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Stuart, J. L. 1932 May-Jun

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Lajana Ranch
Claremont, California

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May 2
May 2, 1932

My dear Olin,

This is to give you a brief report to date and forecast. In the Bay Region apart from speaking at the Commonwealth Club and meeting various people I had known in one way or another there was nothing that could be done. Wills was in the Northwest with Henry and returned home last night. Mrs. Carlisle, who was the only real prospect for immediate gifts is hopelessly ill. The depression is as absorbingly in people's thought and as practically a factor as in the East. But in the Bay Region, more than elsewhere, there is no hope of results until some very outstanding leader can be secured. My suggestion is that here Lingnan and Yen-ching prepare jointly for definite efforts under such a leader and committee some time in the not immediate future. Capt. Dollar is senile to the point of eliminating him even from contributing, I fear.

In Santa Barbara the only person mentioned by Wills, a Mr. Knapp long cultivated by Luce, is financially so hit that he must be ruled out.

In Modesto a man Wills and I have had in mind has been almost ruined by the affairs of the gigantic Bank of Italy and its reorganization of the Bank of America, etc.

In short, when every person and every locality is suffering by the abnormal financial conditions, the argument that we are facing a crisis falls flat except with those very few who already care particularly about our institution. No amount of time in my own or any one else's solicitation can bring actual money now except from those few. I believe heartily, therefore, in continued cultivation by Wills of this area, with help from Burgess, Barbour, Bronson, Warner, etc. and solicitation as soon as he feels this can be done. I shall of course do whatever I can. But we must accept the fact that spending so much time in an area does not mean getting a proportionate amount of money, and that we have very few prepared friends here who can give real money now. Please explain this to Mr. McBrier and assure him that I am as eager to do my part toward this problem as he can possibly want me to be.

Will you acknowledge the enclosed.

Yours sincerely,

J.L.S.

Wills has been
"preparing" for
6 months.

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YENCHING

INDEXED

May 2, 1932.

President J. Leighton Stuart,
Dr. Howard S. Galt,
Yenching University,
Peiping, China

My dear Dr. Stuart and Dr. Galt:

We are enclosing herewith copies of the Minutes of the Annual Meeting of the Trustees on April 14th, of the Committee on McBrier Foundation, April 14th, and the joint meeting of the Yenching and Nanking Executive Committees on April 22nd. Under separate cover we are sending a supply of the Minutes of the Annual Meeting of the Trustees for your distribution on the field.

Inasmuch as Dr. Stuart was present at all these meetings, it is not necessary for us to comment at any length on the actions taken. I believe that the Minutes are largely self-explanatory, and where any further explanations are needed, Dr. Stuart will be able to supply them.

The item which will probably be of the most immediate interest and important to the field is that of the 1932-32 Budget.

Budget 1932-33. Under Minutes T-3040 the Trustees have expressed their judgment on certain matters relating to the Budget, and have then set forth in detail the funds they will be able to send out to the field in 1932-33.

May I particularly emphasize the importance of Items (b) and (c) under the first part of Action T-3040? Item (b) approves the application toward Natural Science of any balance of undesignated general income, upon condition that expenditures for Natural Science in 1932-33 will not exceed expenditures in 1931-32, and upon the further condition that unless and until new sources of income have been secured for Natural Science, that College will not make any commitments beyond June 30, 1933, which would involve an annual expenditure in excess of G. \$25,500.00. We are all hoping that before June 30, 1932 the conditions of the first Rockefeller grant can in some way be met, so as to remedy this very critical situation in the College of Natural Science. We must recognize, however, that this is merely a hope, and not yet an actuality; and that until further income for Natural Science is definitely issued that College must keep rigidly within the limits just defined.

Item (c) proposes that all gain on exchange above 3.50 to 1 be set aside on the field as a reserve fund from which no expenditures will be made except on the joint agreement of the Managers and the Trustees. The Trustees recognize that this

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President J. Leighton Stuart
Dr. Howard S. Galt

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May 2, 1932.

will mean still further limitations of the University's program in 1932-33, for already there have been various suggestions as to necessary expenses you have been hoping to meet from gain on exchange. We cannot emphasize too strongly, however, that at the present time financial resources of all missionary organizations are in an extremely critical condition, and the prospects for the next few years are darker than they have been for more than a decade. It will undoubtedly be a year or more after the upswing toward prosperity begins, before our missionary organizations will begin to receive any substantial benefit from improvement in conditions. There is a growing amount of loss or postponement of income on invested funds, and the overwhelming consensus of business opinion here in the West is that the next twelve months will be much worse than the last year has been. Under these circumstances the only sane course for any institution to follow is to reduce its expenditures to an absolute minimum, and to make a real sacrifice in order to lay aside a substantial reserve for even more difficult times which may lie just ahead.

I believe that the details of the Board's contributions as given in the second part of Action T-3040 will be self-explanatory. Within a few weeks Mr. Evans and I will be writing further in regard to remittances on account of the 1932-33 budget.

Correlated Program. If our present plans for a growing measure of cooperation at the home base, and increasing correlation of the educational program of China, can be carried out along the lines proposed by the recent conferences here in New York, the actions taken in Minutes T-3041, 3042, 3043, and 3044 should prove to be quite important in the history of Yenching University. In all these actions the Trustees are seeking to conserve all the individual interests of Yenching, and at the same time to gain, both for Yenching and for Christian higher education in China, the advantages our cooperation and coordination should bring. We recognize that participation by Yenching University in the Correlated Program is a matter for decision by the Board of Managers, rather than the Board of Trustees. The Trustees felt, however, in taking Actions T-3042, 3043 and 3044, that they were merely reiterating actions already taken, and judgments already expressed, both on the field and here at the home base. We sincerely hope that these actions will meet with the hearty agreement and support of the Board of Managers.

I believe there are no other matters in the Minutes of the Annual Meeting requiring comment.

Minutes of the Meeting of the Committee on the McBrier Foundation. This material is well known to Dr. Stuart and needs no further comment. I am writing to Dean T. C. Chao in response to the letter he wrote requesting an increase in the appropriation for "Truth and Life" to Mex. \$1,000 for 1932-33, and in my letter I am calling attention to the second half of Minute MF-3052.

Permanent Allocation of China Famine Fund. Dr. Stuart was present at the first part of the joint meeting of the Yenching and Nanking Executive Committees on April 22nd, and I have already written him a special letter dealing with these Minutes. I believe there is unanimous agreement that Nanking should be the outstanding center in China for agricultural work, and that Yenching's important and distinctive contribution to Christian higher education in China is in a different field.

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The logic of this situation seemed to be that at this time when permanent allocation of the China Famine Relief Funds is being made we should all heartily agree that the entire principal should be turned over to the University of Nanking. This does not in any sense relieve Nanking of the obligation of continuing to cooperate in the most cordial support with Yenching University in work that they may carry on at the "Korean Gardens", or possibly any other places where Yenching has a direct interest. We are confident that the two universities will have no difficulty in continuing their cordial cooperation in this work. The actions of the joint meeting were addressed to the Presidents of the two universities, leaving to their judgment all matters as to who should be notified and what actions should be taken on the field.

With all good wishes, I am,

Very cordially yours,

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Lajana Ranch
Claremont, California

May 3/32

YENCHING

My dear Garside,

INDEXED

I have your letter with enclosures regarding the affairs of Dr. Faucett. I do not recall the wording but the spirit of the Faculty Executive Committee action was that we hoped there would be no change of travel or salary adjustments to the 1932-3 Budget but would look to your office to do the best you could in making any equitable settlement. ① In accord with this action, it would seem proper to pay the salary etc for two months provided the Carnegie Foundation do not take him on before the end of August. This is not so much a matter of contractual rights as of sharing in the difficulties we have created for him by his not returning to us this summer. If, however, he returns a year later his salary should start from the date we cease to provide for him this year. ② For the same reason I am willing to approve the travel to Chattanooga

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as you explain the issues. Would it be too hard on him to credit this toward the \$1,000. he is supposed to repay us on travel to England?

May I also reply in this letter to one from Evans about an additional \$1500.00 for Journalism. I need not go into details but these were submitted by the Department to Fac. Exec. Com. & approved. Will you also send me a statement of this account as for this fiscal year, and a forecast for the coming one. I have written Nash approving of a Missouri fellowship appointment if in his opinion campus funds raised and promotional interest justify this, if the Budget can be ~~covered~~ balanced, and especially if the aunt of the man under consideration can help substantially. Let the Trustees decide this in correspondence with Nash, and with the above points in view, without further reference

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UNIVERSITY
MAY 9 - 1932

I am definitely sailing on the 7th

to the field
Yours sincerely
J. Hightower

YENCHING

INDEXED

Yenching University

May 3, 1932.

Dr. J. Leighton Stuart,
c/o Mr. P. L. Wills,
7515 De Longpre Avenue,
Hollywood, California

My dear Dr. Stuart:

Dr. Faucett has this morning informed me that he has now received word from the Carnegie Corporation that they have granted his fellowship for 1932-33, with his salary beginning on July 1st.

This simplifies considerably the financial problems concerning which I wrote you at length on April 30th. Dr. Faucett states that he now will not need to ask Yenching for the continuation of his salary beyond June 30, 1932; but he still requests that the University continue his medical allowance until August 31st, and will also assume responsibility for his loss on travel, amounting to the cost of 2½ tickets from New York to Chattanooga. Dr. Faucett also asks whether, in case Yenching desires his return in the summer of 1933, the University would be willing to resume his salary and allowances on July 1st, 1933, this being the date when the fellowship from the Carnegie Corporation expires.

Dr. Faucett is hopeful that if he is successful in his coming year's work with the Carnegie Corporation, this contact may open the way for him to secure the interest and support of this group for the work at Yenching.

Once again we apologize for adding another problem for your clearance before you go aboard your steamer.

With all good wishes for your return journey, I am,

Very cordially yours,

BAG:PC

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May 3, 1932

My dear Leighton:

Mr. McBrier inquired of me this morning regarding your plans, and when he learned that you had requested me to telegraph Philip Fugh that you would arrive by the Empress boat, he decided to send you a telegram, once more urging you to remain on the west coast for another week. . . . Just since I dictated this sentence Miss McCoy tells me that Mr. McBrier has not sent the telegram. Perhaps he will think it best not to wire you.

I may say there is virtually nothing to report of any interest whatever. Jenney spent most of last week in Philadelphia and Washington, following leads we gave him and having letters from us reach the prospect in every case in advance of his arrival. The upshot of his week's effort was a pledge of \$100.

I am systematically taking up our situation with each member of the Advisory Council, hoping that some of them will give me a lift indirectly. Eastwick has written a note to reinforce one I have written, under suggestion from him, to a very wealthy couple now living in Paris. He will follow any other lead that occurs to him. Chevalier is eager to do anything in his power, but at the moment knows no one to whom he can go. Kantsler is personally taking up the matter with one man and will take me to see this person if he can get his consent. Of course we are using the members of the Beard as far as we can and the members of the Women's College Committee.

K.C. Li?

(Sherjes)

I talked yesterday with Doctors Haskell and Shotwell of the Carnegie Endowment for International Peace. I was informed that they faced a deficit of \$50,000 in their own budget. Dr. Shotwell, although just as friendly as possible, said Americans are facing the choice between adding young college instructors in our own country to the list of unemployed or helping such outside institutions as Yenching. He said many colleges are cutting faculty salaries from 20% to 33 & 1/3%.

But it is useless to continue this sort of doleful report. We are hoping that the Pacific Coast may have proved more fruitful than the Atlantic.

I have an engagement to see Mrs. Slade as soon as she has talked with Mr. Winthrop Owens. I shall confer with her and Coppicus jointly after first conferring with her.

Ames

Philip telegraphed that Mei can come in November, providing the contract is first determined upon.

0170

We are writing every prospect that is the least hopeful and are asking all who have not completed payment of pledges whether they can possibly pay in advance in order to strengthen our cash position with the Rockefeller Foundation. It goes without saying that everything we can possibly do will be done between now and June 30th.

Thanks for your several letters. Your relationship with the Forde seems to me distinctly promising for the future. I am sorry that it could not be speeded up to help you out of the present difficulty.

Dr. Jenney is going straight ahead - in Rochester and Buffalo this week and then in one center after another.

Sincerely yours, and in great haste,

Dr. J. L. Stuart
C/o Mr. P. L. Wills
7515 De Longpre Avenue
Hollywood, Calif.

ODW:LM

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Charge to the account of China Union Universities

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CLASS OF SERVICE DESIRED	
DOMESTIC	CABLE
TELEGRAM	FULL RATE
DAY LETTER	DEFERRED
NIGHT MESSAGE	NIGHT LETTER
NIGHT LETTER	WEEK END LETTER

Patrons should check class of service desired; otherwise message will be transmitted as a full-rate communication.

WESTERN UNION

NEWCOMB CARLTON, PRESIDENT

J. C. WILLEVER, FIRST VICE-PRESIDENT

CHECK

ACCT'G INFMN.

TIME FILED

Send the following message, subject to the terms on back hereof, which are hereby agreed to

Dr J. Leighton Stuart
Sailing May 7th Via.,
Los Angeles Steamship Company,
Los Angeles, Calif.

YENCHING

May 6 1932

INDEXED

Finance Committee accepted Wannamakers resignation. Finishes June thirtieth.

Favorably considered employing Pierce Hedrick under conditions set forth my letter May fourth. Did not finally determine pending further study.

Definitely decided cannot use Gee except as outlined in my letter May fourth.

Best wishes safe journey.

E. M. McBrier

WESTERN UNION MESSENGERS ARE AVAILABLE FOR THE DELIVERY OF NOTES AND PACKAGES.

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YENCHING

Enroute to Honolulu,
May 9, 1932.

INDEXED

Dear Mr. McBrier:

This letter is written to you personally not only as Treasurer of the Board of Trustees, and one of the most active members of its committees concerned, but also because of the manifest interest you have revealed in securing the money necessary to match the Rockefeller Foundation grant for Natural Science before June thirtieth of this year. You will use your judgment as to how to present its contents to the other Trustees.

It has been extremely gratifying to me to have had fresh evidence of the concern of the Trustees for the University's welfare since we learned that the R. F. felt itself unable to extend the time limit for this grant, as shown in their willingness to assign other existing assets for this purpose, and to undertake intensive and unpromising efforts to secure the remaining \$75,000. needed within this brief period. Under present economic conditions this was a courageous and inspiring determination. My presence in the country for a part of this period has given me the chance to help in this undertaking and to gain impressions as to its probable outcome. Briefly, these are that at such a time when practically all worthy causes are facing emergency needs more or less similar to ours the only persons from whom we could hope to secure cash or even negotiable pledges are those who are already especially interested in Yenching and in a position to subscribe despite the prevalent depression; that in all parts of the country visited such persons are harassed by the pressure of other claims, uncertain about their own financial future, and therefore unable or unwilling to make definite commitments now; that it is virtually impossible to win new friends to the point of securing substantial gifts by the required date, and that the appeal for a contribution to members of our present or potential constituency is in danger of getting relatively small amounts which cannot complete the sum needed and may interfere with a larger gift later. Unless therefore one or more persons can be found in the remaining few weeks who can pledge large sums it would seem that the probabilities are against our being able to meet the conditions. What a disaster that will be for the University you already realize.

As I have been working at this task and been reluctantly forced to the above conclusion, I have found myself inclining more and more to make the following proposition: That the Trustees find some method of underwriting or advancing whatever amount may seem to be needed at the expiration of the time allowed us. This calls for a somewhat heroic and generous act of faith in

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the future of Yenching and of American business. That we organize a promotional program and personnel as effectively as we know how. I hope to send some suggestions on this in a separate memorandum. That by meeting the conditions we claim from the R. F. \$250,000. in cash and that this whole sum be remitted to me for investment in China with a view to producing thereby a rate of interest @ 5% guaranteed to the College of Natural Sciences and an additional income for repaying as rapidly as may seem wise and practicable the amount needed to complete \$75,000. This presupposes that these advances are given as far as the R. F. is concerned. In other words, the risk must be taken that, if all efforts to raise money in America fail and the investment in China proves unprofitable, this money goes permanently to the University.

But in favor of this plan I submit the following considerations:

1. Judging by remarks made by you and other Trustees and all that I heard while in the country, American investments seem problematical and of dubious value.

2. The Chinese banker who made the original offer in the summer of 1929, is still ready to handle any sum we entrust to him as a fund to be invested as profitably as his judgment would permit. He may temporarily match this with an equal amount of his own. In any case such treatment by us will recover his active goodwill, and will be the best way to initiate a campaign among Chinese. There is a fair hope that this could be begun at once but neither of these hopes is essential to the success of the proposal. It might seem desirable to form an association of several of the leading bankers in China, including this one, so as to minimize the risk and enlarge the interested group. Chinese private banks have gone through the unprecedented floods and Japanese aggression of the past few months, as they did the preceding years of turmoil, and are as strong as ever. I see no real reason to be anxious about their future stability.

3. After the immediate objectives will have been attained, I suggest that the whole amount be invested permanently in China, in gold or silver, under the direction of our Board of Managers, or that possibly the China Foundation be asked to handle our money and treat it as is now being done with the funding of its own permanent endowment and that of Tsing Hua University.

4. Entirely apart from the solution this offers for our present critical problem, I have become convinced that we ought to begin investing some of our endowment in China, that this is at least as reliable as in America, that it aids in giving not

only financial but other protection, that it will tend to strengthen friendly goodwill with influential Chinese, and is in the spirit of our whole policy to transfer the control of the institution and the responsibility for its welfare to Chinese carefully selected and prepared for that task.

5. It will facilitate the arrangements if the Trustees will authorize me to take personal charge of this matter in its initial stages. I shall of course consult some members of the Board of Managers, my colleagues on the faculty, and others, but can deal with the Chinese involved more satisfactorily if there is no other formal procedure. I realize that this is asking a large measure of trust, but can only plead in reply that no one can be more anxious than am I to have this particular project succeed, and that I am acutely conscious not only of its importance, but of the consequences to the whole institution and even larger interests if there should be any regrettable results.

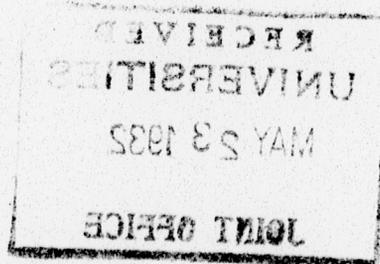
This whole proposition has been discussed at length with Mr. Franklin Warner and has, as I understand, his hearty endorsement. May I suggest that you consult with one of our recently formed Advisory Council, Mr. George R. Kantzler, 25 Broad Street, as to the advisability of investments in China.

I shall take no step in this scheme until I am assured of the full consent of the Trustees to this request. May I ask therefore, that a cable be sent as to the decision reached, as soon after June first as possible. If the decision is unfavorable I trust it will be because the Trustees will have discovered some other process for securing the R. F. grant and for releasing the funds involved in doing this which will seem to you more satisfactory.

Very sincerely yours,

Wright Stewart

JLS'ES



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only financial but other protection, that it will tend to strengthen friendly goodwill with financial Chinese, and in the spirit of our whole policy to transfer the control of the institution and the responsibility for its welfare to Chinese carefully selected and prepared for that task.

5. It will facilitate the arrangements if the Trustees will authorize me to take personal charge of this matter in the initial stages. I shall of course consult some members of the Board of Managers, my colleagues on the faculty, and others, but can deal with the Chinese involved more satisfactorily if there is no other formal procedure. I realize that this is asking a large measure of trust, but can only plead in reply that no one can be more anxious than I to have this particular project succeed, and that I am sorely conscious not only of its importance, but of the consequences to the whole institution and even larger interests if there should be any regrettable results.

This whole proposition has been discussed at length with Mr. Franklin Warner and his, as I understand, his hearty endorsement. May I suggest that you consult with one of our recently formed Advisory Council, Mr. George H. Kamblian, 25 Broad Street, as to the advisability of investments in China.

I shall take no step in this matter until I am assured of the full consent of the Trustees to this request. I ask therefore, that a cable be sent as to the decision reached, as soon after the first as possible. If the decision is unfavorable I trust it will be because the Trustees will have discovered some other process for securing the R. F. grant and for releasing the funds involved in doing this which will seem to you more satisfactory.

Very sincerely yours,

Handwritten signature

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MAY 23 1932
JOINT OFFICE

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0176

YENCHING

Enroute to Honolulu,
May 10, 1932.

Dear Mr. McBrier:

I am much interested in the negotiations you have entered upon with Messrs. Pierce and Hedrick, and the plans for building up a constituency of continuous supporters through mail and other forms of cultivation. It seems that we have been thinking along the same lines. My observation of conditions and probable tendencies in America has radically altered my views as to our potential sources of support. I have hitherto felt that in general we could only hope to find a few people here and there who would be able to contribute in relatively large amounts. But this economic depression has at least temporarily arrested such dependence. How many of our present friends will be permanently injured by the depression it is perhaps impossible to forecast. Whether the recovery will result in wealth being largely transferred to or hereafter created by those who hitherto have not been rich is also an unknown factor. To what extent there will be new economic and social forces tending toward a levelling of wealth is even more of a speculative question.

Simultaneously there is evident a shift of interest as to what has hitherto been covered by the general description of foreign missions. Many persons have ceased to support this cause through the conventional forms of activity and processes for its maintenance, but may be ready to endorse that phase of the missionary movement represented by Yenching University. I am not arguing whether this is desirable or not, and would not want to divert any money from the ecclesiastical agencies, but am calling attention to a phenomenon the existence of which will perhaps not be questioned. It might even be argued that the awakening of interest in Yenching will in the end actually benefit the general cause. In a more positive note there is a widespread interest in China and the Pacific Basin, as well as in the fostering of international goodwill through broadly conceived education that is not harmfully nationalistic and is charged with spiritual dynamic.

These various considerations would all seem to point to the same conclusion. But I became more strongly convinced of the productivity of such a policy after my recent stay in California. If we are to realize on the investment made in promotional work in that state, I believe it will come most effectively from an organization directed within the state, and under the local sponsoring of patiently cultivated and carefully selected leading residents. The details of this have been discussed with Messrs. Warner and Wills with complete agreement among ourselves. They will doubtless be writing you also.

The procedure will vary in different sections of the country, but the California experiment might be taken as a model in its essential features.

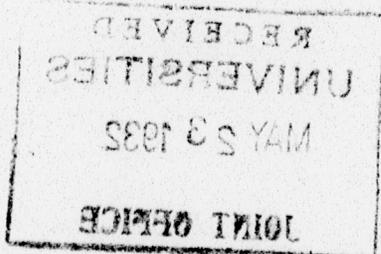
If this general policy is to be adopted it means that we must not only have an organization, such as Pierce and Hedrick, but persons directly representing the University, of whom I trust that Dr. Gee will be willing to be one. Dr. Jenney has his own special characteristics. For myself, I am ready to do my part as wanted, the only hesitation being as to where and when my particular form of service can be utilized for the University's best welfare. This I am entirely willing to leave to the judgment of the Trustees.

In the confidence that by persevering effort and careful testing we shall discover the right solutions for our financial problems, and with all of you who join in this exhilarating adventure, I am,

Very sincerely yours,

J. Hightower

JLS'ES



The procedure will vary in different sections of the country, but the Baltimore experiment might be taken as a model in the essential features.

If this general policy is to be adopted it means that we must not only have an organization, such as a League and a Board, but persons directly representing the University, of whom I trust that Mr. Use will be willing to be one. Mr. Jensen has his own special characteristics. For myself, I am ready to do my part as wanted, the only hesitation being as to where and when my particular form of service can be utilized for the University's best welfare. This I am entirely willing to leave to the judgment of the trustees.

In the confidence that in persevering effort and careful testing we shall discover the right solution for our financial problems, and with all of you who join in this exhilarating adventure, I am,

Very sincerely yours,

Richard D. Patterson

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MATSON LINE

HAWAII SOUTH SEAS
NEW ZEALAND
AUSTRALIA

YENCHING

May 10/32
ack 5-24-32

My dear Garside,

I am enclosing here-
with copies of letters which ex-
plain themselves. Additional
copies have been sent to
Messrs. Barber & Warner.

Your letter of May 3
regarding Fancett has been
received. This is very good news.

0180

In view of my previous letter, will you
arrange for his medical & travel
allowances as per your statements.
Assure him also that if he
returns to Yenching next year
it will be entirely proper for his
salary to begin July 1. Encourage
him to work into a permanent
arrangement with the Carnegie
Foundation if possible.

Will you get Trustee action
for any requests of Nash for
Journalism in so far as

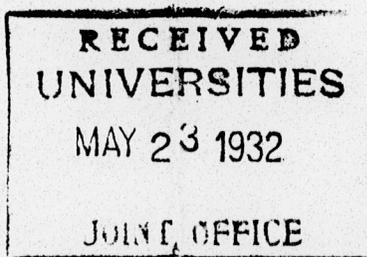
Recommended by him, within the estimated
income, and apparently desirable, without
referring to the field, but keeping me informed.

May I ask that you also let me
know of decisions reached in promotional
arrangements until these are themselves in
working order.

Let me take this occasion to
thank you again for your patient,
understanding, and selfless help to me

during this hurried trip to teaching. And
will express my thanks and farewell
to Evans and the office staff.

Very sincerely yours,
Highton Stuart



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JWS

May 13, 1932

Dear Leighton:

I think I ought to pass this word to you. Mr. C. W. McAlpin told me yesterday that Mr. Cyrus McCormick is in such a state of health that his secretary, Mr. Steuert, is not referring anything whatever to him. I infer from the way Mr. McAlpin told me of this that it seems rather unlikely that anything can be referred to Mr. McCormick for a very long time, if at all.

x to ✓

Hastily yours,

Dr. J. Leighton Stuart
Yenching University
Peiping, China

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YENCHING

INDEXED

May 16, 1932.

Dr. J. Leighton Stuart,
Yenching University,
Peiping, China

My dear Dr. Stuart:

I am enclosing herewith a copy of the Minutes of the special meeting of the Yenching Trustees held on May 13th for the express purpose of confronting together the crisis which now faces the University as it endeavors to meet the conditions of the first Rockefeller gift before the time limit expires on June 30th.

We were all disappointed that the attendance was so small, but the absence of the other Trustees was due in every case to conflicting obligations which could not be changed. All our Methodist friends were in the midst of their general conference in Atlantic City, practically all our laymen were tied up in business problems either in New York or elsewhere, and the others had thoroughly legitimate excuses for not being present. Quite a number of those who could not attend sent letters reporting in detail on what they themselves are trying to do to assist the University to meet the conditions of the Rockefeller gift.

Everyone was keenly disappointed with the very meager amount of tangible and concrete results obtained from the strenuous efforts made during the past month. From every side warm friends of the University have been stating very reluctantly that the present economic situation is that that they are unable to make any contributions personally, and are not even able to suggest names of anyone whom we could turn to with the last hope of securing help.

We are counting on the intensive work of the next seven weeks to produce more substantial results than have been attained during the last month. However, it is now obvious that short of some wholly unforeseen miracle, these efforts by the Board of Trustees will not come anywhere near spanning the gap of more than \$70,000 which must still be secured. We must keep in mind also, that this figure of \$70,000 is the bare minimum to be raised. If the Rockefeller Foundation do not accept outstanding pledges, this figure is at once increased to \$120,000. Also, the present market value of Women's College securities which will be offered as applying on the conditions of the gift is now \$30,000, or more below their book value, and it is quite likely that the Foundation will be unable to accept these securities at any figure above the present market.

It is obvious, therefore, that we will almost certainly be forced to turn to both the sources which we have thought of as our last resort - the China Foundation, and the Harvard-Yenching Institute.

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The Board discussed at some length the possibility you suggested of a successful appeal to the China Foundation for a gift possibly in the amount of \$50,000. We considered whether it would be desirable to place on our Minutes any formal resolution making application for such a gift, but in the end decided that it would not be desirable to do so, because such a Minute might embarrass you in more ways than it would assist. The Board did, however, instruct me to communicate to you its hearty desire that such a request be made to the China Foundation if you find, when you arrive in China, that the conditions permit such an application for help.

In expressing its judgment on this matter, the Board foresaw two possible difficulties which we must be careful to avoid.

First and foremost, if any gift is received from the China Foundation, it must be given and accepted as an outright gift, with no strings and conditions attached. At this point the Board was quite emphatic. It was felt that any hint of any such condition, as for example, later repayment of such a gift to such a Foundation, or later assignment of their funds to some objective in which the Foundation may be directly interested, would imperil the cordiality of our relationship with the Rockefeller Foundation, and might cause the loss of both the first and second gifts as well as the destruction of any hope for future assistance.

In the second place, the Board agreed that if such a gift were received in China it could only be accepted on the understanding that the funds might be invested here in the West if the Rockefeller Foundation should so direct. This is the point on which the Board did not wish to make any definite pronouncement, because we know that in the past Mr. Roger Green has been a staunch advocate of the policy of investing funds in China. It is quite possible that through his influence, and with all other members of the China Foundation having this same conviction, the China Foundation might grant a gift only on conditions that the funds would be held in China; and Mr. Roger Green's influence might be sufficient to persuade the Rockefeller Foundation to accept such a condition. It is a matter, however, that should be very clearly understood both on the field and here in New York at the time any such gift is reported to the Rockefeller Foundation as a part of the funds applied to match their conditional gift.

It is very probable that within a few weeks we will be sending you a cablegram asking that you make application to the China Foundation for help in this emergency. We are, therefore, hurrying off this letter to you in order that you may have the background of the Board's thinking.

I hope that you are now enjoying a pleasant trip across the Pacific, and that this letter will find you pleasantly engaged in the closing events of the academic year at Yenching.

Very cordially yours,

BAG:PC
Enc.

YENCHING

INDEXED

May 17, 1932.

Dr. J. Leighton Stuart,
Yenching University,
Peiping, China

My dear Dr. Stuart:

I enclose for your information copies of letters I have received from Mr. Nash under dates of April 30th and May 13th, and also of letters I have written him on May 5th and May 17th.

I feel my inability to reach any intelligent decision on these various questions which Mr. Nash is raising. We have practically no information from the field as to the plans for the Department of Journalism for the next year or two, had very inadequate information in regard to the 1931-32 budget for Journalism, and have not as yet seen the 1932-33 budget for this department. You will note that in a few matters where we were faced by the necessity of either taking some action requested by Mr. Nash, or else blocking his plans entirely, we have taken the steps he has requested. In all other matters we have tried to make it plain that we were not qualified, and we believe the Finance Committee is not qualified, to reach any decision, and the responsibility must, therefore, be left to him, or to the field.

I have a keen sympathy for Mr. Nash's difficulties and am anxious to do everything to help. I believe, however, that it is absolutely indispensable that some satisfactory organization of the administration of Journalism be effected if we are ever to escape from the present chaos.

Very cordially yours,

BAG:PC
Enc.

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YENCHING

May 18, 1932.

President J. Leighton Stuart,
Rev. L. J. Davies, Associate President
President Y. G. Chen
President C. J. Lin

Gentlemen:

We have just learned that Miss Esther Wood, the Secretary for Literature and Publicity in the Woman's American Baptist Foreign Mission Society, is planning to spend the coming year in China and is available for a one year appointment as a teacher of English. Miss Wood is willing to pay the expenses of her travel to and from the field, so her only cost to an institution would be salary while she is on the field, together with the provision of living accommodations, and any necessary medical attention. As to salary, Miss Wood would be willing to accept the regular missionary schedules in force in our various universities.

Both Dr. Franklin of the American Baptist Board, and Miss Sandberg of the Baptist Woman's Board, are very warm in their praise of Miss Wood's personality, native ability, training and experience, and recommend her in the highest term. Her history and training can be reviewed briefly as follows:-

She is the daughter of a Baptist Minister and was born in Marion, Ohio, August 24, 1905. She did her first three years of collegiate work in Denison University, 1924-27 majoring in English. Her last year of collegiate work was done in Boston University with a major in Religious Education. She was awarded the degree of Bachelor of Religious Education in Boston University in 1928. Since October, 1928 she has been with the Woman's American Baptist Foreign Mission Society where she is now the Secretary for Literature and Publicity. She is a writer of children's stories, and has had a number of stories published as a free-lance writer, in addition to the material she contributes to the publications of her Board.

Her proposed absence from the Baptist Woman's Board next year is partially in the nature of a sabbatical leave, and is partially due to her desire to spend a year in China in order that she may get first hand material for future writing. She has assured me, however, that her entire time would be available for her teaching work, and that she would not neglect this work for any personal research or writing.

I am enclosing a picture which Miss Wood had made rather hastily yesterday.

May 18, 1932.

Due to the shortness of time I would suggest that if any of you find it possible within your budget limitations to make use of Miss Wood during the coming year, that you send me a cablegram to that effect without delay, indicating the salary you would be able to offer her, and giving any necessary additional information as to arrangements.

Very cordially yours,

BAG:PC
Enc.

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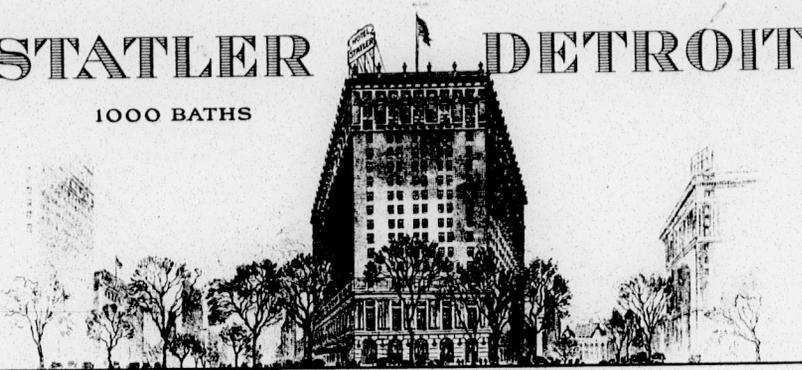
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HOTEL STATLER DETROIT

1000 ROOMS

1000 BATHS

UNDER
SAME MANAGEMENT
HOTELS STATLER
BOSTON, BUFFALO,
CLEVELAND, ST. LOUIS
HOTEL BUFFALO
BUFFALO
HOTEL
PENNSYLVANIA
NEW YORK



Grand Circus Park at Washington Blvd. and Bagley Ave.

May 20/31

My dear Oba,

The interviews with the Fords, father and son, and with practically all the head executives have been all that could be expected, and fully justified Cowling's procedure. Philip will give you details. Mr. Ford has asked for information about Geueching and I am to write Cowling before sailing. The progress in this respect also was as much as I had hoped for and in fact more. This therefore is sufficient reason for paying part of Philip's expenses back

to China and in this country. Please
arrange for his transportation to the Coast
and by steamer, and let me have through
him - if he returns with me as seems
now probable - the money for me to
carry back to China.

We have been so continuously waiting
for developments or actually at the
Ford works that I have not dared
to call up Mrs. Truman ^{to} Newberry's
secretary, and doubt if even tomorrow
this will be feasible before my train
leaves. We must go again to Dearborn
tomorrow. If I fail to see her, an invitation
to Margaret Speer brought about by Mrs.
Fuley may be worth while - Or Jenny
might try. I called on the Hooblers
without appointment.

Yours,
J.H.S.

BAG
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YENCHING

CANADIAN PACIFIC

S. S. EMPRESS OF CANADA.

May 24, 1932

INDEXED

My dear Olin,

Before landing at Shanghai
today, I shall send you my
travel account thus far,
so that you may make the
adjustments that seem proper
between the Harvard-Yenching
Institute and our office.
The total will be about \$1300.00
unless I am detained longer
in Shanghai than is likely, but

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even then will be very slightly more.
I give details on the opposite
page. The sundries include passport
visa, steamer ticket tax (U.S.A.) + tips,
telegrams + c. I shall send the
complete statement include sums
advanced to me to Evans.

I have had a quiet restful
trip, and the news from Spuching
received in Japan and here this
morning is on the whole reassuring.
But I am eager for news as to
your plans. There is not much
more that I can add to my last
letter except to reaffirm its
contents, and to assure
you that you are constantly

in my thoughts.

A radio from Philip states that he is waiting in Shanghai. But there is disconcerting news that J.V. Soong has practically decided to declare a moratorium on Boxer remittances which makes help from the China Foundation unlikely. The only promising outlook at this end is therefore my Chinese banker proposition and I am dubious about the Trustees' reaction! Meanwhile with all good wishes & the hope of continuing association somehow, as ever yours,
Leighton

Trip to U.S.A., March-May, 1932

Travel Peking to Shanghai	\$ 34.00
Steamer ticket, round trip	596.50
Railway travel in U.S.A. & Canada	385.94
Hotel	70.00
Allowance (meals, tips, taxi etc) @ 3 ⁰⁰ per diem	120.00
Sundries	58.95
	<u>\$1265.39</u>

Travel Shanghai-Peking

Estimated \$1300.00

J. Leighton Stewart

May 24/32

YENCHING

INDEXED

May 24, 1932.

President J. Leighton Stuart,
Yenching University,
Peiping, China

My dear Dr. Stuart:

Let me acknowledge your letter of May 10th written enroute to Honolulu.

Dr. Faucett. Dr. Faucett made a very sudden and unexpected decision to take a hurried trip to Japan and Shanghai in connection with the publication of text books being handled for him by publishing houses in the Orient. I believe that he is leaving his family in Chattanooga, and plans to return during the summer. I do not know just how he is financing the trip, but I presume that he is receiving funds either directly or indirectly from the houses publishing his text books. We will continue to follow out the arrangements with him already reported to you, unless some new development takes place. Dr. Faucett indicated that he might possibly get up to Peiping and have a conference with you direct.

Journalism. I have already sent you copies of letters I have written to Nash in regard to his various problems. For the time being we will try to help him out in any way we can in bringing his problems to the attention of the Trustees, or attempting to reach decisions here in the office when it is impracticable to get Trustee action. I hope, however, that it may soon be possible to get the administration of Journalism on a somewhat more regular and stable basis than it seems to be at present.

Letters to Mr. McBrier. I have read with interest copies of your letters to Mr. McBrier under dates of May 9th and May 10th. Mr. McBrier also showed me the originals and talked over the matters discussed therein. My purely personal and unofficial opinion is, regardless of the comparative advantages of investments in America and investments in China, it is quite out of the question now to expect that our Yenching Trustees will agree to the transfer to China for investment of any substantial portion of the University's endowment. The present economic difficulties have served to strengthen rather than to weaken this tendency on the part of our Yenching Trustees. It is not quite true to say, as indicated in the first point on the second page of your May 9th letter to Mr. McBrier "that American investments seem problematical and of dubious value." The highest grade of American securities have not been seriously disturbed by the present financial crisis, and the investment difficulties of Yenching, as of practically all other institutions holding endowment funds, have arisen from ^{our} attempts to increase current income by purchasing securities with a more attractive yield, and with a diminished amount of solidity and stability. The natural tendency of our Trustees ^{is}, therefore,

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May 24, 1932.

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to favor the more conservative and higher grades of securities, even at the expense of reducing the amount of current income, rather than going out for higher rates of income either in America or abroad at the risk of a serious loss of capital.

I will not attempt either to defend or to criticize this attitude on the part of our Trustees, but I am merely reporting it to you as a fact with which we are confronted. But as I have just stated, this is merely my own personal estimate of the mental attitude of our Trustees. No doubt Mr. McBrier will be writing to you directly during the next few days.

Promotional Matters. I am interested in the comments in your letter of May 10th as to the trend you have found in the interests of prospective donors, and the possibility that such trends may be utilized for the benefit of our Christian higher educational forces in China. I believe there is no question whatever that there exists in America at the present time a tremendous amount of interest in China and her problems, and the constructive forces now attempting to solve these problems. I have long felt that if our Christian higher educational institutions can only get together and present a reasoned and effective statement of their work and their needs, we would be immensely benefitted. For the present we are compelled to continue the presentation of the individual needs of individual institutions, but I am becoming more and more firmly convinced that no one university working alone can begin to gain the response which could be secured for the group as a whole.

Very cordially yours,

BAG:PC

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學大京燕
YENCHING UNIVERSITY
PEIPING, CHINA.

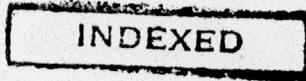
OFFICE OF THE PRESIDENT



TELEGRAPH ADDRESS
"YENTA"

June 2, 1932

file 7-20-32



Mr. C. A. Evans
Yenching University
150 Fifth Avenue
New York City

Dear Mr. Evans:

*Have
written
to H. Y.
about this.
7/9/32*

I am enclosing herewith a statement of my traveling expenses for this last trip to the States. Mr. Wanamaker will doubtless have made the proper adjustments between the Harvard-Yenching Institute treasurer and our own office.

May I trouble you to help me regarding my subscription to the Christian Century. I had thought this was arranged through Jack but according to your statement this is his own subscription. Apparently the periodical is not being sent to me so there must be some slip. Will you kindly pay my subscription as from the date of receiving this.

It is good to be back on the campus again and to find that nothing seems to have suffered during my absence. We are busily getting ready for Commencement and I have in addition of course the usual accumulation of business that has been awaiting my return. But on the whole our affairs are in good condition and there are no serious problems.

We are eagerly awaiting further news as to the outcome of the efforts to match the Rockefeller Foundation grant. I have had one disappointment here which is that the China Foundation is handicapped by a moratorium declared by the Ministry of Finance on British and American Boxer Indemnity funds. In addition to this, however, there is a regulation against making any grants to endowmen funds. There might have been found a way to get around this technical difficulty had it not been for the moratorium.

With greetings to others in the office and pleasant memory of the good care all of you took of me-

Very sincerely yours,

Leighton Hart

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UNIVERSITIES
JUL 5 - 1932

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YENCHING

INDEXED

June 2, 1932

Dr. J. Leighton Stuart
Yenching University
Peiping, China

Dear Doctor Stuart

Cabled you as follows in response to your message asking that we employ Mr. Gee for two years:-

"AFTER HARDEST EFFORTS JENNEY WILLS HEDRICK OURSELVES STILL LACK SIXTY THREE THOUSAND IMPOSSIBLE SECURE TRUSTEES UNDERWRITING ANTICIPATE NOTHING MORE HERE EXCEPT SMALL INDIVIDUAL CONTRIBUTIONS AND POSSIBLY SOMETHING FROM HAYEN STOP ONLY HOPE SEEMS YOUR OBTAINING FIFTY THOUSAND GOLD CHINA FOUNDATION STOP EMPLOYMENT PIERCE HEDRICK MAKES CONTRACT GEE IMPOSSIBLE BECAUSE ADDITIONAL COST AND MUST GIVE PIERCE HEDRICK FREE HAND."

With previous letter I sent you information regarding Hedrick's and Wannamaker's attempt to get five Trustees to underwrite \$5,000.00 each. I agreed to do so if others could be secured. Mr. Warner replied that it was utterly impossible for him to do so. Mr. Wannamaker spoke to Dr. Thompson about it with the result that while he did not positively refuse, neither did he seem willing. Mr. Wannamaker was going to speak to him again if he could get the consent of some other ones. I wrote Mr. Boyd asking if I could see him on Tuesday this week with Mr. Hedrick. He immediately telephoned this office that if it was with regard to money matters, it was absolutely no use of seeing him, as he would not do anything. There was left only Mr. Ludington, and while I had an engagement to see him on Tuesday at the same time I went to Philadelphia to meet Mr. Boyd, I thought there was no use of seeing him when two had positively refused and the third had avoided the issue. Later in the month I will see him if anything is needed as a very last resort.

You must realize that it is impossible to employ everybody that is suggested for the campaign for Yenching. If we engage Pierce and Hedrick, they must have a free hand to employ whom they will. It will be utterly impossible to have Mr. Gee in charge of the promotional work as proposed by you, and it likewise would probably be impossible to keep him on the field all the time.

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Dr. J. Leighton Stuart

June 2, 1938

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You expressed a desire for us to keep Wills in the field, although Wills has not secured a dollar yet. If he does not get some money before June 30, I greatly doubt whether we shall retain him. His salary and expenses up to July 1 will be about \$5,000.00. Who is going to pay the bill for all of these men who spend their time in the field but get nothing?

Dr. Jenney is the only one who has produced anything to speak of as yet. He has got \$5,000.00 and says that he has another possible \$5,000.00 in sight.

Our only hope for meeting the Rockefeller Foundation condition is that you secure a substantial gift from the China Foundation. That is the situation as it stands today.

The question of the employment of Wills, of Dr. Jenney, and of Mr. Gee must be a matter for Pierce and Hedrick to handle, providing they are going to conduct our promotional work. We cannot tie their hands with any arrangements we make, and in fact it is not our intention to make any arrangements but to give them a free field and let them do as they please and place the entire responsibility upon them.

We have diligently looked around for other men to handle the situation, men who have had experience in this sort of work, but have not as yet discovered any.

The cablegram was the result of conference between Mr. Wannamaker, Mr. Garside, and myself. I am sorry it went out unsigned, but you will understand it as expressing our best judgment.

Mr. Wannamaker is working in splendid fashion and moving heaven and earth to secure funds. It is very problematical as to whether it pays to invest large amounts of money in campaign work at the present time. Stocks are still going down and they are talking bank moratoriums and closing the stock exchange. Our troubles are not over by any manner of means. Nobody has ever experienced such a condition before, and the big bankers are as much at a loss what to do as the smaller fry.

Hoping you will be successful in your endeavor to secure the contribution from the China Foundation or other sources, I remain

Sincerely yours

EMMcB:MS

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YENCHING

INDEXED

Yenching University

June 30, 1932

Dr. J. Leighton Stuart
Yenching University
Peiping, China

My dear Doctor Stuart

Enclosed find two copies of the minutes of the joint meeting of the Committee on Finance, Property, and Investment, Committee on Budget, and the Committee on Promotion. The meeting was held on June 13, and the entire afternoon from 3 o'clock on was consumed in the discussion. Three members of the Committees had previously been in touch with our office giving us a general idea of their attitude on the several questions involved.

Journalism Budget. It will be noted that a thorough study was made of the journalism situation. All the information available was presented to the Committees, and all the data regarding available cash and future payment of pledges was given consideration. As a result the revised budget as suggested by Mr. Nash was approved. It will be noted that this budget includes the Missouri-Yenching fellowship of \$950.00 for J. D. White. The original figures from the field suggested this amount if funds were available. The cable disapproving of Mr. White's appointment came to hand this morning and has created a situation which we have not been able to clear but hope to do so within the next 24 hours. Mr. White is on the way to the coast and it hardly seems possible to cancel the appointment and keep faith with the Missouri-Yenching group. But more of this later on.

Request for \$2,000.00 from Engine Funds. The Committees gave very careful consideration to the request from the field to use approximately \$2,000.00, balance of the appropriation for the lighting equipment. It was conceded that in all probability this amount could be used several times over in different enterprises or equipment, but the tremendous overdraft in plant funds permitted of only one answer to the request. The \$2,000.00 is not to be sent to the field, but the appropriation is to be closed under the actual expenditure for the lighting equipment.

Cable Regarding Mr. N. Gist Gee. As you know, this subject has occupied the mind of the various committees to a very large extent. Probably no other issue has engendered a more sympathetic desire to see the situation from the angle of the field. It is probably due to the extreme situation

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Dr. J. Leighton Stuart

June 20, 1932

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here, as well as the second conditional gift of \$250,000.00 due within the next few years. The previous actions of the Committee, the correspondence with the field, as well as the cablegrams were all reviewed. The unanimous opinion was that it would be undesirable to place this additional load upon the promotional office budget for the coming year. If on the other hand, the field is able to readjust its budget to include this rather large item for a year, the Committee did not feel inclined to object. Therefore it voted as per FBP-3077.

Report of Promotional Office. On the morning of the meeting a cable from the field came to hand which was interpreted as meaning that \$36,000.00 and LC\$250,000.00 had been subscribed and could be authoritatively used in connection with the pledges for the campaign. On the other hand, the Rockefeller Foundation is scanning every item in the schedule of figures that is being presented for approval, and rather than make a serious blunder in submitting a gift which might not be acceptable to the Foundation, it was deemed advisable to communicate with the field, and as a result the Committee voted according to FBP-3078.

These are hectic days here in New York, for with the closing of the books of most of our university coupled with the campaign work for the endowment fund and having numerous conferences and reports, the days are all too short. A letter received from Mrs. Williamson the other day showed a spiritual insight which we wish we could feel as being indicative of all of those who are serving the Board as Trustees or otherwise, for if we are not open to the workings of the spirit, the gifts, no matter how large, will eventually be of little avail.

Very cordially yours

Assistant Treasurer

CAB:MS
Enc.

CC: Dr. Galt

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C O P Y

LONDON MISSIONARY SOCIETY

H. 2.642.

June 21st, 1932.

Dr. J. Leighton Stuart
Yenching University
Peiping, North China

My dear Dr. Stuart,

Referring to our previous correspondence with regard to the L.M.S. support of Yenching, I very much regret to say that our Board have found it absolutely imperative to make some further reductions in our China expenditure, which will affect Yenching. I am very sorry that we shall be obliged to cease the grant which we have been making for several years past in lieu of a salary for a successor to the late R.K. Evans, as from the 30th September next. I have already warned you that this might be a possibility. We are also compelled to discontinue the Yenching salary of Mr. J. B. Tayler as from the same date, but I imagine that this will not be such a serious matter for you as you have been able to dispense with his services at Yenching for the last two years. I have no doubt you are aware that Mr. Tayler has received an invitation from Nankai, which I believe he has recently discussed with you, although I do not know with what result. If he goes to Nankai they will provide for him, and I understand that he will still be able to carry on some of the work on which he has been engaged for the N.C.C. If he does not go to Nankai we shall probably find him a position to fill a vacancy in our China Mission, which might not, however, afford him so full an opportunity for continuing his special work.

I am exceedingly sorry that these reductions will be at the expense of Yenching, but I am glad to think that they are such that we could, later on, when better times permit, resume these contributions to the Yenching staff, if you desired us to do so. Miss Wood's position would not be affected, and of course you would continue to have the use of the house belonging to the Society on the Yenching Compound.

With kindest regards,

Yours very sincerely,

(Signed) F. H. Hawkins

P.S. - I ought to have mentioned that our Directors' action in this matter has the approval of our China Council. I shall let the Societies who are in partnership with us in Yenching know of the action that has been taken, in the hope that if they likewise have to make cuts in their China expenditure they may use their best endeavours not to do so at the expense of Yenching.

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YENCHING

INDEXED

Yenching University

June 22, 1952

Dr. J. Leighton Stuart
Yenching University
Peiping, China

My dear Dr. Stuart:

Mr. Evans wrote to you on June 20th, enclosing a copy of the joint Committee Meeting on June 13th, in which we tried to deal as well as we could on the basis of ~~the~~ inadequate information, with the various Journalism problems for the coming year. This letter will report on later developments.

On the morning of the 20th we received your cablegram of which the first part reads as follows: "ALL THAT FOLLOWS IS FOR VERNON NASH: CONCERNING APPOINTMENT OF WHITE, LOCALLY THERE IS NO NECESSITY. IMPOSSIBLE TO PROVIDE FUNDS" (The rest of this cablegram is for Mr. Wills and is being forwarded to him by Mr. Wannamaker.)

OTHER We forwarded this message to Mr. Nash immediately, and he responded as follows: "STILL BELIEVE WHITE SHOULD GO. FIELD LEAVE MATTER MY HAND. CANNOT CANCEL NOW JUSTICE WHITE, ALREADY ENROUTE COAST. FIELD DOUBTLESS IGNORANT APPROVED BUDGET ARRANGEMENTS. ATTITUDE WILLIAMS, THROUGH PROMOTIONAL ARRANGEMENTS, VITAL. ALREADY ANNOUNCED HERE APPOINTMENT MADE. WHITE SAILING JULY 2ND."

Mr. White had already left his home in Appleton City, Missouri, without having received any word from our New York office as to the attitude here and on the field concerning his fellowship, and was enroute to Oregon, where I understand he will be spending the time until his sailing. In view of Mr. Nash's telegram, it seemed therefore to be the lesser of two evils to allow the proposed arrangements to stand, and to have Mr. White go ahead with his trip to China. We are therefore proceeding on that basis. I am enclosing a copy of a letter we are today sending Mr. White. You will note I have made no direct reference to this confusion in regard to his fellowship. We will leave to Mr. Nash and yourself such explanations as you think should be made. However, I am today sending you a cablegram, of which confirmation copy is enclosed, informing you of

0205

Dr. J. Leighton Stuart

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June 22, 1952

the steps we are taking, so that if the field is convinced that we should terminate the proposed arrangements for Mr. White's fellowship, it will still be possible to hold up his sailing on July 2nd.

✓
✓
Naturally, we all regret very much getting involved in such a confused situation as this has become. It seems to have grown directly out of the delay in securing information as to what the plans of the Department of Journalism are for the next year or two. I hope, however, that we will be able in future to avoid a situation where information ^{has} to be exchanged by cablegram and telegram, and decisions have to be made hastily and on the basis of incomplete information.

Very cordially yours,

BAG:W

Copy for Mr. Nash

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YENCHING

INDEXED

Yenching University

June 25, 1952

Dr. J. Leighton Stuart
Yenching University
Peiping, China

My dear Dr. Stuart:

Let me acknowledge receipt of your cablegram of June 17th, which we have decoded as follows:

"G.\$5,000 PLEDGE PAYABLE AT OCTOBER 1, 1952. G.\$1,000 TWO WEEKS. MEX. \$250,000 CANNOT HAVE LEGAL SECURITY, CANNOT FIX THE DATE, CANNOT SEND TO AMERICA, PRESENT VALUE TO BE APPLIED IN (PART) PAYMENT HARVARD-YENCHING INSTITUTE AS PER CABLEGRAM SENT TO YOU. ADVISE MATTER TREAT CONFIDENTIAL AND STRICTLY PRIVATE. W.G.GEE HAS ACCEPTED AT SALARY OF G.\$6,000 A YEAR. STOP. SEND G\$500 AND FORWARD THIS MESSAGE BY POST TO GIDEON LEW, CORNELL UNIVERSITY. UNLESS YOU ARE IN A GOOD POSITION FROM AMERICA, RETURN AT ONCE STUDENT THIRD CLASS. T.T.LEW."

We are tentatively including in our reports to the Rockefeller Foundation, subject to final confirmation when such reaches us from the field, the G.\$5,000 payable on October 1st, and the G.\$1,000 payable before June 30th. We are not making any reference however to the Mex \$250,000, and will keep this confidential until further details are received from the field.

We have reported to those responsible for the Yenching promotional work, that Mr. Gee has accepted a one year appointment at a salary of \$. \$6,000 per year. The tendency seems to be to wait for fuller details from the field before expressing any very definite judgment in regard to this arrangement.

We are sending Gideon Lew a check for \$500, accompanied by the message in the last part of this cablegram. This remittance is being charged to the current general budget, and will be reported to the field treasurer's office in due course.

As a matter of record, I am enclosing confirmation copy of a cablegram we sent on June 15th, and also of one sent you on June 16th.

Very cordially yours,

BAG:W
Encls

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Received in CO
6-27-32

JLS

copy in annual reports
of Puro 10 copies -
copy to Mr. Zimmerman
8-22-32

To the Board of Managers:

An institution in its formative period, struggling to maintain itself and worthily to perform its accepted function in the midst of such radical and rapid changes in environment as those through which we have been recently passing, suggests the analogy of a living organism.

Among these environmental changes are political and economic conditions in China, the world-wide financial depression, especially as affecting American philanthropy, and current thought and practice in regard to Christianity.

If life consists in correspondence with environment, we who are responsible for the affairs of this University must think constantly and carefully and creatively as to those adjustments which will enable Yenching not only to survive, but to draw fresh sustenance for healthy growth and useful activity from each new development in its surroundings.

It may be pertinent to glance back in retrospect through the fourteen years since Yenching became reorganized under the present administration, and to note alike the changes within itself as to physical plant and annual budget, western and ecclesiastical proportion of control, size and sources of student body, scope and quality of academic work etc., and those turbulent, and largely unpredictable changes which are incessantly occurring in its outward relationships.

How much in the process of adjusting has been due to fortunate accident or opportunist shifting, and how much stronger our university organism might be now in each aspect of its life had there been more insight into the consequences of these happenings or tendencies all around us and more alert, anticipatory planning, are questions of only speculative interest except in so far as they stimulate the determination to aim at flexibility in structure and wisely calculated preparedness for further changes in those environmental relations upon which our future growth depends.

The problem may for convenience be studied under four different aspects, though these are, and always ought to be, closely inter-related.

Religion.

This is mentioned first as being the originating cause of the University's establishment and the continuing cause of that distinctive quality in its functioning without which it has no sufficient reason for existence. Whatever else this may involve, we shall agree that it permanently requires the endeavor to apply the principles and spirit of Jesus to every phase of our corporate activity, to exert every proper influence to develop these ideals and habits in our

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students individually and as a group, to furnish every facility for the study of Christian knowledge and the practice of Christian living, together with whatever else may help to nurture the finer urgings of the human spirit, and in general to bear our witness to the abiding reality and value of Christian faith for the people of China and in terms of contemporary thought. This is a challenging demand upon all who are concerned with the functional purpose of the institution, and the very difficulties accentuate the zest with which we shall try to meet it.

Education.

This is of course the only purpose for which any school can be rightly conducted. What has been discussed under the previous heading is intended as an essential factor in broadly conceived training of the whole personality.

The sort of education that Chinese young men and women should receive is a topic that calls for unprejudiced, imaginative, experimental, laborious inquiry. The extent to which undergraduate studies should be vocationalized, the method of securing a proper balance between technical and humanistic courses, encouragement to the more gifted students, our relations to secondary schools, emphasis on graduate work, the vexed problem of the summer session, limitation of enrollment, research and extension, are mere suggestions as to the academic issues that are more or less in flux at present.

It may suffice to testify to the open-minded and conscientious attention which the faculty, through its various divisions, is giving to these and similar problems. With such leadership in academic affairs as Yenching is fortunate in having, we can safely entrust this aspect of our future policies to these qualified specialists.

National Relations.

An institution located in China but founded by those from other countries should be scrupulously careful, not only to conform to all expressions of the national will whether in government relations or in authentic public opinion, but also to render its utmost contribution to the national welfare, particularly in making of its foreign connections an asset to be utilized rather than an atrophied organ to be tolerated or discarded.

In this respect our intentions are revealed in our prompt registration under the Government, the increasing proportion of Chinese among administrative officers and teachers, the emphasis on Chinese studies, the architecture of our buildings, and our attitude in general to political, economic and other national issues. These are mentioned not as a ground for complacent satisfaction but as giving direction to whatever other adjustments may relate the institution yet more intimately and with mutual benefit to the country we are endeavoring to serve.

Finances.

It is in this respect perhaps that at our approaching Annual Meeting the analogy of the necessity for the living organism to make adjustments to its changing

environment will be most suggestive. Money is as essential to the nourishment and growth of an institution as food is to the animal. Hitherto we have depended almost entirely upon securing this in the United States and by more or less generally recognized methods. The continuance of the present economic depression is, however, proving so disastrous and so far-reaching in its effects that it will be all but hopeless in the immediate future to raise funds as needed, not for expansion but for maintenance, from our present constituency.

The trip from which I have just returned has given convincing evidence of the shrinkage of incomes and sense of insecurity affecting almost the entire population, especially those who hitherto have been most prosperous. All religious, educational, and philanthropic agencies are in serious difficulties and are appealing for funds, or have temporarily abandoned such appeals as futile. Naturally the most conscientious and internationally-minded givers are forced to ask themselves at such a time whether they are justified in contributing to an institution in China.

There is no real indication as yet as to when business conditions will improve nor what changes this will bring in the distribution of wealth. It can be assumed that in any case we must develop what will be largely a new and perhaps a much more numerous constituency, by methods different from those hitherto employed. Much of my time on this trip was occupied in planning with the Trustees for such altered promotional efforts.

But the emergence of this new and unexpected factor in our financial outlook, resulting in shrinkage of our endowment funds, precarious sources of annual support and uncertainty as to the effectiveness of appeals in the future to the people of America, compels us to explore, with an earnestness which has hitherto never seemed necessary, the possibilities of securing funds in China and those adjustments in our internal organization and policy which will equip the institution for the largest measure of success in such efforts.

Apart for purely financial exigencies it would seem desirable to relate the University more closely to its permanent locale in this as in all other aspects of its life. Even when immediate results in money are not achieved, the constituency upon which it must chiefly rely in the not very distant future will be forming and its own organization will be shaping itself to respond to these altered conditions.

The problems briefly outlined above are those which seem to me to be of supreme importance to the welfare of the University just now, and they can be dealt with only through the activity of the Board of Managers.

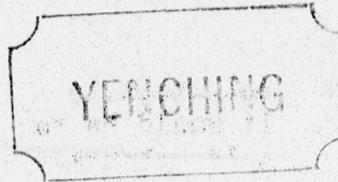
May I request therefore that at this Annual Meeting sufficient consideration be given to them to lead to such decisions as you may feel are appropriate. It happens to be at this writing primarily a financial issue, but this should be thought of in relation to the other aspects mentioned. Let us determine never to dissociate monetary from educational, social and spiritual functions, but rather through our consciousness of these financial needs to aim at a more complete and fruitful integration of our University life.

Respectfully submitted,

J. Leighton Stuart

學大京燕
YENCHING UNIVERSITY
PEIPING, CHINA.

OFFICE OF THE PRESIDENT



TELEGRAPH ADDRESS
"YENTA"

June 28, 1932

ack 7-25-32

INDEXED

Mr. B. A. Garside
150 Fifth Avenue
New York City

Dear Mr. Garside:

I have just received your letter enclosing the contract for Mrs. and Mr. Harry Price.

I note that this is for a five-year period, whereas I had understood that Mr. McBrier and the Committee had agreed to this arrangement for three years only.

My impression was that Dr. Thompson informally let it be understood that he would stand by his part of the support for that same period.

My thought had been that after three years the finances of the College of Public Affairs would be in such condition that if Harry had commended himself to his associates he would then go on the regular budget.

On the other hand, if either or both of these factors failed we should have to ask him to make other arrangements.

If you are sure that Mr. McBrier and the others concerned understand and agree to this arrangement I am entirely satisfied. The main difficulty would be that these financial terms could not apply to any one who is on our regular budget and salary schedule.

If my surmise is correct, please make the necessary change. There will probably still be time to do this before the Price's start for China.

Very sincerely yours,

JLS/P

A handwritten signature in cursive script, appearing to read "Highton Stewart".

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RECEIVED
UNIVERSITIES
JUL 25 1932
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