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Peking University

HARVARD-YENCHING
INSTITUTE

TRANSFER

January 28, 1927

Dean Wallace B. Donham,
Graduate School of Business Administration,
Harvard University
Cambridge, Mass.

My dear Dean Donham:

Can you advise me when you expect Dr. Edsall to return from Peking? There are some local matters in connection with Institute affairs upon which I am seeking light and I learn both from President Stuart and from Dr. Houghton that Dean Edsall will be able to inform me on a number of points.

Cordially yours,

Secretary
Peking University

EMN-H

0081

EMN

HARVARD-YENCHING
INSTITUTE

February 28, 1927

TRANSFER

Dean D. L. Edsall,
Harvard Medical School
Cambridge, Mass.

Dear Dean Edsall:

I am looking forward with much interest to the luncheon which Dean Denham has arranged for March 4th in connection with the Harvard-Orient Institute, especially to the work which you will bring to the luncheon now of your impressions of the opportunities in Peking.

I should, if possible, like to have a half or three-quarters of an hour with you before the luncheon if that would be convenient for you in order to go over in particular the perplexing matter of the Yenching School of Chinese Studies. I have had letters about it but there is nothing so valuable as a direct and fresh impression, and both Dr. Stuart's correspondence and a letter from Dr. Houghton have encouraged me in seeking a conference with you on this. I take it that it is a matter of details which we may not wish to discuss any full way at the luncheon, and therefore I have hoped for a separate conference with you about it.

It would seem to be an advantage to have this conference before the luncheon as the information that you can give me will have some bearing upon my own judgment as to the validity of some of the items in the budget which has been sent on from China and which I hope may be cleared in Cambridge at this time. I shall reach Boston early on Friday morning and if you can send me word here at once I shall be most happy to meet any time you want as I have no other engagements.

Faithfully yours,

Secretary

EMN-H

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PEKING

HARVARD-YENCHING INSTITUTE
TRANSFER

February 28, 1927

Dean W.B. Donham,
Graduate School of Business Administration,
Harvard University
Cambridge, Mass.

My dear Dean Donham:

I have your note of February 24th and I have asked Dr. Barton to let you know as to his own ability to attend the luncheon at the Harvard Faculty Club on March 4th. You can also assume my attendance and I will let you know later if there will be any one else. If you do not hear from me you can assume that there will not be any others.

I do not know exactly the scope of the luncheon and whether you plan to discuss systematically the details of the budget. I have material from President Stuart which I am sending on to you. If the luncheon is, as I imagine, intended for a general conference on the idea and its possibilities, its scope, its methods, etc., you are probably planning to include in it those who would not be concerned specifically with the details of the budget, and it may be that some provision can be made for a later conference of those particularly concerned with that.

Faithfully yours,

Secretary

EMN-H

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WESTERN UNION

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DR ERIC NORTH, PEKING UNIV AMERICAN OFFICE
150 FIFTH AVE NEWYORK NY.

TRANSFER

DEAN EDSALL JUST RETURNED FROM CHINA WITH EXTREMELEY
INTERESTING AND COGENT REPORTS STOP DR HU SU IS IN
CAMBRIDGE FOR FORTNIGHT WE BELIEVE IMPORTANT HAVING
MEETING HERE BEFORE HE LEAVES CAN ARRANGE LUNCHEON
MEETING FRIDAY MARCH FOURTH PLEASE ADVISE IF CONVENIENT
FOR YOU.

W B DONHAM.

che 2/30

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INDEXED

PEKING (YENCHING) UNIVERSITY
150 FIFTH AVENUE, NEW YORK, N.Y.

MARCH 1, 1927.

HARVARD-YENCHING
INSTITUTE

Dean Wallace B. Donham,
Graduate School of Business Administration,
Harvard University, Cambridge, Mass.

I have now in hand from the Administrative Committee in Peking their recommendations upon the Budget for the Harvard-Orient Institute and a letter from President Stuart upon the subject. In order to have all the data in one document I am including it in the body of this letter with one or two notes of my own where the data seems to me to be based on inaccurate information.

Budget A. Covering Income of January 1, - June 30, 1926

As adopted by the Administrative Committee, November 29, 1926

(1) Expected Income	
Interest from Hall Estate	G\$30,000.00
Extra grant	G 22,000.00
	<u>G\$52,000.00</u>
Less Grant to Historical Museum.	6,000.00
	<u>G\$46,000.00</u>
At 2:1 exchange equals	Yuan\$92,000.00

(2) Budget	
New York Office Expense	Yuan \$ 2,000.00
Yenching (Peking) University	
Residences Y. \$45,000.00	
Books 15,000.00	60,000.00
Yenching School of Chinese Studies	
Residences 17,000.00	
Books 13,000.00	<u>30,000.00</u>
	Yuan\$92,000.00

There are corrections and adjustments needed here. The grant to the Historical Museum was not taken out of but was additional to the other grants (see below). The "extra grant" was, as stated by the Trustees of the Hall Estate in sending the check "For the erection of buildings on the property of Peking University, said buildings to be devoted to the staff of the proposed Harvard-Orient Institute." This grant should therefore stand by itself. As thus reshaped this section of the budget should read as follows:

A. Expected Income and Budgets (1/1/26-6/30/26)

(a) "To be used by the local committee of the proposed Harvard-Orient Institute for development of the Art or Archeological Collection at the Peking end of the Institute or for personal services therefor."
(statement of Trustees of Hall Estate) - - - - - U.S.\$6,000.00

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Budget of this item subject to local Committee	U. S. \$6,000.00	
	U. S. \$6,000.00	U.S.\$6,000.00

(b) For erection of buildings on the property of Peking (Yenching) University (residences) U.S.\$22,000.00

Budget of this item	U. S. \$22,000.00	
	U. S. \$22,000.00	U.S.\$22,000.00

(c) Income as of 1/1/26-6/30/26 For the Harvard-Orient Institute U.S.\$30,000.00

Budget of this item		
New York Office Expense	Yuan \$ 2,000.00	
Yenching University		
Books	15,000.00	
Yenching School of Chinese Studies		
Residences	17,000.00	
Books	13,000.00	
	30,000.00	
	Yuan \$ 47,000.00	

Estimated Cost of Yuan \$47,000 @ 2:1
Unassigned Balance

23,500.00
\$ 6,500.00

This difference consists of the \$6000. for the Museum and \$500.00 on the University residences which were estimated at Yuan \$45,000 = U.S.\$22,500. I have restricted the residence estimate to the amount specifically named for it.

The item of New York Office Expense is not explained in the correspondence. My presumption is that it is to cover part of the travel expense of President Stuart's trip to the United States when he came at our joint request. His understanding was that this expense would be met by the Hall Estate. The total amount involved is US\$1,443.27 which was paid by Peking University in New York. Of this amount I propose that Peking University take one-half as Dr. Stuart naturally served the University's interest also while he was here. This would leave US\$721.63 as an item for the Institute Budget. We may need to budget a nominal sum for the incidental expenses of the new trust or corporation, but I have nothing to put into this as "New York expense".

Budget B. For income of period Jan. 1, 1926-June 30, 1927
(Evidently restricting the amount applicable in China well inside the available figure, pending information as to amount which would be used at Cambridge).

(1) Expected Income	
Interest from Hall Estate	G\$ 40,000.00

(2) Budget	
Yenching University	
Salaries	Yuan \$22,210.00
Rent (housing staff)	4,250.00
Expenses and supplies	500.00
Publications	3,040.00
Books (Library)	16,000.00

46,000.00

Brought forward

46,000.00

Yenching School of Chinese Studies

Salaries

Prof. of Philosophy	6,000.00	
Librarian	6,000.00	
Prof. of Chinese Literature	3,000.00	
	<u>15,000.00</u>	

Books	5,000.00	
Fellowships and Lecture Ships	3,000.00	23,000.00

Special Items

Research Scholar in Philology
and Buddhism (Haron A von Staël
Holstein) 6,000.00

Periodical Publication and Reserve	5,000.00	11,000.00
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Yuan \$30,000.00

Estimated @ 2:1

US\$40,000.00

The item of Salaries under the heading "Yenching University" not distributed, is Yuan \$1,120 more than in the corresponding items in the schedule which I submitted previously. Of this \$1000 is scholarships erroneously added in to the salaries summary. Presumably this is also true of the \$120. The item of rent is referred to in Dr. Stuart's statement below. The other items in the schedule are obvious except for that for Haron Holstein's work also referred to below.

The following paragraphs are from President Stuart under date of December 7th:

"You will receive from Mr. W. B. Pettus, Secretary, the minutes of the first meeting of the Administrative Committee, tentatively organized to direct the affairs of the Institute in Peking, pending confirmation by the controlling body in America. It was my understanding from conferences with the Trustees of the Hall Estate and others concerned during August and September 1925 that it was intended that the income should actually begin on January 1, 1926, the amount accumulating during the first six months to be used for residences, books and similar permanent equipment; and that from July 1st, the beginning of the fiscal and academic year of the University, instructional and other activities be undertaken on a budget of current expenses.

"Although up to the present writing no definite word has come as to the payment of capital or interest on this Fund, yet repeatedly in cables and letters from yourself and in comments from other sources we have been led to feel that there had been no departure from the original intention of the Hall Estate Trustees, and that we were expected to act on this assumption. It will be sufficiently obvious that in order to offer courses starting in September, and to engage desirable teachers or research scholars for that purpose, we must make contracts, issue announcements and arrange other details months in advance, and start construction of residences even earlier. All this has been done, and in both the University and the Yenching School of Chinese Studies there is now a staff quite adequate for the immediate needs, satisfactorily housed.

"In the University we have been very strict in receiving applicants for graduate or research work in Chinese, having admitted only four students; but there has been an immediate and notable increase in the undergraduate elections under this subject,

as indicated by the enclosed table, (fourth in popularity of election; 288 in required courses; 212 in the elective courses) and already we are having evidence of the favorable attention this feature is attracting among prospective students and the Chinese public generally. We need have no anxiety as to our ability under the conditions which this Fund makes possible to secure the best quality alike of Chinese teachers and students for the purpose in view, although we are more than ever convinced that the the outset progress can best be made by stressing the basic courses for students, and by encouraging productive activity on the part of teachers qualified for it.

"At the Yenching School of Chinese Studies an institute of several weeks was held last summer for advanced western students of Chinese subjects, attended by twenty-five persons, and another is being announced for the present summer. There is also one residential student through this academic year. It must be remembered that the political turmoil is making it unusually difficult at present for foreigners living in other parts of China to travel to Peking and plan for any period of continuous study, and that there has been as yet no opportunity to attract students from Europe and America for advanced work in Chinese cultural subjects.

"We have delayed calling a meeting of the Administrative Committee in expectation of formal authorization from America. It seemed best, however, not to postpone this any longer in view of the desirability of having approval for the budget as now in operation, and the purchase of books and plans for publication as recommended. We quite realize that both the personnel of the Committee and all of its actions are only tentative until approved in America. It was a source of especial pleasure that Dean Edsall of the Harvard Medical School could sit with us at this first meeting, and on his return to Cambridge in February he will doubtless be able to supplement our communications by his personal impressions.

"In commenting on the financial expenditure as recommended by us, this divides into initial equipment and current expenses.

"The University has been severely put to it with its own limited resources and the chaotic military situation to provide housing for all of its staff, and the items charged to this Fund do not at all represent the capital involved in supplying homes owned by us for the teachers concerned. We have assigned residence No. 35, a new foreign-style bungalow, costing Silver \$11,120.00 to Doctor L. T. Huang, and No. 8, a Chinese house, bought and renovated at a cost of \$6,900.00, to Mr. Kiam Ma. We have also restored two ruined houses, No. 20 and No. 20A, in the Garden of Prince Tsai Tao (leased for thirty years) and installed modern equipment at a cost of \$5,200.00 each; and while by mutual adjustment other Chinese members of the staff are now living in these particular houses, yet we could not have accommodated the whole group except for the expansion thus made possible. The others are living in leased or rented quarters in villages near us or with other faculty members. It will be noted that the capital expenditure is larger than the amount asked for from the Institute, and that an item for rental has been included in the current budget.

"At the Yenching School of Chinese Studies one foreign residence, costing about \$17,000. is now occupied by the family of Doctor Porter.

"As to books, the Yenching School of Chinese Studies already has a library, both in English and Chinese, which is no slight asset for the Institute; but it should be made even more serviceable by further additions while the University is pitifully

lacking in this absolutely essential equipment for any advanced study in Chinese. Until at least a working nucleus has been provided this will be the weakest part of development.

"You will have received sometime hence a memorandum from me on the personnel of our Chinese teachers included under the Institute, and perhaps no further comment is needed. They constitute as strong a group as could be desired, and as funds are available we feel confident that specialists of similar attainments can be secured in the other subjects to be emphasized. At the Yenching School of Chinese Studies Doctor Porter, released from the University experimentally for the present session, is regarded by many people, especially Chinese, as rarely qualified for the important task of promoting the idea of western attention to Chinese culture, and of acting as discoverer or interpreter of Chinese, who are doing significant work in this field, and as liaison officer between them and western students. Mr. March is enthusiastic and competent as librarian. A number of Chinese teachers in the University and other local specialists are being called upon to supplement the regular staff of the Yenching School of Chinese Studies."

"We shall await instructions from the American body in control before making any plans for succeeding years in order that we may carry out the intentions of the Fund to the best advantage. I am merely trying to put before you our present commitments, aims and uncertainties.

"A word should be added in conclusion as to the two items not directly related to the work of either of our two institutions. A more specific memorandum will be sent regarding the work Baron Staal-Holstein is doing. The loss of income from his ancestral estates, caused by political upheavals in Europe and from the National University of Peking, due to similar disturbances in China, has left this distinguished scholar destitute, and he would have been driven to the necessity of returning to Europe with his researches unfinished had it not been for this Fund. We propose to carry his budget for the calendar year 1927, but have charged this entire item to the present fiscal year to guarantee him and clear it off. It would seem to be precisely the type of scholarly investigation desired and will certainly give prestige among European savants in this field at the very inception of the Institute.

"Similar considerations obtain in the proposal to start without further delay a semi-annual periodical in English and another in Chinese; except that while Staal-Holstein's budget is only for twelve months, the periodicals should be permanent. They should be closely related, thus securing various economies and other benefits, but neither should be a translation of the other.

"We should be glad to have a cabled reply to our recommendations, or in any case a reply by mail as early as possible, and remittances as rapidly as these can be made, especially to cover expenditures already incurred."

"This concludes the recommendations from the Administrative Committee in Peking which the Trustees of the Institute will wish to consider in formally acting on a budget.

Cordially yours,

Eric M. H. H. H.
Secretary, Peking University.

March 2, 1927

Dean W.B. Donham,
Graduate School of Business Administration,
Harvard University
Cambridge, Mass.

My dear Dean Donham:

I enclose herewith four copies of a letter to you conveying the recommendations of the Administrative Committee in Peking with reference to the budget for the current year. This will serve as a formal communication of these recommendations. As you will see from the letter there were some inaccuracies in the statements which came from the Secretary of the Committee and it seemed to me best to correct these rather than pass on an imperfect original. I have indicated the nature of the adjustments.

Let me add that I do not altogether agree with this budget and with the wisdom of it in some respects. I feel that it calls for some expenditures which I think we ought not to make until we have either a statement in writing or an actual check on the Trustees of the Hall Estate covering income for the period from January 1st to June 30th. Our operations are entirely dependent upon funds from the Estate and we have no resources with which to float expenditures pending the receipt of funds from the Estate. If we follow the program laid out in the budget I have a fear that we may find ourselves steadily behind instead of even or ahead in having the funds with which to pay the bills. There are some elements in the situation which seem to me to be worthy of careful consideration which I will take up with you when I see you on Friday. It would seem to me, however, that we ought definitely at the earliest moment pass upon an exact and clear budget for the present year so that our friends in Peking may not be too greatly hampered. I will try to bring some systematic suggestions on this matter with me to Cambridge.

Cordially yours,

Secretary

ELAN-H

Enc.

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學大京燕 HARVARD-YENCHING
YENCHING UNIVERSITY INSTITUTE
(INCORPORATED IN 1929 AS PEKING UNIVERSITY)
PEKING, CHINA

COLLEGE OF ARTS AND SCIENCES FOR MEN
OFFICE OF THE DEAN

INDEXED

March 2, 1927.

TRANSFER

Dr. Eric North,
150 Fifth Avenue,
New York.

My dear Dr. North:-

I have no doubt but that by this time you have already received my former confidential communication concerning the peculiar situation between the University and Peking Union Language School on the Harvard-Orient Institute problem. Now I want to write a further word about it because I am very much afraid that my letter to you may have an undesirable effect on the budget as proposed by the Peking Committee submitted for approval by the New York Trustees. I am afraid that you people may think that, in view of the lack of complete agreement on this side, a delayed action on the proposed budget would not do much harm. On the contrary I feel that the sooner we hear about your action on our proposed budget, the better will our work proceed.

I am particularly anxious about two things and both of them need immediate assurance of money before they can proceed:- (a) We have already taken steps to organize a Chinese Editorial Board for the publication of a Yenching Sinological Journal in Chinese; a similar Board for a similar English Journal is also undertaken. Mr. Yung Fung, who has been provisionally chosen as our Journal Editor, is quite worried as to when the fund will be available and how far he may proceed to get the contributions arranged for. He has had considerable experience along this line and has quite wide contact in the learned circles in China. I think the publication of this Journal will add a great deal to the public estimation of the value of our work in China and hence I would wish very much to have this phase of the work expedited. At present both President Stuart and I feel that we have no authority to proceed until we hear definitely from you. (b) Another matter of very great interest to me, and I am sure to you, too, is that about the Library. The center of the University's work we all realize should be in the Library. The account of the total assets of Yenching University for the

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Dr. Eric North - 2 -

Library is at present only about 20,000 Gold. You can at once realize our inadequacy in this regard. Our neighboring college, Tsinghua, spends annually about that sum for books. I have tried my best to make our Library a really useful unit in our academic work and I have paid especially a great deal of attention to the collection of Chinese books. At present we have made quite a good beginning in it and I am particularly anxious that the items provided in the Harvard-Orient Institute Budget for Chinese books for the Yenching Library be approved as soon as possible. At this moment we are facing an unusually good opportunity for the buying of Chinese books. Not only because the gold exchange is high, but also because of the disturbed political conditions and the fact that many private libraries are selling out in Peking at present, is the opportunity good. Is it possible for you to cable us that a certain amount of the money would become available from the Harvard-Orient Institute for books so that we can proceed to buy now?

*Guo's
Don't know*

*Chen's
send ok*

There is another matter on which I would like to consult your opinion and I should like very much to have your candid judgment on it. The main bulk of our Library has been the donation from Bishop Bashford. In the Bashford collection at present there are about 500 volumes on Sinology and they contain many rare and valuable books. They are all printed in the foreign languages. Although at present the Language School has quite a good library on Sinology in the Western languages, yet, because of the distance of 11 or 12 miles, many of our foreign members of the Faculty feel that we should also have a good collection of Sinological books, and yet the limited resources of our fund for books does not permit us to spend much money on these books. It is my hope that in the future the Harvard-Orient Institute may also give some donation to us for us to bring the Bashford Collection on Sinology up to date. Probably an initial expenditure of about 10,000 or 15,000 lex. would give us the most essential books in this collection. I think the money allotted to Peking in the Harvard-Orient Fund from January to June 1927 after it is all apportioned according to the budget submitted to you would still give to our Library a fund for this purpose. What do you think of this plan in general?

*Library funds
being sent
out.*

*What is
relation to
August
already furnished?
Boxes that all
Chinese books
All boxes
purchased from
H.O. should have
Special in place*

I have received the Hincene and Ante-Hincene Series from Schulte's a few days ago. Much to my mortification, however, I discovered among the junk pile of our old Library yesterday the set which was given to us by Dr. Atterbury. I distinctly recalled the unpacking of the Atterbury boxes with the special intention of looking for this set and yet how it could have escaped me then to reappear now I simply cannot understand. Much of the confusion, however, is due to the fact that we had to move the Library twice during the period of six months. I don't think this is of especial interest to you except the fact that Dr. Atterbury did give us the set and it is here.

Yours sincerely,

Dean.

William Hung

WH:DS

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E.M.North
3/3/27

SUGGESTED REVISION OF BUDGET

HARVARD - ORIENT - INSTITUTE

A. Aid to Historical Museum

Grant

US \$ 6,000.00

Budget

US \$6,000.00
\$6,000.00 \$ 6,000.00

B. Residences on Property of Peking University

Grant

US \$22,000.00

Budget

US \$22,000.00
\$22,000.00 \$22,000.00

C. General Purposes of Institute

Grant

US \$60,000.00

I do not think it wise to budget for more than the income in hand until there is a statement from both Trustees of the Estate as to just when further payments will be made.

Budget

1. In China

(a) Salaries: Yenching University

Wu Lei Chuan, directing Chinese Studies (1/2) Y	\$ 960.00
Wang Tung-ling, M.A., Chinese history	3,000.00
Yung Keng, archeology	2,400.00
Chen Yuan, history of religions in China(1/2 hon.)	500.00
Liang Chi-chao, history of Chinese civilization (1/2 hon.)	1,000.00
Chou Tso-jen, Chinese prose literature(5/6)	2,000.00
Fung Yu-lan, Ph.D., Chinese social and intellectual ideals	3,000.00
Huang Lechung Tsetung, Ph.D., philosophy and literature	3,000.00
Ma Kiam, M.A., Chinese language (1/3)	1,000.00
Shen Ssu-yuan, Chinese composition (1/2)	1,350.00
Hsu Ti-shan, B.Litt.(oxon.) comparative religion	1,680.00
Hsieh Wan-ying (Miss Margaret Hsieh) M.A., modern Chinese literature	1,200.00
	<u>\$21,090.00</u>

(b) Salaries: Yenching School of Chinese Studies

Lucius C. Porter, L.H.D., Philosophy	\$ 6,000.00	
B.C. March, Jr., Librarian	6,000.00	
Professor of Chinese Literature (name not given)	<u>3,000.00</u>	15,000.00

(c) Library Books

Yenching University		
15,000 plus 16,000	31,000.00	
Yenching School of Chinese Studies		
13,000 plus 5,000	<u>18,000.00</u>	49,000.00

(d) Baron von Stael Holstein

for research		6,000.00
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(e) Publications, etc.

8,040.00

(f) Fellowships, Lectureships, Scholarships

Yenching University	1,120.00	
Yenching School of Chinese Studies	<u>3,000.00</u>	4,120.00

(g) Housing faculty

Rent at Yenching Univ.		<u>4,250.00</u>
------------------------	--	-----------------

Total Yuan dollars \$107,500.00

Statement incomplete

In this restatement I have included all the items recommended by the Peking Committee except the item for Yuan \$17,000. for residence at the School of Chinese Studies and the item for "New York Expense." Until the permanency of the relationship to the school is finally assured the investment of Institute funds in property would seem unwise. The item of travel expense represented in the Y \$2,000.00 for "N.Y. Expense" may best be cleared, as indicated in my letter of March 1 to Dean Donham, by sharing the actual expense (U.S. \$1,443.27) fifty-fifty.

The total of Yuan \$107,500.00 would require at 2:1 U.S. \$53,750.00. As exchange is running now at better than 2:1 U.S. \$50,000.00 might barely do.

This seems to me too high a proportion of the amount available to spend in the first year and that a margin should be held for contingencies, perhaps as extra capital for a publication fund. I would therefore recommend that budget for library books for this year be cut but that the salary and other items listed be retained in full. A suitable figure would seem to me to be Yuan \$25,000.00 This would make the total Y \$83,500.00 which should cost between U.S. \$40,000.00 and U.S. \$41,750.00.

I would also recommend that the division of the Library appropriation between the University and the School of Chinese Studies be in about the proportions of the recommendation from the Administrative Committee.

ERIC M. NORTH

INDEXED

mmv

Peking University

March 9, 1927

Dean W. B. Donham,
Graduate School of Business Administration,
Harvard University,
Cambridge, Mass.

My dear Dean Donham:

I enclose herewith a copy of my suggested revision of the budget of the Harvard-Orient Institute to which we referred in conversation on Friday. By comparison of this budget with that which is incorporated in the other letter I sent you conveying the formal recommendations of the Administrative Committee on the field, you will see the changes I have made. Please understand that I do not at all recommend the total budget of \$107,500.00 Chinese silver. As I indicate in the notes which follow, this figure seems to me too high and I believe it ought to be reduced. I think, however, that the salary items at the University, the item for Baron von Stael Helstein, and a part at least of the items for fellowships and for housing the faculty, and perhaps for publications ought to be retained. I think a reduction can be made in the items for library books which bulks the largest in the budget. You will get from Dean Edsall some comment upon the salary items of the Yenching School of Chinese Studies. I think he had the feeling that Mr. Pettus was loading a little too much on the Institute budget. I presume that his thought would be that part of the Librarian's salary ought to be carried normally by the regular work of the school itself.

I have had a note from Mr. Johnson which I will show you when you come down to New York. It makes it all the more clear to me that we must be conservative on the budget this year and also that we must not let the budget commit ourselves to too elaborate a program on the field for the time being.

It is, however, really imperative that we settle something definite upon this budget for the current year because it is rapidly passing and funds must be made available for the protection of the salaries and other items involved. If possible give me a warning in advance and I will arrange to meet you and go over this. I hope we can settle it and finish it up in one session.

Faithfully yours,

Secretary
Peking University

EMN-H

Enc. 1

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WANG
HARVARD-YENCHING
INSTITUTE

Peking University

TRANSFER
March 23, 1927

Dean W. B. Donham,
Graduate School of Business Administration,
Harvard University,
Cambridge, Mass.

My dear Dean Donham:

You will be interested to know that a letter I have received from President Stuart a few days ago states that the Directors of the Language School in Peking have severed all formal relationship with the University. This would seem to me at once to relieve the budget of the Institute of any items that would have been expended at the Language School except some salary items which I still think that, even under these circumstances, it would be fair for us to cover in part at least.

You will be interested in the following paragraph from Dr. Stuart's letter:

"I honestly believe that we are now in a better situation than ever for going ahead untrammelled in making arrangements for such foreign students as want to do graduate and research work. Whether they are to live in the city or on our campus, to what extent we can draw upon our own superior staff of Chinese teachers for their instruction, and other questions of this kind can be treated as matters of internal administration and in close consultation with the group at Harvard interested in the subject."

I am looking forward to seeing you in New York before very long.

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Dean W.B. Donham-2

3-23-27

I earnestly hope that Mrs. Donham is recovering
steadily and finely from her accident.

With cordial good wishes, I am

Faithfully yours,

Secretary
Peking University

EMN-H

0099

WMM

HARVARD-YENCHING
INSTITUTE

TRANSFER

Peking University

March 23, 1927

Dean D. L. Edsall,
Harvard Medical School
Cambridge, Mass.

My dear Dean Edsall:

You will be interested to know that I have a letter from President Stuart saying that the Directors of the Language School have severed relationships with the University and have dismissed Porter and March to take effect June 30th. I take it that the Directors had the alternative of dismissing Pettus or of doing what they have done. You will be interested in the following paragraph from President Stuart's letter:

"I honestly believe that we are now in a better situation than ever for going ahead untrammelled in making arrangements for such foreign students as want to do graduate and research work. Whether they are to live in the city or on our campus, to what extent we can draw upon our own superior staff of Chinese teachers for their instruction, and other questions of this kind can be treated as matters of internal administration and in close consultation with the group at Harvard interested in the subject."

This all bears out the counsel which you were so kind as to give to us when I was last in Cambridge.

Faithfully yours,

Secretary
Peking University

EMN-H

0100

HARVARD UNIVERSITY

MEDICAL SCHOOL

DAVID L. EDSALL, M.D.
Dean
WORTH HALE, M.D.
Assistant Dean

mm
HARVARD-YENCHING INSTITUTE
Boston 17, Massachusetts

March 28, 1927.

TRANSFER

Dear Dr. North:

Thank you very much for your letter of March 23rd.

It seems to me that is distinctly the best solution of the whole matter and I quite agree with Dr. Stuart in thinking they are more untrammelled now than they would be with any arrangement with the Language School.

With many thanks for your letter, I am

Very sincerely yours,

D. L. Edsall

David L. Edsall, M.D., Dean.

Dr. Eric M. North,
China Union Universities,
150 Fifth Avenue,
New York City, N.Y.

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INDEXED

Peking University

April 4, 1927

Dean Wallace B. Donham,
Graduate School of Business Administration,
Harvard University
Cambridge, Mass.

Dear Dean Donham:

In accordance with our conversation this morning, I am listing below a revision of the Harvard Orient Institute budget for expenditure in Peking, and enclose an additional copy of the revision I made in March which you have already had, which will show you the items from which I have made my selections. I have, as you will note, omitted capital expenditures in the way of books or residences in the Yenching School of Chinese Studies and have also suggested that, in view of the separation now made between this school and the University a less amount would be satisfactory on salaries.

I have done nothing on publications for the reason that I do not believe we wish to issue publications in the name of the Institute until the matter of Institute organization is settled and I do not suppose that we wish to finance publications that would not have the Institute imprimatur upon them.

The analysis is as follows:

Yenching University salaries	Max. \$21,090.00
" School of Chinese Studies salaries	" 12,000.00
" University Library books	" 25,000.00
Baron von Stael Holstein	" 6,000.00
Scholarships at the University	" 1,120.00
Housing of the faculty at the University	" 4,250.00
Total	" \$69,460.00

I estimate that this would cost about \$33,500. gold to which should be added one half the cost of President Stuart's trip to the United States or US \$721.63. This would make a total of \$34,221.63 of which you have already sent me \$15,000.00 on account. It is my understanding that in the case of the item of salaries for the Yenching School of Chinese Studies this amount is subject to the judgment of President Stuart and the Peking Committee as being a fair settlement under the circumstances.

If this approves itself to you I would accordingly be glad to have a check for \$19,221.63 and I will purchase Chinese silver exchange

Dean W.B.Donham-2

4-4-27

for the amounts which are to be sent on to Peking and advise you of the balance that may result. It seems to me that it is better for us to make our appropriation directly in Chinese silver. There may be a small variation to be adjusted as I sent forward some months ago part of the \$15,000. in gold drafts, but when the exchange is reported on thisrd will be clear as to the result.

I was glad to have the opportunity of seeing you and believe that we can help our friends of the Hall Estate to move forward slowly but constructively on this matter.

Cordially yours,

Secretary
Peking University

EWB-H

Enc.1

0104

HARVARD UNIVERSITY

GRADUATE SCHOOL OF BUSINESS ADMINISTRATION

GEORGE F. BAKER FOUNDATION

HARVARD-YENCHING
INSTITUTE

OFFICE OF THE DEAN

SOLDIERS FIELD
BOSTON, MASSACHUSETTS

April 18, 1927

Dr. Eric M. North, Secretary
Peking University
150 Fifth Avenue, New York City

Dear Dr. North:

My delay in writing you has not been from neglect, but because of the fact that I was ill from a kidney stone and consequently away from the office for several days. I have a memorandum in shape to take up with my associates, but which as yet is not in shape to send to you. I have not yet had a chance to go through the details of your letter of April 4th, but as I know from your letter of April 15th that you must need some money, I am enclosing a check to cover the four items about which there was no question the other day. As soon as I get back on the job, which will probably be the first of next week, I shall go over the other items.

I am remitting a check for gold \$11,605.00 which will more than cover -

Item 1, Yenching University salaries	Mex. \$21,090.00
* " 3, Yenching University Library books	" 25,000.00
" 4, Baron von Stael Holstein	" 6,000.00
" 5, Scholarships at the University	" 1,120.00
Total	Mex. 53,210.00 or
approximately gold	\$26,605.00.
Less check #1 gold	15,000.00 (on account)
	\$11,605.

This is a slightly larger amount than we estimate is needed to cover these four items, but the difference can be ironed out after exchange has been purchased.

Very truly yours,

W. H. H. H.

Dean

* If any of this (or other) items are not needed
we can discuss their alternative use later
W. H. H.

ck. for \$11,605.00 enc.

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RECEIVED
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TRANSFER

Peking University

April 25, 1927

Dean W. B. Donham,
Graduate School of Business Administration,
Harvard University,
Cambridge, Mass.

My dear Dean Donham:

I am very grateful to you indeed for your letter of April 18th with your check for \$11,805. which you enclosed. This clears most of the items on the budget and I am grateful to you for carrying this through so that we can be fully protected.

It happened that the item for which they were calling from Peking, however, was the item of salaries for the Language School group. This is because the Language School is having some financial difficulties and needs to realize on any assets which can come to it. If you therefore find it possible to release this item to be subject to the action of the committee on the field I should be glad to notify them by cable so that the stringency may be relieved. You will note the bearing of the quotation from President Stuart which I give below as upon the propriety of supplying same to the funds of the Language School. Of course President Stuart is working on the theory of the Language School which we have and not upon the theory of a wholly independent unit such as Mr. Davis has recently referred to.

Incidentally I may remark that I understand Mr. Davis is out of reach this week though Mr. Johnson has returned from California. I do not know, however, whether he is further east than Cleveland at the present time.

I want to quote some of the paragraphs from President Stuart's letters that you will wish to have and to give some thought to

Dr. Stuart's letter of March 14 -

"Institute of Chinese Studies: Every mail that comes from New York is eagerly read in the hope that some final news may be given about this fund. Would it not be possible for you on receipt of this letter to send a cable, authorizing a continuance of our budget for next year on the same general basis as this year? We would like to add one or two very desirable Chinese specialists, who are now available, for high grade research work, to say nothing of continuing the arrangements we now have. If we could count on approximately \$30,000. Gold or less for the Chinese features of the work to be done in Peking.

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leaving undecided for the present provisions for foreign students, it would help us very much, and would enable us to issue announcements with confidence, thus attracting a better quality and larger number of students."

Letter of March 5 -

"You can understand how extremely harassing is the uncertainty of this Harvard Orient Fund or whatever name is to be finally adopted for it. We are carrying on as though it were assured, but yet the budget as sent from the tentative Administrative Committee last November has apparently not been approved, nor have we any assurance as to the coming session. Is it not possible to get the controlling committee organized and functioning, and to have some basis of regular payment of interest pending the transfer of the capital. As far as the University is concerned, this is the only serious problem.

"It gives me pleasure to report to you, and you may care to pass this on to anyone interested, that Yenching University now has what is probably the best Department of Chinese in the whole country. The only exception would be our close neighbor, Tsing Hua, and there is nothing like the same spirit of enthusiasm and active interest even there. The members of the Department are working most happily and harmoniously together and are fitting in in the finest sort of way with the rest of the faculty. The same is true of those individuals whom we are sharing to this fund in other Departments. It is very gratifying to be hearing favorable comments from Chinese regarding the emphasis we are putting on all these Chinese subjects, which is all the more noticeable to them because of our form of control and support. Even during the few months of the present session, and when only beginning our development in these features, the impression created has been quite wide, and it augurs most hopefully for the carrying out of our program.

"I have no question but that as the work becomes better known, and as students can pass through the necessary preliminary stages, we shall not lack a choice quality of men and women for the graduate studies. Of especial significance is the starting of our semi-annual Journal of Chinese Studies in Chinese. With the staff that we now have it is possible to have a thoroughly qualified editorial board, and the quality of their own writing ought soon so to establish the standing of this periodical that there should be no difficulty in securing contributions from others. If this is conducted in a scholarly way, and proves of value to Chinese readers, it will undoubtedly do a good deal to assist in the other features of the Institute's work. I hope, therefore, that authorization for this feature will not be delayed. In short, I can assure our friends in America that in the Chinese section of this enterprise everything is working out fully as well as could have been hoped for, and the outlook is extremely promising. Once we are assured of the acceptance of our program as it has been submitted and of its permanence, we shall invite certain additional men, some of whom we already know to be available, and shall take steps to build up the advanced work, which of course is our real objective.

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"The plans for Western students have been unavoidably delayed by the demand for reorganization within the Yenching School of Chinese Studies. Its Board of Directors has been quite active within the past few weeks, and its affairs will soon be on a different basis. Whether personal adjustments will make it desirable that the work of this Institute be done in connection with the Y.S.C.S. or not will depend chiefly on certain personal relationships. As it happens, however, the uncertain political situation, combined with the delay made necessary by not hearing from America in giving publicity abroad, probably means that there will be very few students coming to Peking in the immediate future qualified to do graduate and research work in Chinese subjects, so that actual consequences need not prove serious."

As to Dr. Stuart's letter of February 14th, I need not quote the whole of this except to report that the Directors of the Language School have severed formal relations with the University and that under present circumstances advanced work, in the sense that the Institute will want this provided for foreigners, cannot be done in the Language School. I quote the following:

"My present suggestion would be that the University take over under its own management provision for the really advanced or graduate work for foreign students with Porter as director, and with such other staffing as circumstances may lead us to provide. Political conditions and our own lack of preparation will make it unlikely that any large number of students will come next session, during which time Porter could be doing further study and put into effect the publication of the journal together with other publicity work."

"I honestly believe that we are now in a better situation than ever for going ahead untrammelled in making arrangements for such foreign students as want to do graduate and research work. Whether they are to live in the city or on our campus, to what extent we can draw upon our own superior staff of Chinese teachers for their instruction, and other questions of this kind can be treated as matters of internal administration and in close consultation with the group at Harvard interested in the subject."

Both President Stuart and Dean Hung have written concerning their desire to organize a Chinese editorial board and get ahead with a sinological journal. I have not encouraged this because I felt it would be unwise to start a public journal without knowing whether it could be continued and whether it was wise to issue a publication that ought to show its relationship to the Harvard-Orient Institute before the Institute became more of a reality and its functioning was really determined in a permanent way. Yenching University at the present time is not prepared to finance a journal of this sort on its own account and would hesitate to do it without giving credit to the Institute if the Institute should provide the funds, and yet the Institute, it seems to me, is not really prepared to authorize publications over its name

Dean Hung also writes with reference to the matter of library books:

"At this moment we are facing an unusually good opportunity for the buying of Chinese books. Not only because the gold exchange is high, but also because of the disturbed political conditions and the fact that many private libraries are selling out in Peking at present is the opportunity good."

W.B.Donham - 4

The item in these quotations from Stuart which seems to me to be one of most urgent concern is the matter of the budget for next year. The outline of this I will send you in another letter. I wish that we could get an understanding as to the income for next year cleared with the Hall Estate and between ourselves so that some definite word could be given with reference to the budget. Under present conditions it is too risky for us to carry on very far without assurance that funds are going to be available, and yet I think it very important that we hold together the group that has been secured and keep the development of sinological studies active whether the center of the very advanced work remains in the University or is in a distinct independent institute such as Mr. Davis has in mind.

Faithfully yours,

Secretary
Peking University

EMN-H

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Peking University

May 2, 1927

Dean W.B. Donham,
Graduate School of Business Administration,
Harvard University
Cambridge, Mass.

My dear Dean Donham:

In addition to the extracts from President Stuart's correspondence which I sent you a few days ago, I add here another from his letter of March 31st. I hope that somehow we can find a way to meet the embarrassing situation which the lack in the United States of funds and program is placing President Stuart, and, I think, is placing the project as a whole;

"Our present thought regarding the foreign side of the Institute of Chinese Studies is that it would be best to make a clear-cut break with the Y.S.C.S., and have all the work done under the auspices of the University. It will, however, very much simplify our local relations if this is an action decided upon in America. I recommend a grant to that institution of about \$5,000. Gold annually, because of its assistance in preparing students for the advanced work, furthermore that Doctor Porter be permitted to spend the coming session in residence on our campus and spend this time in further study of Chinese, which he rather badly needs if he is to continue permanently in this sort of thing, edit the Journal of Chinese studies in English, prepare Bulletins and other publicity material with a view to attracting students, and in general look forward to being the director of the institute for foreign students.

"Lack of knowledge of our program, combined with the general political situation, make it improbable that there will be advanced students next autumn. He could easily care for any that come in addition to his other duties. We would provide only for those sufficiently advanced to do really graduate or research work, and would think of doing this chiefly through our staff of Chinese teachers. These latter would thus be available alike for Chinese and foreign students.

"The most important additional member of our staff for such a program will be someone who could criticize and advise foreign students. I have thought at times of securing a Sinologist of the German type, and in that country there are almost certainly qualified men available. However, even such men have usually specialized along one line, and I am inclined to believe that, especially with the rising tide of Nationalism, we will provide more adequately all around if we

Dean W.B.Donham2

5/2/27

aim to have Chinese specialists of the first class in the different subjects and relate all foreign students to them with Porter as Liaison officer.

"I very much hope that you will be able to get at least informal approval of this general program, and cable as early as you can. We are in the awkward position of having the men engaged for the present session waiting to know definitely whether they will be continued, and whether other very desirable men whom we could secure can be given this assurance. The views expressed above are supported by the members of our staff and by the members of the tentative Administrative Committee with the exception of Pettus, who has not been consulted, but whose attitude indicates his intention to discontinue all cooperative effort. Neither can I express Mr. McMurray's views, although I am inclined to think that he would support this scheme."

Faithfully yours,

Secretary
Peking University

EMN-H

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HARVARD-YENCHING
INSTITUTE

INDEXED
TRANSFER

Peking University

May 11, 1927

Dean William Hung
Yenching University
Tsing Hua Yuan
Peking West, China.

Dear Will:

I have been delayed in answering your letters concerning the Harvard-Orient Institute and Library matters largely because there was very little I could say that would be of value until after we had succeeded in coming to some conclusions with the interests here and securing some funds. You will already have had word of the amount for the library.

It seems to us here that, in view of the uncertainties of the Institute, which will be indicated in letters I am sending to President Stuart, it is unwise to commit ourselves to the publication of matters of an Institute nature until we know that we are authorized to put on those publications the Institute imprint which the situation at present does not seem to justify. For further impressions on this matter I will refer you to my letter to Stuart.

With reference to the Library, I have had your letter of March 2nd and the matter of funds from the Institute has already been dealt with. But, in this connection, I think one matter should be entirely clear. Every single book purchased with Harvard-Orient Institute funds must be distinctly identified, preferably by carrying a book plate showing that it was so purchased. We, in a sense, hold all our purchases made from these funds in trust for the Institute and our position in the whole Institute matter will be very much more satisfactory if we can always be prepared to give evidence that the money which the Institute has provided for Institute purposes has not been absorbed into all sorts of miscellaneous University expense. Therefore your accounts, records and accession book, as well as the books themselves, should definitely show the source of the funds with which the books were purchased. This would apply not only to those purchased this year but also to those purchased last year which have been charged to the Library fund.

With reference to your feeling of the need to build up the Bashford collection, what I have said will indicate that it is entirely clear that the Bashford collection and the Harvard-Orient collection must be kept entirely separate. You naturally would not buy with Institute money books which were already in the Bashford collection so that I see no rea-

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Dean W. Hung-2

5-11-27

son why the Institute money should not be, in that sense, used to purchase books that would supplement the Bashford collection, but these books must not be incorporated in the Bashford collection, but remain a distinct and clear part of the Institute collection.

I think I have already answered your letter of March 14th with reference to the settlement for books purchased here. I will be sending Wiant a full statement of procedure in this matter shortly and believe that this will clear the matter up.

Cordially yours,

Secretary
Peking University

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WANG

HARVARD-YENCHING
INSTITUTE
OFFICE

Peking University

May 13, 1927

Dean W.B.Donham,
Graduate School of Business Administration,
Harvard University
Cambridge, Mass.

Dear Dean Donham:

In order to keep you posted as to what I am doing on the Institute matter I enclose a copy of a letter I have written to Mr. Johnson. No institution can run with the assurance that it should give to its staff unless it can know before its fiscal year begins whether it is going to be able to support its staff or not, and I very greatly fear that, if we cannot make some headway in assurances in cash in respect to next year's budget, we shall have to let go most of the men we have secured. This would seem to me to be a great pity in view of the fact that the group at present at work is one of the only two or three strong groups now actually at work in China in the whole range of institutions. Even if Mr. Davis's plan for entire independence of Institute headquarters in Peking from the University should be the final plan, it will be greatly advantaged by our being able to put into it men from this nucleus that is already at work. If they scatter, the Institute might not succeed in getting them together again so effectively.

Have you been able to come to a conclusion as to any more items in the proposed budget for the present year? The two items which are not cleared in the program of this year as suggested by me in my letter of April 4th are the item of \$12,000. silver for the salaries of the School of Chinese Studies (Language School) and silver \$4,250. for the rental of houses for some of the Institute staff at the University. If you feel that we ought to have any further light on these items from Peking before accepting them please let me know so that I may write and get them cleared with as little delay as possible.

The following are the items in the University's 1927-8 proposed budget for the Harvard-Orient Institute budget as reported to date by President Stuart:

In the Department of Chinese	
L. T. Huang (1/6)	\$600.00
Yang Chen Shen (1/2)	1200.00
Hsieh Wan-ying (1/2)	660.00
Chou Tso Jen	2000.00

5/13/27

Dept. of Chinese (cont)

Forwarded	\$4460.00	
Yu Ping Po	800.00	
Ku Ming	600.00	
Hsu Ti-shan (1/2)	1200.00	
Y.L.Feng (2/5)	1200.00	
Yung Keng	2400.00	
Additional Assoc.Prof.	2400.00	
Additional Lecturer	600.00	\$13660.00

Dept. of History

T. L. Wang	3000.00	
2 Research Professors	4800.00	
Lecturers	1000.00	
Asst.C.H.Li	840.00	9640.00

Dept. of Philosophy

L.C.Porter	6000.00	
Y.L.Fung (3/5)	1800.00	
L.T.Huang(1/3)	1200.00	9000.00
		\$32300.00

You will note that this includes only salaries but a slight increase over last year. As the salary budget is the budget that affects the personal affairs of the staff more than any other it is this that should be fixed. The amount for books and publications has not been sent on to us yet, but it is undoubtedly Dr.Stuart's desire that this be cleared now as his cablegram indicates. Do you think that we will have enough of a balance of this year's funds left over to enable us to furnish the US \$16,000. or so, or a substantial part of it, from such balance? If so we could give Stuart some assurance now when he needs to notify the staff whether they can be kept or not, and await action of our Hall Estate friends on other items.

I was distressed to learn of your illness following our meeting here in New York and have been hoping that the hard time which both you and Mrs.Donham have been having in respect to your physical welfare is now happily past.

With cordial regards, I am

Faithfully yours,

Secretary
Peking University

EMN-H

Enc.

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HARVARD-YENCHING
INSTITUTE

W. B. Donham

TRANSFER

May 18, 1927.

Mr. W. B. Donham,
Harvard University Graduate School of Business Administration,
Cambridge, Massachusetts.

Dear Mr. Donham:-

Referring to the proposed conference at which you and Mr. North will meet Mr. Johnson and myself, I am wondering whether it would suit you to have such a conference in New York on Wednesday, June 1st. I have not yet consulted Mr. North but I have talked to Mr. Johnson and that day will suit him.

I was very sorry to hear from Mr. Johnson that you have been in the hospital. All I can say is that other people have also been in the hospital so that you have had the very best of company. I am myself just out of the hospital but am very glad to say that I am feeling all right again and hope that if you cannot say just the same to-day, you will be able to say it by the 1st of June. However, if your health is such that you feel that it would be a hardship for you to come here on June 1st, do not be afraid to say so and we will hold the conference at some later time convenient to you.

With kind regards, I remain

Yours very truly,

Arthur V. Davis

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Peking University

CONFIDENTIAL

May 24, 1927

President J. Leighton Stuart
Yenching University
Tsing Hua Yuan
Peking West, China.

My dear Leighton:

Taking up now the matter of the Harvard-Orient Institute, you will understand, from my letter on the Hall Estate matter, the reasons for delay in Institute matters which parallel that in our own interest in the Hall Estate. A further element of delay is caused by there being an additional wheel in the machine, viz: the Harvard group. In this group Dean Donham is the factor that is mainly active, and I have had various good conferences with him, but, partly through ill health and partly through the pressure of other things, decisions have not been made as quickly as I would wish. There have been, however, two major conferences upon which I ought to report. The first of these conferences was two or three months ago with Mr. Davis. He seemed to be dissatisfied with the Institute arrangement and as I was following the matter up he very kindly made an opportunity for me to have a conference with him. I had one conference of an hour or more which was interrupted and he arranged for a further conference a few days later in which I had nearly two hours with him, he, of course, doing most of the talking, and illuminating me upon his point of view and idea as to the Institute. He gave me some impressions which I was able to tell him I had not received from any quarter before, and I think he felt he had helped me to understand the whole matter of his interests and his desires. I will endeavor to sum up his points and then comment upon them.

He has felt that the plan that is now in effect, viz: Harvard and Peking University cooperation, is drifting away from what was originally thought of, and I take it that he feels that we all have been a party to this drifting. He does not say that the action we have taken may not be the best action in the long run, but he feels that we have come to it by drifting rather than by a specific conclusion that it was the best plan. It is a little hard to get at exactly what he has in mind because he is thinking in terms of one sphere of life and trying to apply them to another sphere. He has felt that the basic idea was to find some way to provide a plan that would represent a fairly unified memorial to Mr. Hall, rather than a scattering of the funds in an unrelated way over a series of institutions. The Institute, in his thought, should be the crown of the arrangement, and the Institute should be something that was not related to a single institution in China, but to a group, having probably its own headquarters and the capacity for directing its own affairs independently of any of the colleges, carrying out researches of one kind and another from a center in Peking in which a

5/24/27

group of scholars would be at work and to which scholarly work in other parts of China would be made contributory. This would mean that the Institute as such would not be a graduate school at Yenching University, but an independent agency working in cooperation not only with Yenching, but with other colleges in China. His idea in a sense is that, instead of the Institute being a center for the training of graduate students who would be sent out as teachers into various schools in China, the Institute would be assisting a school here and a school there in carrying on some particular piece of research for which it was locally competent, and sending the results of that research to the Institute for the use of Institute scholars: to put it in a word, I take it that he desires a more comprehensive and integrated plan than that we now have.

He does not mean to indicate that the contributions of the Hall Estate to various colleges must all be used for the purposes of research. He recognizes quite clearly the need of schools for bread and butter, but it would be his thought that the schools which receive grants from the Hall Estate would be, by virtue of these grants, required to link themselves up in an active cooperation with the research conducted by the Institute. I do not think I can give you any more definite picture of what is in his mind.

One interesting item in connection with it is that Dean Donham states that, so far as he knows, there has been no drifting and that this original scheme of Mr. Davis's is as new to him as it was to me. I tried to get a chance to sound out Mr. Johnson on it, but did not succeed. Mr. Johnson says that he will stand for what Mr. Davis thinks is O.K. Mr. Davis told me that he regarded the matter as one to be thrashed out in a conference between Mr. Johnson, Dean Donham, himself and myself. Such a conference has been called for the first of June and we will see where we will come out. I have gone over the matter with Dean Donham and, of course, from the Harvard point of view, they are as willing to cooperate with a group as they are to cooperate with Yenching, but I think Donham is going to be a help to us in working out a program in a practical way. There is nothing in it, what I can see, that in any way imperils what we have spoken of as "our own million", but it may mean that eventually a number of the staff which we have been supporting from Institute funds will need to be related to a separate institution other than the University, and again, it may not.

The fact that the whole matter was in a sense thus reopened by Mr. Davis has made me feel very clear that it was not wise for us to treat the Peking end of it as a fully settled program, and that the development of publications under the title of Harvard Orient or Harvard-Peking Institute was unwise as representing a larger degree of assurance as to the future than existed. I have had one or two letters from Will Hung in which he has referred to it as the Harvard-Yenching Institute. You will remember that this matter of name was discussed when you were here and it was distinctly decided that Yenching would not be used. The apparent inclination of the Hall Estate Trustees has been toward Mr. Davis's suggestion "Harvard-Orient", and the checks which were paid last fall bore that name.

You will understand from what I have written, however, that the corporation has not been brought into existence yet and the Trustees named for the Institute are, in fact, almost nominal, the business arrangements that have been made so far being due chiefly to the exchange of letters and conferences between Dean Donham and myself, though he has been more or less in touch with the other members of the Harvard group.

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5/24/27

The second conference upon which I want to report is a conference at Harvard when Dr. Hu Su was there. This was in January or early February. At the conference which was held at and after luncheon in the new buildings of the Graduate School were present Dean Donham, Dean Chase, Dean Edsall, Professor Woods, Professor Coolidge, Dr. Hu and your humble servant. I do not know that I ever swam into such a galaxy of intellectual distinction. There was a good deal of discussion of the idea of the Institute and the kind of service it might render. Dr. Hu took a pleasant and active part in the discussion, evidently friendly to Yenhsing, but careful to indicate his separation from the religious interest at Yenhsing. He seemed to be in favor of the kind of approach to the problem that had been made at the National University by getting one or two outstanding men and letting the others group themselves around them. With this you are probably more familiar than we. I take it that Dr. Hu would be quite keen for the separate and independent stand of the Institute, but I do not think that he pressed the matter in a way to create a prejudice on the part of our Harvard people toward that scheme. He looked over the list of those who are supported on the Institute budget and thought some of them were of not much consequence and spoke of one as a writer of trash. I think he referred to the history man. One or two he spoke of as very good, some of them as having been his pupils. He evidently was not impressed with the outstanding distinction of the group. The interpretation of this point of view I must leave to you. Dean Edsall was there and described his impressions of the situation, especially with reference to the relationship of the Language School which was discussed and in which I was, thanks to your letters, able to indicate that we were not planning to have the program held up by any unsuitability in that relationship. I was very grateful to Dean Edsall for the preliminary conference I had with him. He seemed to me to be very kind and wise and helpful. I think that, on the whole, it is wise that the arrangement with the School of Chinese Studies has broken down though I regret very much that this was necessary, and it seemed to me a type of cooperation that our Christian forces ought to have been able to bring about and maintain.

With reference to the budget for the Institute, we have, of course, the comprehensive scheme sent forward with the approval of the local committee. This scheme contained a number of misapprehensions as to the funds which were available and as to their distinctive allocation. I prepared a readjusted statement of the budget containing these corrections and submitted it to Dean Donham, but with a recommendation on my own part that, as we could not foresee with certainty the receipt of funds for 1927, we ought not to commit ourselves to so large an expenditure of funds already in hand. With this Donham agreed, and the only items of expenditure on the budget of \$60,000. gold for which I have been able to secure an approval are the following items:

For the Yenhsing University Library	Mon. \$25,000.
" salaries at Yenhsing University	" 21,090.
" support of Baron Holstein	" 6,000.
" scholarships at Yenhsing University	" 1,120.
making a total of	" \$53,210.

All of these have been sent forward at a cost of US \$24,295.63 as will be sent by the enclosed memorandum of our agency account here.

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5/24/27

It was the distinct feeling of all here that, in view of the evident impermanence of the relation of the Institute to the Language School, we had no right to put the Institute funds into permanent property in the way of residences or books in the Language School. I have endeavored to secure the salary items for the Language School budget, but have not succeeded yet, and I doubt whether I will be able to get them in full inasmuch as the Harvard people have a feeling that Mr. Pettus was loading the budget too heavily with Language School salaries. Whether I can eventually succeed in working this out, I do not know.

I have already written you of the fact that we have not secured the agreement on the item for rent at the University, and this I shall try again to clear with Donham before long.

You will note that even if payments are made to the Language School and for rent there will be something left over of the \$60,000. gold. Part of this, of course, has to go into Harvard. I am hoping that whatever balance is left I can pin down as a nest egg for next year's appropriations so that, without waiting for the settlement of the matter of the principal, or even for payment of the income for the year 1927, we can cable you that a certain amount is assured. I will try to push this through with Donham, but he has only been able to do the most essential things in his own University work.

I believe that this covers the Harvard-Orient Institute matter as it stands at the present time

One other item that is indirectly related might be covered in this letter. Three or four weeks ago Mr. Huggins was active in trying to get some action started here for the relief of the Language School finances, instigated by cablegrams from him to Pettus. As far as I know, there has been no communications, however, from the Board of Directors of the Language School to any committee here, and the mission board group have felt that it was not a matter upon which they could act upon the basis of the personal presentation of the matter in the way in which it had come, and also, in the present state of their finances, the mission boards would not be particularly inclined to come to the rescue of the institution which had so extensively overspent its building budget with so little actual agreement as to the sources from which this over expenditure was to come. Mr. Huggins called me up two or three times about a possible item from Harvard Orient Institute. I told him that I could send forward nothing until I had the cash that I was trying to get some cash through but I had not been able to produce results. I take it that Mr. Huggins has now about dropped the matter as I have not heard from him further. So far as we are concerned here, there is not the least grounds for Mr. Pettus to feel that anything has undercut his program except his own administration of his own institution, as shown in the reaction of such graduate students as he had and of such of his observers as Dean Edsall and Dr. Houghton and others.

Faithfully yours,

Secretary
Peking University

EMN-H

Enc. 1

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INDEXED

TRANSFER

WMM

Peking University

May 23, 1927

Dean W.B. Donham,
Graduate School of Business Administration,
Harvard University
Soldiers Field,
Boston, Mass.

Dear Dean Donham:

I am mighty sorry to gather from your letter of May 16th that your physical condition has been hampering you even in your usual line of activities. I hope that before the distinguished occasion upon which your new buildings will be dedicated you will be in fine condition.

I have a note from Mr. Davis asking us if we can meet on June 1st, and I have replied that I can and will await further information.

I enclose herewith a memorandum showing the receipts and disbursements on account of the Institute, also the funds which the Hall Estate and yourself as financial agent have paid to me, and my disbursements of these funds to the University Treasurer in China. In due course we will have a financial report from him as to the expenditures under this account.

Cordially yours,

Secretary
Peking University

EMN-H

Enc.

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PEKING

Disbursed to B.M.Wiant, Acting Treasurer, Peking University, Peking, China,
for account of Institute.

			Disbursed Gold	Received Gold
From Hall Estate for Museum				6,000.00
For Museum			6,000.00	
From Hall Estate for Residences				22,000.00
For Residences			22,000.00	
From W.B.Donham, Fiscal Agent for Budget				15,000.00
Do	Do			11,605.00
<u>For For Budget</u>				
Salaries	Mex.\$21,090.00 @ 46	US \$9,701.40		
Libr.Books	Mex.8,053.28	44 $\frac{1}{2}$	3,583.71	
" "	<u>16,946.72</u>	45 $\frac{1}{2}$	7,753.12	
	25,000.00			
Baron Holstein	6,000.00	45 $\frac{3}{4}$	2,745.00	
Scholarships	<u>1,120.00</u>	45 $\frac{3}{4}$	<u>512.40</u>	
	53,210.00			<u>24,295.63</u>
			US \$52,295.63	
Balance on hand			<u>2,309.37</u>	
			US \$54,605.00	<u>\$54,605.00</u>

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PEKING UNIVERSITY
HARVARD-ORIENT INSTITUTE
AGENCY ACCOUNT

Oct. 29, 1926-Jun. 30, 1927

H. Y. Hsueh

Received from Harvard-Orient Institute, W. B. Donahue, Fiscal Agent, and from Trustees of Estate of Chas. H. Hall, for work of Institute

Disbursed to B. H. Wiant, Acting Treasurer, Peking University, Peking, China, for account of Institute.

	<u>Disbursed Gold</u>	<u>Received Gold</u>
From Hall Estate for Museum		6,000.00
For Museum	6,000.00	
From Hall Estate for Residences		22,000.00
For Residences	22,000.00	
From W. B. Donahue, Fiscal Agent for Budget		15,000.00
do		11,605.00

For Budget

Salaries	Mex \$21,000.00	46	US \$9,701.40
Library books Mex.	2,053.28	44	8,583.71
" "	14,946.72	45	7,753.12
	28,000.00		
Baron Holstein	6,000.00	45	2,745.00
Scholarships	1,120.00	48	512.40
From W. B. Donahue for Budget			6,200.00

For Budget

Salaries	12,000.00	48	5,250.00
(Lang. School)			
Rent Insti. Staff	4,250.00	48	1,948.63
(Univ. Budget)			
Sal. Dr. Stuart's exp.	1,541.05	48	721.61
	Mex \$ 71,021.65		32,532.89
Balance on hand			<u>372.11</u> US \$40,835.00 40,835.00

WMM

HARVARD-YENCHING
INSTITUTE

Peking University

TRANSFER
June 2, 1927

Dean W.B.Donham,
Graduate School of Business Administration,
Harvard University,
Cambridge, Mass.

Dear Dean Donham:

In accordance with our conversation yesterday, I am writing you the substance of the understanding we reached with reference to the additional items on the Harvard Orient Institute budget. The three items that are not cleared in the re-analysis of the budget I made in my letter of April 4th are the following:

- | | | |
|---|------|-------------|
| 1. Salaries at Yenching School of Chinese Studies | Mex. | \$12,000.00 |
| 2. Rental for the Institute staff at the University not otherwise housed | " | 4,250.00 |
| 3. One-half the cost of President Stuart's trip to the United States at the request of our triangular combination | US | 721.63 |

The two Chinese silver items total \$16,250. This would cost about US \$7,800. Adding to this the \$721.63 gives us approximately \$8,520. As I wrote you, the balance I have on hand is \$2309.37 so that the amount which you would be sending me to cover the three items I have named would be about \$6200.

The disbursement of this amount will use up about \$33,000. of the \$50,000. which has no doubt had some accretions of interest. The remaining amount of more than \$27,000. will cover the expenditures of Harvard this year and leave a balance for next year, adequate in itself, I should presume, to protect the salary budget at Peking for 1927-28.

A further point in our understanding was that, in view both of this balance and of the clear statement of Mr. Davis and Mr. Johnson that they expect to pay over to you \$30,000. on the 30th of June and \$30,000. on the 31st of December, we would notify Stuart that the salary schedule sent on by him and quoted to you in my letter of May 13th is approved. This amounts to Mex.\$32,300. which would cost approximately US \$16,090.

I want to add my appreciation of your effective cooperation in clearing these items with Mr. Davis and Mr. Johnson yesterday, and the

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satisfaction I feel in working with the whole group on this very fascinating problem of the Institute.

I will write you in a day or two with reference to the time when I can come up to Cambridge.

Faithfully yours,

Secretary
Peking University

EMN-H

P.S. Mr.Davis has just called me on the telephone to say that he and Mr.Johnson have been going over the matter and that they had felt that my part in shaping the plan of organization, which you and I are to shape, would be rather easier if he (Mr.Davis) and Mr.Johnson told me that they would be prepared to accept a plan which provided for affiliation in China with Yenching, and with Yenching only.

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HARVARD-YENCHING
INSTITUTE

W

Registered Mail

Peking University

CONFIDENTIAL

June 2, 1927

President J. Leighton Stuart,
Yenching University
Tsing Hua Yuan,

TRANSFER

Dear Leighton:

Yesterday there was a two and one-half hour conference of Mr. Davis, Mr. Johnson, Dean Donham and myself on the Harvard-Orient Institute. Genuine progress was made and I hope that before very long the matter can be brought to a successful decision as to just what we propose to do.

I have written you of my conference with Mr. Davis and these same views he expressed in the conference yesterday. The basic questions are these:

1. Is the Institute to be a school (as Mr. Davis put it) with pupils to be taught, or is it to be a collection of professionals conducting research? If it is to be a school Davis foresaw that to this extent the Trustees of the Hall Estate would be breaking their principle of not founding new institutions, and that if the decision was for a school with pupils there was necessarily involved the problem of plant though this would be modified by the second question. Upon this first question I feel that a clear decision has been reached. Dean Donham very effectively, and I as best I could, laid down clearly the principle that if the ideal aim of the Institute, which we all four have accepted, is that the Institute shall endeavor to influence in the direction of the highest scholarly character the educational work both of mission and other colleges in China, it is necessary that it be not simply a research institution, but that it be both a research and a teaching institution. I think this was without doubt agreed to. We must always remember that the basic conception in the minds of Mr. Johnson and Dean Donham, and of Mr. Davis, is to provide a scheme where this high scholarly character will be so fully exemplified and disseminated that a new and genuine influence of the first order will be put into the field of education in China. These aims I, of course, appreciate and share though I am not altogether sure that the future holds a career of such preponderant influence open to the Institute.

2. The second basic question is this. If the Institute is to be a teaching institution is it to be independent or integrated with an existing institution? Mr. Johnson deliberately desires that it be set up so that it may be either independent or integrated as the future may reveal to be best. He does want the control by a trustee group here to be inde-

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6/2/27

pendent in order that the high scholarly standards may be given free rein without the debilitating effect of too great missionary association and influence! Mr. Davis, from his observation of the Mellon Institute in Pittsburgh of which he is a trustee, vows that an institution that is independent but affiliated in a close way will, in the course of time, either be fully independent or fully integrated. To put it in a nutshell: either the Institute will become a separate, independent affair entirely from Peking University, or Peking University will swallow the Institute. He says that it may be entirely wise and right for the University to swallow the Institute but what he wants to do is to see the end from the beginning. Mr. Johnson does not care for so extensive a vision and is prepared to rely more on the judgment of the Trustees to whom the enterprise will be committed. On this question Dean Donham and I side with Mr. Johnson and we both feel that it will be possible for us to establish an institution that, on the one hand, has the independent status which will enable it to be insti-
tutio grata with Chinese educational interests that might not be sympathetic with Yenching University and accessible thereby to all varieties of Chinese educational institutions, mission, government and private. On the other hand, we believe that academically and in other ways, the work of the Institute can be affiliated in a direct and effective manner with the Yenching University which will have advantages in case the independent status of the Institute does not yield the fruits which we desire. It also will give the Institute the advantage of relating its students to the full academic organization.

3. A third question involved is the question whether an institution of this kind can affiliate itself in a way to connect with mission educational institutions or whether its affiliation would have to be with one institution only. Mr. Davis, as I indicated to you, has felt the broader relationship to be desirable. Donham and I, and I think Mr. Johnson also, think that this relationship can be maintained by the sympathetic and intelligent direction of the activities of the Institute and perhaps by grants to other institutions for special work, but I think the group recognized that administrative cooperation in control and direction from other institutions was not easy to secure, largely because of the distance which other institutions are from Peking, and that inevitably the closest academic affiliation of the Institute must be with Yenching University. I was not in my own mind certain that Mr. Davis accepted this conclusion, but Mr. Johnson seemed to regard it as settled.

4. The fourth basic question is this. If the Institution is to be a teaching institution as well as a research institution, and the students have to be housed, etc., is the amount of money required within the capacity of the funds at the disposal of the Hall Estate? In other words, have they the resources to accomplish their ideal research and teaching institution that will largely and effectively stimulate the highest standards of research and teaching in the field of Chinese studies throughout the whole educational system in China? Mr. Davis saw this very clearly. I think that he recognizes that it might be necessary to give three million dollars to do this. I think Mr. Johnson looks upon two million as enough. I think it entirely likely that they will be prepared to watch the development for a bit and then put more money into it if that seems best. My own judgment at the present time would be in the direction of a smaller amount because of the distances to which I think money can go in a thing of this kind in China, and because of my feeling that the plant involved ought to be a distinctly small item.

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6/2/27

question of having to face a new set of regulations.

It would be, as I say, a great help to me if you would write me quite fully your whole impression on this matter, writing not from the point of view of the President of Yenching, concerned as to the effect this may have upon his institution, but as an adviser to the founders of the proposed institute, concerned primarily for the permanent success and achievement of the objective which the founders have in mind. I have found that this attitude has been fully appreciated by Mr. Davis and Mr. Johnson and Dean Donham, even though they occasionally, without my saying anything, refer to my desires to protect the interests of Yenching, which, in fact, is simply an evidence of their own desire to do the entirely fair and right thing. Donham has several times spoken, as have the others, of the fact that a group is really working together on a given objective though approaching it from different points of view, and Donham has been of real help in taking care of our current program both in relation to the Hall Estate Trustees and in relation to the Harvard group as I shall indicate below, though in the clearance of some of these matters there has been a great deal more delay than has seemed to me necessary or wise. However, that cannot be helped I am afraid.

I understand that Mr. Davis and Mr. Johnson expect to pay to Dean Donham \$30,000. at the end of June and \$30,000. at the end of December on account of the Institute's income for 1927. On the strength of this and of the status of funds for this year Dean Donham has agreed to have me cable to you that the salary schedules of amounts to come from the Harvard-Orient Institute appearing in your budget of 1927-28 are approved. This amount is ^{Mex.} \$32,300. for 1927-28 and covers the salary items you list. My own very clear recommendation to you would be that you do not budget for as much as this. You have a leeway of Mex. \$9800. within this figure for men whom you do not specifically name. It seems to me that it would be desirable to stay quite within the figure rather than to run close to it for this budget represents an expansion at a time when the wisdom of expansion may seem doubtful, and it is also only the budget for salaries with no provision for books, scholarships or other items. I do not believe that it will be feasible for us to deal with a budget for the Institute as a whole until after you have had the results of the conference which we will have after Dean Donham and I shape the organization elements, but when that is done we will be able to give you suggestions as to how far to go ahead. I am cabling you this ^{concerning} \$32,300. Mex. today.

The assurance of these additional funds from the Hall Estate also has encouraged Dean Donham to agree to the items in the budget for this year which I have been unable to get cleared before, and I understand that he will send me in a day or two checks covering the following items:

The first, - Mex. \$12,000. for salaries at the Yenching School of Chinese Studies. Please note that these are for salaries for the year 1926-7. I presume part of this comes back to the University for Porter's services.

The second item is Mex. \$4,250. for rent for members of the Institute's staff at the University whose housing will not be covered by the housing provided by the \$22,000. gold sent us direct by the Hall Estate. If any part of this \$4,250. is not required to cover the rental charges for housing over and above that provided by the \$22,000. gold, this unused part must be retained as a balance and not used for any other purpose, but reported back to us here.

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6/2/27

Libraries

On this matter of plant we had some talk about the wisdom of a base in the city, accessible to the great laboratories and the art collections. Such a base will also serve to give the Institute the appearance of independence of Yenching which is regarded, as I indicated above, as desired.

At the present time the matter stands in this way. Dean Donham and I are to get together within a week or two at Cambridge to shape up a somewhat different scheme of organization or, at any rate, to see whether the scheme of organization at present drafted is going to work out according to the lines discussed at our conference yesterday. Mr. Johnson felt that this was a technical matter which could be unloaded upon us to work out, and I think Johnson would be satisfied with anything that we shaped, but Davis's instinct for seeing things done thoroughly and completely makes him want to see how we are going to line it out. After we get this in shape there will be another conference of the four of us, and perhaps then a real conclusion can be reached.

You will have observed that we have been working on this proposition, as I have discussed it, without any reference to the ambiguities of the present situation in China. They recognize the existence of these issues very clearly but it was their feeling that the better procedure is for us to come to a conclusion as to our major objective and line of procedure and then to see how current conditions affect the carrying out of this objective. The theory which I have is that the way to do is to lay out our objective and then submit it to you for investigation and speculation as to the best way in which this can be developed in Peking and in China. I pointed out to them the very great importance of adroitness and delicacy of the set up in China. My own feeling is that it is desirable to carry forward the work that is now going on quietly and steadily with the thought that in the course of time the staff now occupied will serve one way or another as a group from which the Institute staff will be chosen and that the new scheme, as it goes along, may appear perhaps less as a new scheme and more as a development out of the work already undertaken.

It would be a very great help to me if you would take counsel with a very limited group of your best advisers, such as Dr. Yen, as to how and whether such a half independent, half affiliated institution can be established in a manner to make it institutio grata to the Chinese and carry out the valuable objectives which it has in a manner cooperative with Chinese, and free from offending Chinese sensibilities. This will also involve, it seems to me, a consideration as to whether an educational institution of this type might, should or must come under the provisions of the educational law with reference to the registration of institutions. This has a bearing, of course, upon the nature of the organization and also upon the matter of the control of the institution. I have no doubt that it would be the thought of Mr. Johnson and Mr. Davis that a pretty large degree of the ultimate control must rest with the Board of Trustees to which they give the funds. Mr. Johnson does not seem to feel that the Institute is particularly affected by the education law either of Peking or of the Kuomintang. Of course, a good deal depends upon which way the education law itself is going to jump. It may be that matters will turn out whereby there will be no embarrassment in the relationship of the institution to government education, and yet, on the other hand, it may turn out that the fact that Yenching is already registered may make it feasible for the Institute to go in under Yenching aegis without having to raise the

J.L. Smart-5

6/2/27

With the

The legal matter will be filed in Surrogate this week and I presume before long we will have our day in court as I wrote you. If the application proves successful then, for reasons affecting the Aluminum Company itself, I think that the Trustees will not turn over principal but they will feel prepared to turn over income. I also have learned that not only is the principal but the income for the calendar year 1927 to the University in doubt until the court procedure is concluded. I find that Mr. Johnson regards the Chinese regulations as a very serious matter from the point of view of the legal position involved.

I think that this letter answers in large part your letter of May 6 with reference to your coming to America. I think you will see that at the moment at least there are no considerations in connection with the Hall Estate matter that would make your presence advisable as the central issue is this legal issue. There is every evidence of the utmost friendliness on the part of the Trustees. As you will see, this is not the time to raise the question of additional endowment though I have it very definitely in mind. As to Mr. Pettus's coming, I mentioned the fact to Mr. Johnson who quite emphatically indicated that he was not interested in meeting Mr. Pettus, and no one of the group, I think, has any interest in relating him to the project at the present time. I think we are inclined to feel here as some of your associates in Peking do, that you are too tender hearted.

Faithfully yours,

Secretary
Peking University

EMN-H

P.S. Mr. Davis has just called me on the telephone to say that he and Mr. Johnson have been going over the matter and that they had felt that my part in shaping the plan of organization which Dean Donham and I are to shape, would be rather easier if he (Mr. Davis) and Mr. Johnson told me that they would be prepared to accept a plan which provided for affiliation in China with Yenching and with Yenching only. This means that the point which I referred to above as being one where I was not clear that the group agreed, is now definitely cleared and if Donham and I find that in the formation of the organization it is best not to include other colleges, Mr. Davis and Mr. Johnson will accept this, though they would wish to have the benefits accrue to other colleges in such ways as might seem practicable. This is certainly an encouraging note.

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HARVARD UNIVERSITY
GRADUATE SCHOOL OF BUSINESS ADMINISTRATION
GEORGE F. BAKER FOUNDATION

Handwritten signature/initials

OFFICE OF THE DEAN

SOLDIERS FIELD
BOSTON, MASSACHUSETTS

June 3, 1927

TRANSFER

Dr. Eric M. North
Peking University - American Office
150 Fifth Avenue
New York City

My dear Dr. North:-

acknowledged
In accordance with your
letter of June 2, 1927 I enclose check for
\$6200, covering with your balance on hand:

1. Salaries at Yenching School of Chinese Studies
2. Rental for the Institute staff at the University not otherwise housed
3. One-half the cost of President Stuart's trip to the United States at the request of our triangular combination

From the funds which are in my hands as
Fiscal Agent I undertake to protect President
Stuart on his salary schedule up to a total of
Mex. \$32,300.

Very truly yours,

Handwritten signature of W. B. Donham

Dean

ch. for \$6,200. enc.

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RECEIVED
UNIVERSITY
JUN 4 1927
JOINT OFFICE

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HARVARD-YENCHI
INSTITUTE

WMM

INDEXED

TRANSFER

Peking University

June 7, 1927

✓ Dean W.B. Donham,
Graduate School of Business Administration,
Harvard University,
Cambridge, Mass.

Dear Dean Donham:

Thank you very much indeed for your letter of June 3 with the check for \$6200. covering, with the balance I had on hand, the remaining items in the budget for 1926-27 for the Harvard-Orient Institute. As soon as these silver drafts are purchased I will have the account balanced and present you with a final statement for this year as it stands, subject, of course, to any report that may be made from Peking eventually showing funds and balances that may arrive there.

With reference to the possibilities of my coming up to Boston, as matters stand now, I am free for the 15th, 16th, 17th and for the 20th, 21st and 22nd. I should like to know soon, however, the date on which you determine as engagements are beginning to pile up.

Faithfully yours,

Secretary
Peking University

EMN-H

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