appear that, with exchange running around 4.50 to 1, there should be a very substantial gain in exchange which the University would have available for other uses. As a matter of fact, however, it seems likely that the gain on exchange

for next year, as for this year, may be very small. During 1930-31 a substantial amount of these general funds were expended on a gold basis and it was immaterial from the standpoint of gain on exchange, whether the budget was drawn up at 2 to 1 or 5 to 1, since any increased receipts due to favorable gain on exchange were at once counterbalanced by the fact that the local currency cost of meeting items in the budget was likewise increased by exactly the same amount. That is to say, if the University expends G$100 for equipment purchased here in the West it matters little whether this item appears in the budget as L.C$210, based on the arbitrary rate of exchange, or L.C.$450, based on the prevailing rate of exchange. This fact seems so obvious that one feels like apologizing for presenting it, but as a matter of fact, in several of our Universities during the past year there have been serious blunders in estimating anticipated gains on exchange at this point. One of our Universities is now talking in terms of L.C.$180,000 in gain on exchange from general funds during 1931-32, whereas we believe they will be extremely fortunate if their gain is as much as twenty-five per cent of this amount.

From the information we have available here it would appear that somewhat the same mistake has been made in preparing the estimates in connection with the 1931-32 budget, that gains on exchange will amount to at least L.C.$87,000, and that there is hope for meeting still further conditional requests amounting to L.C.$32,140. As for the income from the special funds for the Chinese cultural studies of the Institute, it is quite possible that gain on exchange amounting to L.C.$30,000 will actually accrue since practically all these expenditures are made in China. However, when we seek to find some source whence we can get a gain in exchange of L.C.$57,000 from general sources of income, the problem at once becomes far more difficult. In fact, in our experience thus far nothing has given us any grounds for hoping that so large a gain can be secured. The Founders express their judgment on this point in action BF-570. This year's experience would indicate that if we are fortunate enough to secure L.C.$16,000 actually included within the budget to provide for salary increases, etc., that is about as much as we dare hope for. I would be very happy if the field could show us any way by which we can be assured of a larger amount of gain on exchange.

By action BF-569 the Founders again raise the question of whether the field would prefer that the Board of Founders define their contribution of current general income in gold, rather than in local currency at some fixed rate of exchange. If such a change in our procedure were acceptable to the field it would mean that hereafter the Founders will appropriate certain definite sums in gold, from their Class A funds, then will leave to the field all questions involving gain or loss in exchange. Most of our other Universities have all shifted to this gold basis for trustees' appropriations, and some others are giving serious consideration to the proposal. We would be very happy to have your opinion.

Very cordially yours,

BAG-H

B A GARSIDE

TRANSFER Ack 6/24/31

UNIVERSITY OF NANKING
NANKING, CHINA

May 28, 1931.

Nanking

Mr. B. A. Garside,
China Union Universities,
150 Fifth Avenue,
New York City, U. S. A.

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My dear Mr. Garside:

Your letter of April 27th informing us that the Regents wish to have a detailed record of the first two years' work of Li Ming-liang has reached us and we enclose his record. You will note that he took four years of college work at West China Union University before coming to the University of Nanking.

A meeting of the Executive-Finance Committee of the Board of Directors was held on May 22nd and we are at work on the first draft of the minutes and shall try to enclose a copy before mailing this letter. Miss Priest will have written you in regard to the suggestions for a pension plan for the entire staff.

We shall be sending you as soon as possible a copy of the programme for development of the College of Agriculture and Forestry so that you can present to the Agricultural Missions Foundation our request for aid.

I wish also to acknowledge your letter of April 22nd, contents of which have been noted.

Your letter of May 1st in regard to Mr. Wheeler's being unable to come this autumn has also been received. It confirms the feeling we had, that it might be difficult for him to settle down to the drudgery of English teaching after having done the kind of work he has been doing for a number of years. We realize, however, that he would have been a valuable man to have on the faculty. We are glad Mr. Fenn is to get his doctor's degree in the spring and we shall expect him to come to us as soon as he can.

Your letter of May 4th in regard to the appropriation of $2,000 by the Harvard-Yenching Institute for our Research Library was referred to those concerned and they wish me to ask you to accept the money from the Institute.

In looking over our files we find no acknowledgment of my letter to you of January 28th so am enclosing a copy, in case it should not have reached you. The letter accounts for all the board-supported members of the faculty. As Mr. Reisner has resigned there are now two vacancies on the Presbyterian quota.

Mr. Reisner is starting in a few days on his return to America and you will no doubt be seeing him soon and will hear first hand of conditions here.

Sincerely yours,

Y. G. Chen

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