Yenching
Corres.
Stuart, J.L. 1933 Aug-Oct

JLS

COPY

August 23, 1933

Rev. Chester E. Jenngy
Presbyterian Church
Lockport, N. Y.

My dear Chester:

I have not been forgetful of the ornament for Mr. Webster's desk, but have not found it easy to find something which met the various requirements. I am mailing you under separate cover an article which because of its intrinsic value and perhaps more because of the circumstances ought to be precisely what you had in mind. The parting of it involves genuine sacrifice and a beautiful devotion to the interest of the University.

You will remember meeting Philip Fugh. He comes from a long line of Manchu dukes, and his grandfather, who heldthe title until the revolution of 1911, took him when a six-year old boy to do homage to the Empress Dowager. Manchu nobility does not follow the principle of primo-geniture, but the succession is passed on to the oldest person in each generation. Philip's uncle would have succeeded the grandfather, and Philip his uncle, had the old system not been ended by the new republican regime. On this visit the three of them went together. The old Empress seems to have been much pleased with the little boy and gave him with her own hands as a souvenir of the occasion an apple green jade container of the ink used for stamping with the imperial seal. She also gave him the name Yung Ching which means eternally pure, and which has remained the name used by his family and most intimate friends. The word Ching is also the official name of the dynasty, so that the name implies the idea of being forever loyal to the Manchus. Furthermore, by a play on sounds, Ching also means pale green, which for this reason is the dynastic color and adds significance to this particular hue in the gift. Experts will point out that the quality of this piece is shown in the way in which the upper and lower parts are fitted together and the border of vermillion which was the color of the imperial signature. The "vermillion pen" was a constantly used equivalent for imperial edicts.

On my return here, among other efforts, I stated this problem to Philip and asked him to find something appropriate. He brought various things to me none of which seemed quite what was wanted, and at last brought this up and told me the story. I could see that he was doing this with great reluctance and also that his wife greatly disapproved what seemed to her almost a sacrilege. I told him it met exactly the requirements we had in mind, but that it was asking too much of him. He then said he would make another effort and had gotten hold of another article even more attractive to look at, but without the intimate personal history of this one. He was having a box especially made for it, when his little girl inadvertently pulled the box and the ornament off the shelf where they were and shattered it beyond recovery. After this little catastrophe Philip urged me to send you the jade piece, saying that if it really brought substantial benefit to Yenching he would be amply repaid. He said that he would be quite willing in any case. In fact

he had already thought of giving this to our University museum which is beginning to be built up, and raised the question whether Mr. Webster could be asked to provide that after his death this article should be returned to our museum. He does not make this condition, neither do ~~it~~ I, but in view of all the circumstances you might use your judgment as to whether it would be advisable to make this suggestion or not. I hope that you will feel that this serves your purpose, and we shall continue to cultivate Mr. Webster under your skilful handling.

Let us hear from you occasionally about the individuals in various places with whom you are especially keeping in touch. With all the anxieties about our finances it is a continual heartening thought to remind myself of your concern over these problems of ours, and your amazing capacity for reaching worthwhile people whom we could otherwise scarcely hope to touch.

My greetings to Mrs. Jenney and Ruth,

Very sincerely yours,

(Signed) J. Leighton Stuart

JLS C

September 1, 1933.

Dr. J. Leighton Stuart
Yenching University
Peiping, China

My dear Dr. Stuart:

Your letter of July 28th addressed to Mr. Garside is marked somewhat personal, but as he is on vacation I am acknowledging same. Upon his return he will see that any recommendations made in your letter which are necessary to be presented to the Executive Board will receive consideration.

In my own estimation, I could write a pretty good dissertation in answer to your letter, but it would be futile and writing letters cost time and money. I am reminded of an experience I had last week at a movie picture show. We took our niece to the theatre, and for a short time were compelled to take seats near the front. We were so close to the picture we could not see very well, and shortly I developed a headache. I am wondering if some of our headaches would not disappear if we could only get a right focus on the whole organization movement. Unless that is done, the whole picture will be a blurred mess.

With sincerest personal regards, I remain

Very cordially,

CAE:PW

September 6, 1933.

Dr. J. Leighton Stuart
Yenching University
Peiping, China

Dear Dr. Stuart:

I wish to thank you for the copies of your letter to the Advisory Council. These, together with the envelopes, have been received and turned over to Miss McCoy and she will see that they go to persons who are not on your last list. A revised list, bringing the Councillors up to date, has been prepared and will be forwarded within a few days.

Thank you also for the copy of your letter to Mr. Garside, which I have been interested in reading. I hope that the attitude of the institutions in China will change as satisfactorily as the spirit here seems to have changed but I fear that the only thing to look forward to is drastic action by the Board authorities in America, making compulsory certain readjustments in the work there in China. I think, with you, that possibly the most serious situation is the one in the Middle Schools, where the larger group of students is reached and where the preparation for the college work is done.

We have just returned from our vacation in South Carolina. I visited three cities with the special purpose of seeing what the reactions down there would be toward an interest in an institution like Yenching. I found everyone approached most favorably impressed and greatly surprised that work of that type was being carried on in China. I saw the Governor of the State, the Superintendent of Education, and a number of educators, and they all accepted membership on the Council. Possibly some of it was due to personal reasons but I am sure that they will all be interested in your regular letters and willing to spread the good news, though most of them are without ability to give, even if they wished to do so.

I am afraid that the N.R.A. program is working quite a good many hardships in the South and I doubt if the increase in the price of

cotton is going to overcome that. The buoyant hope which seemed to predominate in the early days of the President's program is becoming somewhat less buoyant and a great many people are seriously questioning the final outcome. Any attempts to generalize for the whole of the United States in any program, it seems, is a mistake. The cotton mills, especially, in that region, have been badly hit, and I am quite sure that fundamental readjustments will have to be made before the program is a success down there. Most people are so heavily tied up with financial obligations already assumed that prosperity - in the sense of 1928/29 - begins to seem like a troubled dream.

We are getting fixed up in our apartment and hope to be able to carry on through the year with a program that will put Mrs. Gee back to school for her M.A. in Rural Social Science or some related subject, Drucilla into the New York School of Social Work for a year's graduate work, and Claribel into Lincoln School in the tenth grade.

You know my plans, as worked out here before you left. I am to see some people in and around New York during this month, go to Missouri early in October, and thence on to the west coast for November and December, come back East for Christmas, then repeating this trip after a couple of months in New York.

I hope that everything at Yenching goes well and that the Japanese will not cause uneasiness by their military actions in your region.

With all good wishes to you and to the other friends there, I am,

Very sincerely,

NGG.A

N. Gist Gee

燕京大學
YENCHING UNIVERSITY
PEIPING, CHINA
YENCHING

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS
"YENTA"

Appendix B
Page D-1

September 7, 1933

ack 11/28

Mr. B. A. Garside
150 Fifth Avenue
New York, N.Y.

My dear Mr. Garside:

Replying to your letter of June 9 asking for information as to the methods employed for developing Christian character, I shall write in this personal way rather than delay longer to get a consensus of opinion. This has been impossible earlier because of absences of various people at summer conferences, on vacations, etc., and more recently because of the rush of preparation for the new session. I venture to believe, however, that there will be rather general agreement here with this statement. Let me also say at the outset that I am taking certain things for granted; for instance, that I think of myself as being here with the same missionary purpose that brought me originally to China, and that the Christian purpose of the institution is accepted by those most responsible for its conduct, both Chinese and western. It may be added also that in actual experience during a period of tumultuous changes in this country, one's conception of the best methods for maintaining our Christian purpose becomes quite different in certain respects from theoretical ideas held earlier or based on traditional practice in the west. These introductory remarks are in the hope of reassuring those who will see this letter that the essential desire of those of us who are attempting to represent our controlling bodies and constituencies in America, are the same as yours.

Perhaps a natural starting-point would be to emphasize that a university, by whomsoever established and operated, must be a real university, a place where truth is sought and taught, untrammelled by intellectual commitments that might even appear to interfere with this function. The question is often asked as to what is a Christian university, or even whether such a university can exist. We have no fear that our cause will suffer if the position just stated is faithfully maintained. Whatever else it may be, a Christian university is at least an exhibition of the way in which a group of Christians conduct an institution of higher learning. If in the strictness and sincerity of our academic standards; in our attitude toward the political, economic

and social problems of the country; in the harmony which Chinese and western members of the faculty, teachers, and students, men and women, live together at a time when these relationships are sources of acute tension; in the integrity of all financial accounting; in the moral discipline and quality of life pervading the community which even observers will describe as Christian because they know no other adequate word; in the motives and sympathetic endorsement with which western Christians continue their support, - if in these and other forms which readily suggest themselves we are manifesting the benefit of the principles and spirit of Jesus, then to that extent are we in our corporate capacity bearing testimony to the meaning and value of Christian faith. Not only so, but a Christian university may be thought of as a process through which the good will and desire to be of helpful service on the part of western Christians can express itself to the people of China, whether or not there are direct gains to the ecclesiastical bodies which are at work in this country. These comments are made not only on theoretical grounds but because there is constant evidence that Yenching is making some such impression on the Chinese public.

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Since it is a matter of common experience that life decisions are usually made in secondary schools and since we draw from both Christian and non-Christian middle schools all over the country, we are practically concerned over the deterioration both in academic quality and in religious influence which unfortunately marks so many of the mission schools. This is due in part to the reduction of mission funds with no corresponding effort to reduce and reorganize the existing schools in the interest of better quality, and partly to the nationalistic developments of recent years. Ideally a Christian university should be so because a majority of students desire this, and have come to it for that reason. This condition would be much closer to realization if the mission boards showed a determination to carry out recommendations in this direction which have frequently been urged upon them.

Another factor that will be largely determinative in the future is the Chinese Christian faculty. In all those aspects of a Christian university suggested in a previous paragraph, the Chinese on our faculty give us very little ground for complaint. It is a matter of no slight encouragement that in the five elements most important in university administration, i.e., those that have to do with academic, financial, engineering, student welfare, and religious interests, these are all at Yenching now entirely under Chinese control, and with at least as much efficiency and conviction as when conducted by missionaries. But with some comforting exceptions, even in the case of the most genuinely Christian Chinese on the faculty, there is a lack of interest in public

worship and in specifically religious effort on students. This has given me no slight anxiety, but it is so general a phenomenon among intellectuals in China that there is at least the consolation that it is not entirely due to local conditions. It is in part, no doubt, a reaction from the highly stimulated activities of the earlier days of missionary domination; in part to racial characteristics and to absorption in national problems; but even more perhaps to a certain perplexity as to what is a proper method for exerting such influence, in the lack of which they follow a rather characteristic Chinese tendency to shrink away into themselves. The discovery for them or by them of a technique that will be Chinese, and modern, and befitting a university community, and charged with vital spiritual reality, is to my mind the crucial issue in the whole problem.

Compulsory attendance at worship and required religious instruction had been abandoned at Yenching long before government requirements, because of the general conviction that these methods, at any rate in the China of today, are not effective. There is unquestionably a loss, but I doubt if anyone here would want to go back to these methods, even if we were entirely free to do so. Religious work on this campus is carried on by the Yenta Christian Fellowship, a voluntary organization with a simple statement of Christian purpose rather than of doctrinal belief, to which faculty members, students, and workmen or servants, are all eligible and which functions in these three departments through an executive committee composed of representatives elected from each. There is a university service in Chinese on Sunday morning; another one intended primarily for employees, in the afternoon; and a vesper service in English. Attendance on these varies, and is far from what we should desire, but in view of all the conditions, it seems to me to be on the whole rather reassuring. At any rate we know that those who attend come from no compulsion or dead habit or any other purpose than that of Christian worship and fellowship, and that this is carried on with only incidental and occasional help from foreigners, and especially in regard to the main service under the general leadership of Dean T. C. Chao, with an emphasis on forceful preaching and beauty in form which are both of such quality that whatever explanations there may be for non-attendance, we can be sure it is not because of dissatisfaction in these respects. In addition, daily chapel, small group gatherings for devotion or discussion, social service, and many other activities are promoted by the Fellowship with a spontaneity and vigor which again give assurance of permanence under Chinese leadership. It will be seen from this that the administration, as such, does not provide for these features, preferring them to be under a voluntary body. On the other hand, the administration makes its contribution by endeavoring to maintain as large a proportion of Christians on the faculty as possible, and these of the kind whose character and purpose are a real asset from this standpoint; and to supply faci-

lities and favoring influences for the nurturing of Christian life and its expression in significant activities. The alternative would probably be a weakening of the policy established by missionaries as they ceased to be able to exert their authority, and would therefore be much less ~~promising~~ permanent for the future, or even effective ~~this~~ for the present.

The faculty of the School of Religion are largely depended on for their contribution to the religious life of the whole institution, and have been selected in part for this reason. They conduct courses which are offered to undergraduates on a wide range of religious subjects and are useful in many ways. The method of paying professional full or even part time religious workers does not seem to be the most promising solution under present conditions in China. In place of this, teachers and students who have the desire and the qualifications and who use their spare time, or even plan their time with this in view, would seem to be the most dependable persons. For some years at least the foreigners will be indispensable. Individual effort reinforced by small groups and the regular periods of worship seem to be most effective according to our recent experience. We need not be unhopeful that evangelists who understand and can arouse Chinese students as they are today, will emerge, and that through improved literature and other methods increased interest in religion can be awakened among them. Meanwhile there is much to be grateful for, even in the midst of conditions that are essentially not unlike those prevailing in other parts of the world.

Very sincerely yours,

J. Leighton Stuart

JLS C

Sell
Lands
London

燕京大學
YENCHING UNIVERSITY
PEIPING, CHINA

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS
"YENTA"

Copy of this letter sent to Committee of 3 on McBrier Fdn. 10/14/33

September 9, 1933

Ack 12/29/33

Mr. B. A. Garside
150 Fifth Avenue
New York, N.Y.

My dear Mr. Garside:

(June 7)

This is a reply to your letter of July 7 regarding the McBrier Fund. Again I find it difficult to ask for a specific budget that would draw largely upon the existing accumulation and the expected annual imcome of this fund. I can readily understand how disappointing this will appear to Mr. McBrier and to the committee, and that it indicates either an indifference or an incompetence on my part. The eagerness with which I acted on Mr. McBrier's original suggestion when he had this special purpose for the fund in contemplation, is as strong with me as ever. It would not be difficult to recommend expenditures which would contribute to the Christian influence of Yenching, but which would also ease our acute administrative problems rather than add a new and otherwise unavailable Christian worker or form of activity. I have tried to be faithful in not yielding to this constant temptation and to find some person who would be wanted for this reason, rather than because of his assistance in other ways. It would also be quite simple to recommend some evangelist who had been successful among students in other countries, as for instance Stanley Jones, but I do not know of anyone whom I could honestly hope to bring results through this process that would be commensurate to the expenditure, and would rather seem guilty of such practice. As I have remarked more than once to Mr. McBrier, I feel quite confident that the time will come, and possibly quite soon, when we will find a use for the money that is swelling the reserve, and all that can be looked for in the future, which will in the fullest sense carry out the intention of the terms under which this fund has been erected. More specifically, I have been counting chiefly on two methods for the immediate future, one of these for the continued assistance to older students here who have given evidence either at Yenching or in the schools from which they have come, of earnest and effective work among their fellow students. There are two here to whom I have been giving small amounts this past year, and have ventured to promise a continuation of this for the coming year. One is David Fang - L C $300 - who has this year entered our School of Theology, and who is a devoted Christian, with years of experience among us;

of indifference than

the other is Ch'iu Yün Hsi - L C $100 - who came as a freshman last year from Kiangsi, and is equally earnest, but lacks something of the tact and winsomeness which the others heretofor helped, have possessed. I have had in mind another grant to a boy named George Wei who is coming to the Theological School this autumn. As he has not yet arrived I may not be able to indicate the precise amount in this letter. He has a rather unusual history, having been an ~~rather~~ active anti-Christian student in Shanghai College before going to Paris where (of all places in the world) he became a Protestant Christian, and where later on, largely under the influence of our own P. C. Hsü, he decided to give himself to Christian work. From what I have heard and seen of him during my visit to Shanghai in July, I feel that he will be quite useful in working among college students. There is also a boy from Honolulu who has proven himself to be actively Christian, and who, because of economic changes in his home which he could not have foreseen, is suddenly caught. While I have said nothing to him, I have in mind making an offer in the next few days, which if he agrees to, will secure his help among a group of over-seas students who need rather special attention. I had also been in correspondence regarding a young man in the Y M C A in Hangchow who was to have come this year for special study and who would have proven more nearly a successor to K. S. Wang than anyone else I know. Only recently, the secretary in charge there has felt that his coming here would have to be deferred another year. Having referred to K. S. Wang, I might say that he represents almost ideally the kind of older student whom I have had in mind. He has been ~~and also~~ of outstanding help during the two years that he had been able to be with us because of the money this fund made available for him. I should have liked nothing better than to keep him on here, but a very urgent appeal from Hangchow College to take charge of the religious work in that institution, with a large middle school and a growing number of college students, seems so much more of a permanent opportunity for him as well as an extension of our own influence, that I encouraged him to accept.

I have also made grants of $100 in one case and $60 in another to the summer conference of this province which is now conducted entirely by the Christian student organization of the province, in which our own students are easily the leading and almost the dominant factor; and in the second instance to pay part of the travel of our student delegates to a national Christian student conference in Shanghai last month, which aimed to extend the spontaneous student-led Christian movement which has been so encouraging a development in the north. This meeting was to have been held in Peking, but the place was changed after the Japanese attacks of last spring.

The other hope I have had has been an invitation to Rev. T. M. Barker to come back to Yenching exclusively for Christian work among the students, under this fund. I knew that there was a prospect of his coming here during vacation, and he is actually spending this week on our campus with his wife. I have delayed writing until after I could see him, and have just had a long conversation on the subject. He feels very much attracted by the thought, but feels that having been back in evangelistic work in Mukden for only one year, and with all of the very special problems the Christian churches are facing in "Manchokuo", his abandoning of that field with its hardships, physical and otherwise, would be misinterpreted and work injury to the work he has in hand, and would not secure the assent of his own conscience. However, he thinks it by no means impossible that in one, two, or three years from now, he could have so organized the work he is now doing as to consider such an invitation. He is by all odds the person best qualified in my opinion for such a task, and being so much loved by our faculty, and so familiar with the institution, there would be no question of his fitting in. He insists that if we can find anyone else we must not fail to secure him, because of any thought of holding the place open for himself, but I cannot discover anyone Chinese or western now available whom I could heartily recommend, even though I have inquired of colleagues here and friends elsewhere.

This letter is an attempt to describe the situation with complete frankness and to request a continued patience and a belief in my own sincerity in trying to use, as well as not to use, this money for a purpose of supreme importance.

In regard to Harry Price and his wife, they are living up fully to all that I had expected of them, and had urged upon Mr. McBrier and the committee.

I shall try to write again from time to time and shall do so at once if there seems the opportunity to use substantial amounts of the money available.

Very sincerely yours,

J. Leighton Stuart

JLS C

September 15, 1933

My dear Dr. Stuart:

This will answer your letter of August 22nd and also your letter of July 31st. I tried to get a little vacation during August - hence the delay in answering your first letter.

(1) Your letter of July 31st.

I think you know there is a promotional committee, of which Dr. Warnshuis is chairman, and Mr. McBrier and others are members, which is responsible for the general promotion of the Associated Boards. This committee is not a rubber stamp committee. The members sit together and work out their own plans and tell us to carry them out. Of course we indicate to this committee the things we think should and might be done.

If I interpret your comment correctly, you feel that no promotional efforts in behalf of the Associated Boards should be undertaken at the present time. You tell me that you have written to Mr. Garside, so I take it that it will not be necessary for me to lay your letter before the committee. I hardly know what to say to you because we are committed in our relationship to the Associated Boards to a promotional program, based on the facts of organic association. I am glad to have your comments and will always be glad to have them, and of course we have them in mind as we confer with the committee. Please let me have your frankest comments from time to time.

You will be kept informed of all the activities of the promotional committee of the Associated Boards and will therefore be in position to give proper expression to the officers of the Associated Boards of your opinions concerning their program. From the standpoint of the Associated Boards, Yenching University, and the other organizations with which we work in this matter, I feel that there is no conflict in their interests in any way whatsoever. I do feel, however, that it is wise for the various executive officers of the several institutions to keep constant guard, not only in behalf of the whole movement but in behalf of the various institutions which they represent.

I am glad you found the conference with President Roosevelt has had such favorable reactions in China and I hope that Mr. Roosevelt will use what he gained from you when he begins to take intelligent action in relation to foreign affairs.

(2) Your letter of August 22nd.

This gives me serious concern. I had thought that the program here was working out in such a way that Dr. Gee felt quite happy about it. I have not noticed on the part of Mr. McBrier, or any of the others trustees, for that matter, any treatment which could be considered as anything but courteous and respectful, so I am quite at a loss to understand Dr. Gee's references in his communications to you. Mr. McBrier's expressions and his whole attitude,

not only in the presence of Dr. Gee but also in the absence of Dr. Gee, with reference to the latter and to the relations in the work, have been always most considerate. Indeed I felt that there was a growing relationship there of mutual respect and ability to cooperate that augured well for the future of Dr. Gee in this work.

You may rest assured that I will do everything I can to help him in his relationship to the Trustees. You know I see very little of them except Mr. McBrier. I have most faithfully interpreted to you my feeling as to the situation there. I realize he has a very difficult relationship but I think it can and very likely will work out all right.

I hardly know how to answer you concerning the preparation of publicity material, for I feel that we have really made extraordinary efforts to give Dr. Gee an opportunity to express himself with reference to it. I do not feel, however, that we could go further without placing the matter in his hands and this, of course, I have neither the power nor the willingness to do. You may be sure that I will do everything in my power to give Dr. Gee an opportunity to express himself with reference to the publicity and to make him feel that his co-operation is desired and appreciated. I know how he feels about being informed about everything. We are doing everything we can but it would add greatly to the expenses of the office to carry out all the ideas that have been advanced in this connection.

It had seemed to me recently that Dr. Gee was quite comfortable and happy, so your letter is rather a surprise, but as you suggest, I will do everything I can to add to his happiness in his connection with the University.

We are now laying out the work for the West of the Mississippi, in which field he is to concentrate for the coming year. I will say that his approach to it is intelligent and that I see no reason why he should not succeed. I am giving him all the latitude possible in the development of plans and the expression of his own personality in the work and I think he will know better in a few months just how he feels about his relationship and whether it is going to meet his expectations.

(3) Advisory Council Letter.

I note you intend to write a new letter to the Advisory Council members. I hope that this letter can be sent to the entire list because it has been greatly increased since your last letter. I liked the form and content of the last letter very much.

We are planning some general publicity for the University which we believe will be quite helpful. You will receive copies of this in due season.

With kind regards, I am

Very sincerely yours,

Bayard M. Hedrick

Dr. J. Leighton Stuart
Yenching University
Peiping, China

BMH:LM

Confidential - N66

Yenching University
Peiping, China
September 15, 1933

To the American friends of Yenching University :

In view of the threatening anxieties of last spring with Japanese troops inside the Great Wall, advancing toward Peking and creating the dread of a repetition of what had already occurred in Manchuria and Shanghai, we speculated as to whether we should have anything like our normal enrollment this autumn or even be able to carry on at all. Since our students come from all parts of China—about 60% from South of the Yangtse River—it was feared that those from other sections would not be allowed to leave their homes for what had suddenly become in Chinese thought a defenseless frontier city. We held entrance examinations about the middle of July in several centres and returning confidence could almost be registered by the rapidity with which applications increased in the southern cities as the date drew near, whereas in Peking itself we had a larger number than ever. It is too early at this writing to give final figures of enrollment, but it seems certain that we shall reach our maximum limit of 800, and may feel compelled to exceed it slightly. In view not only of political apprehensions, but also the strict standards we maintain and the entrance requirements for Chinese and English as well as other tests, we feel immensely relieved and encouraged. We shall have the largest Freshman Class in our history and the contacts I have had with them during "Freshman Week" which is now concluding, give the impression of an exceedingly well-selected group of promising boys and girls.

The reports of those who live in Manchuria or have recently travelled there testify to the ruthless efficiency with which the Japanese are proceeding with the work of subjugation and exploitation. Atrocities are perhaps inevitable when military force is employed to coerce a hostile but helpless population into the acceptance of alien rule. In regard to two points there seems to be general agreement. One is that banditry was never so widespread as since the Japanese occupation

and has caused far more suffering to the natives than to the invaders who are only able to maintain order along the railway lines and in the cities. Patriotic volunteers have become indistinguishable from regular bandits in their methods and their treatment of the villagers. There is now an iron ring around this whole region so that supplies from China reach the volunteers with great difficuly and as their condition becomes more desperate they pillage recklessly and add to the general distress. The second point is the equally wide-spread sale of opium and its derivatives by Japanese and their agents with at least the connivance if not the active encouragement of the Government for which it is a very profitable source of revenue. This traffic is all the more iniquitous because of the strictly enforced law against the use of narcotics by Japanese. Whether deliberately so intended or not the effect will of course be to undermine the vitality of this unfortunate people.

The present outlook in the country generally might be described as nebulous or confused, but is after all readily understandable. During the Japanese invasion of North China last spring the government and people of the whole country had forced upon them in most distressingly convincing fashion their impotence against modern armed force regardless of treaty guarantees and commonly accepted principles of international law. There are those who feel with passionate intensity that the government should not cease to resist such aggression even though military defeats and wide-spread suffering would be the inevitable consequence, for as one of them put it to me it is impossible after all to conquer a whole people. The various disaffected political groups have played upon this sentiment to embarass Chiang Kai-shek and thus drive him out of power. He and his associates, on the other hand, are compelled to deal realistically with hard facts and to temporize with the Japanese rather than provoke further hostilities and seizure of territory which is a fear that haunts all those in positions of responsibility. In this they are timidly supported by the great mass of the population who in addition to the very human desire to be allowed to live in safety have inherited the distinctive philosophy of this race that the art of living is not to subjugate the environment and thus improve existence (as is axiomatic in the west) nor to treat it as illusory and escape its influence (as in India) but to accept it as it is and adjust oneself to it. But the leaders know very well that should they go too far in their efforts to

conciliate the Japanese, not only opposing factions but the whole nation would flame out in a resentment that would be revolutionary in its effects. Among themselves there are some who argue that China's only salvation is in yielding to Japanese dictation for the present and in depending hereafter upon her own efforts for such internal reforms as will make her strong enough to protect her rights, while others are supposed to be advocating cooperation with western countries in these plans for economic and other reconstruction. The brilliant young Minister of Finance, Dr. T. V. Soong, has recently returned from his American and European tour with greatly enhanced prestige, and is regarded as the leading exponent of this latter course. These alleged differences of opinion have led to excited rumors and speculations as to whether the Central Government is changing to a more acquiescent or even pro-Japanese policy. Actually, from the information which reaches me, the men in power seem to continue working together in essential harmony in the face of indescribably discouraging conditions and are consistently maintaining a policy of admirable restraint and of patient endeavor to protect at once the endangered areas and the national integrity. There is perhaps a general and quite enlightened readiness to receive technical and economic assistance from western countries on terms that would be mutually beneficial, but without any intended political significance.

The most pronounced tendency, however, and one which can be unreservedly and hopefully encouraged by all friends of China, is the increasing emphasis on Rural Reconstruction as being essential to all national progress in a country at least 85% of whose population lives in rural areas. It is amazing how wide-spread is this new enthusiasm. The men at the head of the Government, the older *intelligentsia* and young students, the finer spirits among journalists and many others of all classes share in it. Various spontaneous and as yet unrelated groups in different sections are carrying out experimental projects or advocating specific measures for rural improvements. It furnishes a challenge of surpassing opportunity to the Christian Movement which is also giving signs of active response. Here at Yenching we are proposing to give it special emphasis in our patriotic, religious and even academic activities this coming session, and thus try to make our contribution to the nation's

needs in that which is a timely, wholly constructive, and unquestionably practical reform movement.

Despite therefore sinister possibilities in the present unhappy relations between China and Japan and the serious aggravation of China's internal disorders because of Japanese military aggression or political propaganda, despite famines, floods and the almost unimaginable poverty of the masses, despite the inherited incubus of political corruption and popular ignorance, there is an extraordinary vitality and recuperative capacity in this ancient people and not a few indications of a new creative energy at work among them. It is the evidences of this in such a student body as ours, and the thought of all that they can become for helping to bring about better conditions for their people, which constitute the challenge of our own special undertaking.

Very sincerely yours,

J. Leighton Stuart

BMH

September 19, 1933.

Dr. J. Leighton Stuart
Yenching University
Peiping, China

Dear Dr. Stuart:

I have just returned from a meeting of the Shanghai Tiffin Club, where both Dr. Wu I-fang and Dr. Hu Shih spoke. In the course of Dr. Hu's talk he mentioned how very favorable the present Minister of Education, Dr. Wu, formerly President of the Wuhan University, was toward mission institutions and education in America particularly. He stated that Dr. Wu's present attitude was that the government might well help to tide over the deficiencies in income for the American institutions since their contribution to Chinese education was so great.

This I mention simply as an indication of Dr. Wu's attitude, which doubtless you already know. I hardly expect any source of finance from the Chinese Government under present conditions. This feeling of Dr. Wu's toward America has been expressed practically, I understand, through the provision by Tsing Hua University of about thirty-five foreign fellowships for China, to be determined through competitive examinations.

The group today were most enthusiastic in their reception of the talk from these two well-known Chinese speakers.

Very sincerely,

NGG.A

N. Gist Gee.

燕京大學
YENCHING UNIVERSITY
PEIPING, CHINA

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS
"YENTA"

September 19, 1933

Acknowledged 11/16/33

Mr. B. A. Garside
150 Fifth Avenue
New York, N.Y.

My dear Mr. Garside:

Apparently I failed to carry out a promise to write you regarding our plans for covering Dr. Gee's salary. The decision of the Budget Committee in our desperate efforts to balance it, was to ask that this item be carried against the College of Natural Sciences in the expectation that the completion of the first half million dollars endowment would make possible investments to increase the income, either this year of soon afterwards. Therefore if this item can be financed by deducting it from the total income and carrying part of it forward, if necessary, it will enable us to carry on the minimum required work in these subjects without injury during the period when a more normal income is being built up. I might add that our expectations regarding enrollment in this college have been more than realized. The pressure is very strong at present and every person is being taxed to the limit to accommodate old and new students. This also involves in these subjects certain absolutely required expenditures for equipment, supplies, etc. We shall guard carefully against any expansion, and are quite aware of the difficulties that lie ahead in regard to exchange, uncertainty of securing the funding of income from the prospective second half million dollars, etc., but if the Trustees can invest money already secured at anything like normal rates, and if we are successful with the second effort, it seems better on the whole not to do permanent injury to what has been built up by forcing a balanced budget including this item against the income as estimated at your last writing.

Trusting that this will meet with the approval of the Trustees,

Very sincerely yours,

J. Leighton Stuart

JLS C

September 22, 1933.

Dr. J. Leighton Stuart
Yenching University
Peiping, China

Dear Dr. Stuart:

I had the pleasure of talking with Mr. Roger Greene yesterday afternoon and was surprised to find how heartily in favor he was of the investment of a portion of endowment funds in the Orient. He suggested that, in order to get proper endorsements for a thing of that kind, it might be well to have the opinions of men like Mr. Bennett of the National City Bank, the Director also of the Chase Bank in Shanghai, and other influential foreigners who have lived for a long time in the Orient and who have had experience in the handling of investments in that part of the world.

P.S. action already taken approving this!

I believe that with the present uncertainty of conditions here in America, it would be well for us to continue to think of the investment of at least some of our funds in the Orient, and I would be glad to transmit to the Board of Trustees any information concerning these possibilities, the rate of income, the nature of the investment, and the endorsement of experienced bankers in the Orient. Naturally our American financiers would shake their heads at once when such a proposition is raised but after the facts are all presented and the degree of security proven, I believe that the reasonableness of the whole proposition would be convincing.

I would suggest that you keep this in mind and let us begin to get together information that would prove interesting and convincing.

Very sincerely,

NGG.A

N. Gist Gee.

Revised for meeting 10/31

燕京大學

YENCHING UNIVERSITY

PEIPING, CHINA

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS "YENTA"

September 26, 1933

ack 10/28

Dear Mr. Garside:

This is to bring to the attention of the Board of Trustees one aspect of our budget problems for the next fiscal year. After eliminating all the financially independent units - the Colleges of Natural Sciences and Public Affairs, the College for Women, the School of Religion, the Harvard-Yenching Institute - there remain: Administration, Operation and Maintenance, and the College of Arts and Letters. The last mentioned will be treated for the purpose of this letter as including Psychology, but not Journalism and Sociology both of which have independent funds. The income from the endowment held for us under the Harvard-Yenching Trustees ($500,000.) has been generously guaranteed by them at 70% of normal for two years of which this is the second. Aluminum stock appears to be paying dividends of 1½%. Assuming that this rate will continue, that the remainder of our income in gold will be approximately the same as for the current year, and that exchange should be estimated @ 3:1, we calculate that there will be L C $90,000. less than we are receiving this year. Assuming further that anticipated surplus from this year's exchange may be drawn upon, this deficit might be reduced to $70,000. Of course we must keep in mind the possibility of yet further shrinkage in aluminum or other sources of income, but these figures will be used as a basis for the present statement. You are aware that in accord with your previous instructions we have already effected drastic reductions during the past two years, so much so in fact that in Administration and Operation and Maintenance, it seems impossible to carry this any further except by cutting salaries. An almost unthinkable exception would be discontinuing all provision for physical exercise and education for men and closing up the Warner Gymnasium thus effecting the saving of $8905. which is all that is left at present of the much larger figure hitherto thought necessary for this item. The small amount budgeted this year for the purchase of Library books might be canceled. In the College of Arts and Letters, it should be remembered that the Department of Chinese must by the terms of the Hall Estate agreement be maintained at a standard no less than the present one, that this and English are both instrumental subjects essential to all academic work, and that we effect no saving by dismissing those appointed under mission boards or other supporting bodies. With these facts in mind the only possible reductions apart from salary cuts would be one teacher in European Languages, 2 each in Education, History, Philosophy, and Psychology, together with certain minor items involved. (See appended list) In the case of the last three departments the work would be so completely disrupted that the one or two western teachers remaining in each (not one of whom is able to give it full time) would probably advise temporarily

with the help of

closing the department. Since almost half of our students have been going into teaching the consequence of leaving Dr. Galt with his numerous other responsibilities, ~~with~~ and probably only one young Chinese woman, to carry the entire work of so fundamental a department as Education can be left to the imagination. In regard to all of these departments it would be impossible to maintain commitments to students. What is far more serious, some of the very strongest Chinese on our own or any other faculty would be lost to us, perhaps irretrievably. Most of these have identified themselves permanently with Yenching depending on our supposed stability and from motives which make their presence here a possession which cannot be expressed in sums of money. Even so, the total amount saved by all these reductions would not be more than one half of the deficit to be faced. The only other saving possible would be by cutting salaries. It is generally agreed that this ought only to apply to those of $100. or more per month. Nor can we assess those otherwise supported. The result @ a reduction of 25% would yield at the very most $19000. A substantial cut in salary might be endured for one year, but with no assurance of relief thereafter it is to be feared that many of those we need most will feel themselves compelled to secure more adequate support elsewhere. The units under discussion are essential to the rest of the university and yet it seems scarcely feasible to assess the other teachers for their support, and in fact their own divisions will all be adversely affected by the same general causes. It was stated that any further reductions in general administration seemed impracticable. It will be of interest in this connection to point out that in the statistical reports of the Ministry of Education even as far back as 1928 ours had the lowest percentage of administrative cost among all the government and private colleges in the country. The present predicament is not due to any expansion whatever since the beginning of the economic depression in America, nor to any factors which could have been foreseen. The total that we could possibly reduce by all these methods would be approximately $63000. There is nothing more that can be done by us in effecting further economies. We therefore refer the problem to the Trustees and the organizations some of them represent as one for the solution of which they should accept the chief responsibility.

We are facing a most serious crisis. If it becomes necessary to take the steps so simply described above it will do irreparable injury to the institution and all for which it stands. Even under present financial conditions in America may we not dare to believe that it is not impossible to secure additional endowment or emergency grants if the proper exertions are made and the significance of Yenching is sufficiently realized.

In this confidence, I am

Very sincerely yours,

Leighton Stuart

Copies to: N. G. Gee
B. M. Hedrick

燕京大學
YENCHING UNIVERSITY
PEIPING, CHINA

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS
"YENTA"

File

S

September 28, 1933

Dr. N. Gist Gee
150 Fifth Avenue
New York, N.Y.

My dear Dr. Gee:

I am enclosing herewith copies of letters to Mr. Garside and Mr. Hedrick. I have written to the former because it is primarily an administrative problem to be presented officially to the Trustees, and to the latter because of the present policy of the Trustees plus my desire not to have you over burdened with the Natural Science issue as your own special undertaking. Even with this threatening disruption of a basic unit, I still feel that you must not be diverted from the supremely important effort to match the conditional grant which we still hope to secure from the Rockefeller Foundation. In this connection I should like your advice as to when an appeal for its renewal should be presented to the Rockefeller Foundation and whether this should come from here or through you and the Board of Trustees. The latter would seem to me more natural. These enclosures will be my answer to your letter warning us to be looking ahead.

Very sincerely yours,

J. Leighton Stuart

JLS C

Ans 10/19/33. application to be made through Mr. Gunn or he may not like it then we can take up the matter here. Also wait until Spring hoping that conditions may improve.

燕京大學
YENCHING UNIVERSITY
PEIPING, CHINA

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS
"YENTA"

September 28, 1933

Miss Louise M. McCoy
150 Fifth Avenue
New York, N.Y.

My dear Miss McCoy:

I am enclosing herewith the article no. 1 that is called for by Dr. Gee's letter of July 31, enclosing a list of 27 articles wanted from us.

copy sent Leonard Hsu

Dr. Leonard Hsu has shown me a review of a book translated by him supplied by the company named on the enclosed clipping. He would like to have reviews for this and his own book The Political Philosophy of Confucianism subscribed to through this or some other bureau, and charged to him. Will you please see to this?

done 10-23-33

BMH

Let me also ask you to call the attention of Messrs. Garside, Hedrick, and Gee to a very significant quotation from the Ministry of Education regarding religion in Chinese schools which appears in the Chinese Recorder September 1933, pages 6, 14, and 15. I have checked up the document and its translation and both are accurate. It was at the time when Mr. Chu Chia Hua was minister.

2 copies to BAG & N66

Very sincerely yours,

C. Leighton Stuart

JLS C

P.S. I make a reference to the R. F. having made larger grants to Y. U. than to any other college in Asia. Dr. Gee might be asked to check on this or it may not be thought wise to state it even if true.

N66 says correct so far as he knows

YENCHING

Yenching University

October 2, 1933

Dr. J. Leighton Stuart
Yenching University
Peiping, China

Dear Doctor Stuart:

Undoubtedly the Field Treasurer has notified you of earlier drafts charged to the field account in your name which in effect were advances to Jack. Two later ones have been sent to him as follows:

August 23rd - $100.00
October 2nd - $100.00

The recovery here in America is not making the rapid progress which our politicians would like. Even if these were possible, the rapid return of benevolent giving would not recover as quickly. Personally, I believe that it will be a year after any general business recovery before we can see a marked advance in charitable donations. Jack finds it exceedingly difficult to get along on 50% reductions and more.

Very cordially yours,

CAE:RC

St. Louis
October 5, 1933.

Dr. J. Leighton Stuart
Yenching University
Peiping, China

Dear Dr. Stuart:

I have just had a talk with Dr. George T. Moore here and he tells me that he has given much thought to some cooperation between Yenching University and the Botanical Garden. He says frankly that he is selfish in it in that he would want the whole-hearted assistance of the man trained in securing the things he wants from China for his Garden.

He regrets that Mr. Crane is not able to continue this fund but now feels that he is willing to make an effort to get $1,000 from a widow here who has a great interest in horticulture. He cannot say just when but he is keeping it in mind and will make the request when he thinks everything favorable.

I think it would be well to start now to find the proper man and get him ready for this fellowship. Dr. Moore was so pleased with the other man that he says he would like to have another just like him. Correspond with Dr. Moore about man and let him know that you are preparing for the plan.

Chancellor Throop also eager for some cooperation now but with a 30% loss of income now and a falling off in students they cannot consider anything that involves any money. He suggests that there are graduate fellowships providing (1) tuition, or (2) tuition and $200.00, or (3) tuition and $500.00, and he thinks one of these might be available for a Yenching student for graduate work in the Natural Sciences, and Mathematics. This may give us a lead as Dr. Throop thinks Mathematics unusually strong here. If any one there is interested I shall be glad to go into this further.

A letter now and again from the field to Dr. Throop and Dr. Moore will help to keep the question alive.

I have just arrived and am going to try to get some good leads here for larger gifts later. No one seems to be giving now even to local things except emergency measures.

Very sincerely,

NGG.A

N. Gist Gee.

Possible economies in personnel

College of Arts and Letters

		Gold	L.C.
Education	Henry Chou		4320.00
	Alfred P'u		3240.00
European Lang.	G. R. Loehr	308.00	1845.00
History	Wm. Hung (5/6)		3600.00
	Teng Chih Ch'eng		4320.00
Philosophy	Chang Tung Sun		4320.00
	L. T. Huang (1/2)		2160.00
Psychology	C. W. Luh		4320.00
	T. T. Lew (1/2)		2160.00
	Hsia Yun		1680.00
			$31965.00
	G.$308.00 @ 3:1		924.00
			$32889.00

(The above figures apply only to salaries, and do not include savings in medical allowances, departmental expenses etc.)

Possible economies in personnel

College of Arts and Letters

				L.C.
			gold	
Education	Henry Cohn			$250.00
	Alfred Ewing			345.00
European lang.	C. R. Lodge		308.00	1842.00
	Mr. Hung (d\e)			3000.00
History	Leng Chin Chang			$250.00
	Chang Tung Sun			$250.00
Philosophy	L. T. Hsung (L\S)			1050.00
	C. W. Hun			$250.00
Psychology	T. T. Wei (L\S)			1050.00
	Hsia Nun			1080.00
				$2160.00
				456.00
		L:E @ 00.808.0		$6888.00
				00.6885$

(The above figures apply only to assistants' and do not include service in medical schools, departmental expenses etc.)

Copy of this is in Camp. Reports - Mo.

St. Louis, Mo.
October 21, 1933.

Dr. J. Leighton Stuart
Yenching University
Peiping, China

Dear Dr. Stuart:

I know you will be interested in my visit to St.Louis, what I have done and what my general impressions are.

Many of the people I have met recall most pleasantly our visit in the spring and ask about you. There is that same general interest in Yenching and a desire for more information about what the present situation in China is. The printed letters from you and Miss Boynton enable me to give them reassuring reports.

The financial situation here is worse than it was when we were here in the spring. The N.R.A. is pretty generally criticized as being responsible for the present troubles, strikes and even acts of violence in connection with picketing. Manufacturers claim that organized labor, with pay above the N.R.A. rates even, is making impossible demands and holding up those who are satisfied and want to work. The demand for goods has decreased appreciably and things are more or less at a standstill. People with wealth are uncertain about the future and some even express the opinion that there may be serious conflicts ahead. People have been very patient in enduring their sufferings up to the present but they are talking of taking things into their own hands if the present plans fail to carry on. The farmers even, who have had many things done for them with a view to relief, are now beginning to try to strike. People naturally become very pessimistic when they are asked for money and these pictures are often overdrawn or extreme and rare examples are talked of as being common. I realize this fact and take full account of it, yet there is no denying that many of their statements have a great deal of truth in them. This is very evidently going to be a hard winter and every one seems to be husbanding his resources for what is ahead.

Then, too, St.Louis has its own institutions, universities, hospitals, charities and "character building" institutions all clamoring for their budgets. Campaigns for all kinds of things are now in progress and the Community Chest has been split up into so many divisions now that have to run their drives individually that people are weary of being asked for money. Dr. MacIvor, who has the reputation here of being one of the best money raisers in town, advises that we work up a small specially selected list of wealthy people

who evidence interest and who can give, and follow these people up, asking when the time is ripe for large sums. I am quite sure that this is one way of doing the job.

On this trip I have called a large number of the names on our list and have reached the conclusion that a very large percentage of the list is never going to be of any value whatever to us. No money has come from my requests. Some few of the Princeton men have given but they were old givers, no one seems to be willing to take on any new burdens and things as far away as China do not make a strong appeal. With this situation, I have been spending a good deal of time trying to get a new list of people who are broad minded enough to be willing to give to China. We will prepare some special materials for this group and then next spring if conditions are at all improved I shall come over again and see this new list of prospects. The list will be something over 125 names.

At the same time I have been working with the Washington University people. Chancellor George F. Throop is quite sympathetic with the idea, the President of the Board of Trustees, Dr. M. B. Clopton, a very wealthy man, takes to it in a very friendly spirit; Dr. George T. Moore, as you know, is already interested. Dr. Moore is very popular in the city and I believe we should attempt to build up our hold here around him if he will consent. He declined membership on our Advisory Council, but in a very courteous letter. If we can succeed in getting an outstanding group behind us here I believe he would come in with us. I have also met several other members of the staff in three or four of the schools and will continue this in the spring of 1934 when I come back here.

I hope you will work out a general formula for some relationship which we might present to our Board of Trustees for general approval as a basis for negotiation with other institutions here in U.S.A. Unless we have this it is impossible to bring these general conversations to a successful conclusion. No school is now going to assume any financial responsibility out of its own budget for work in China, but some may be willing to cooperate with us in raising money for the project if they can get some desirable publicity out of it.

Mrs. Oscar Johnson is still my great hope here: she has been most kind again on this visit and I hope to get her interest through Mrs. J.B.Fearn (Mrs.J.'s sister) in Shanghai. Can't you get Mrs. Fearn to visit Yenching and give her lectures on travel the next time she comes to Peking? She will be flattered and we can get her to give us a letter of recommendation, possibly she might even prepare a lecture on Yenching, its beauty and its romance as well as its value as an educational institution. If she becomes interested she might even help us here on her next visit to U.S.A. Mrs. Johnson can give us an approach to almost any one here if she will do this for us.

I am going on to Columbia, Mo., Kansas City and St.Paul from here, just stopping long enough to run over our lists in those places with advisers, add to them better names and call on a few people who may give us something, and then go on to Seattle. I hope there to see what Lew Kay will do for us. Goon Dip, his father-in-law, has died and now is the time to try to get a memorial of some kind.

This is the hardest kind of work I have ever undertaken and it is a very severe nervous strain all the time and I do not get to where it is easier after these days of it. I wish something more in money was coming from it but this will come later. We have to build friendships first and that is being done here all right. Money will come later, but as long as things are as they now are, people are not going to give to new things and many of them are having to cut off even old and well known objects.

With all good wishes to you and all the friends there, I am,

Very sincerely,

NCG.A

N. Gist Gee.

COPY

YENCHING UNIVERSITY

PEIPING, CHINA.

October 21, 1933.

Mr. George G. Barber
150 Fifth Avenue
New York, N.Y.

My dear Mr. Barber:

I am writing you to propose that an invitation be extended to Dr. Gee in the near future to continue his services with the University at least until the expiration of a third year ending about June 1935. My reason for making the suggestion now is that I believe this will be almost essential if we are to succeed in matching the conditional Rockefeller grant of $250,000. by that date, and that an action initiated by the Trustees and conveyed to Dr. Gee will do much to reassure him and put him in the state of mind which will enable him to do his best work between now and then. Somewhat confidentially I might report to you that he had written to me after my return to China to the effect that the treatment accorded him by the Trustees had led him to decide to terminate his relationship after the present twelve months and to begin inquiries as to some other form of service. To one of his sensitive spirit the long drawn-out negotiations, the discussions as to his fitness, the amount of his salary, etc. were more galling than most of us can quite realize. I appreciate fully the considerations which led the Trustees to delay as they did, and have done my best both while in the States and in reply to Dr. Gee's letter referred to above, to explain this and to urge upon him to think primarily in terms of the enterprise in which we are all interested rather than the procedure that created misgivings on his part. I feel quite confident that you and the other Trustees who have been most active in attempting to find an adequate solution for our promotional needs while at the same time guarding against wasteful expenditure, are doing all that you can to reinforce Dr. Gee and to give him every facility for accomplishing his task. I also am so grateful for the painstaking attention to the University's affairs which this group have shown that I feel quite free to call your attention to this possibility of carrying through to completion a program already undertaken. The first year of Dr. Gee's stay with us was, both because of his own lack of experience and the economic conditions prevailing at the time, a year of preparation. The present one, under conditions that perhaps are not as yet substantially improving, cannot be final, but the two years together ought to make him much more valuable during the third year without which the previous expenditure of our money and his time would be largely wasted. My own confident hope is that he will by that time have demonstrated his usefulness and have become so proficient that we will all insist on his staying on in a more permanent relationship. That, however, can be safely left to the future.

With warm personal regards, believe me,

Very sincerely yours,

(Sgd.) J. Leighton Stuart.

燕京大學
YENCHING UNIVERSITY
PEIPING, CHINA

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS
"YENTA"

Appendix B
Ack 11/1/33

October 21, 1933

Ack 11/24/33

Mr. B. A. Garside
150 Fifth Avenue
New York, N.Y.

My dear Mr. Garside:

I am writing to request through you the members of the Finance Committee who give attention to investments, to consider again the proposal to transfer some of these to China. A few days ago when in Shanghai I talked with a member of an American investment firm on the whole matter, and out of that conference a cable was sent to their Mr. Swan to call at your office during this month. If he succeeded in doing so and bringing this matter to the attention of the Trustees, this letter might not be necessary.

The point I am urging now is that an institution most of whose expenditures are in local currency is forced to live under great uncertainty, when every year it must depend on the vagaries of exchange, which would be in part avoided if some of its income were derived from Chinese sources. Mr. Swan's firm feel that Shanghai utilities and municipal bonds are as safe as any investments that can be made in the present state of the world, and yield a rate of just under 6% at the lowest. This is probably better than can be hoped for in America in the near future. It is doubtless true that most of our securities would have to be sold at a loss to realize on them now, and re-purchase Shanghai bonds or other investments out here. It may be, however, that the money which has come in for Natural Science secured by us or contributed by the Rockefeller Foundation has not been tied up and would at least make it possible to experiment with this form of investment. I am quoting Swan, Culbertson, and Fritz in their comments on Shanghai investments because these would seem perhaps to be less of a risk to American men of affairs in New York. Personally I would prefer to entrust our money to Chinese who appreciated the significance of all that was involved and would guard our interests with all of that in view, but the essential point of this letter is to urge that there is no slight element of gambling in this continued dependence on fluctuating exchange and that the gold dollar might sink to where a later transfer would involve that much more loss. With these suggestions I gladly leave the decision to the Trustees whose concern over the real interests of the University has been a source of increasing comfort to me.

Very sincerely yours,

J. Leighton Stuart

JLS C

Sent up Dr. Stewart with 11/21/33

C O P Y

October 24, 1933.

Mr. W. R. Wheeler
University of Nanking
Nanking

My dear Rex:

a letter came from our New York office dated July 5 of this year instructing us to transmit to the United States 84% of the interest accruing here during our last fiscal year. This leaves 16% to be added to the fund which is now held by us. This action leads me to venture a suggestion which may meet with your approval. This is that you allow our Treasurer to invest the money held here by us in some form that can bring the largest income compatible with safety, and that the same be done with the money now held by the Trustees, that this total annual interest by placed at the disposal of your family to help in caring for your mother during her life-time, and that after this, the capital be used by the University as a memorial to your parents in some form approved by yourself and other members of the family, If this commends itself to you, you might take it up as far as you think necessary with the family, while I report it to the Trustees for their approval.

It was good to have the little glimpse of you last week, which I hope can be repeated at greater length on my next visit.

With greetings to Conny,

Very sincerely yours,

C O P Y

October 24, 1933.

Mr. W. R. Wheeler
University of Nanking
Nanking

My dear Rex:

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It was good to have the little glimpse of you last week, which I hope can be repeated at greater length on my next visit.

With greetings to Conny,

Very sincerely yours,

Yenching University

October 30, 1933

Pres. J. Leighton Stuart
Yenching University
Peiping, China

My dear Dr. Stuart:

Let me acknowledge receipt of your letter of September 9th. This discusses the probable needs you will have this year for appropriations from the McBrier Fund.

I have sent copies of your letter to the members of the McBrier Fund Committee and hope to have a meeting of that Committee immediately after the adjournment of our Yenching Trustees on November 3rd. Mr. McBrier has been away for more than a month in Chicago and we have been awaiting his return. He and Mrs. McBrier went out to visit The Century of Progress Exposition and Mrs. McBrier became quite seriously ill while there. She has now improved greatly and they are planning to return home within a few days.

~~Since~~ When the McBrier Fund Committee has dealt with the matters discussed in your letter, I will write again.

Very cordially yours,

BAG:MP