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學大京燕  
YENCHING UNIVERSITY  
PEIPING, CHINA

Mr. Hedrick  
Please handle with  
Mr. Scott & wife Dr. Stuart  
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OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS  
"YENTA"

November 2, 1933

11/4/33

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

My dear Dr. Gee:

Replying to your letter of September 25 regarding the attempt to secure Mr. Tayler's salary through Mr. Scott and his friends, I hope that that can be taken up again with the understanding that Mr. Tayler will agree to the arrangement. He can be assured that the activities of the organization which he has created will be cared for by present funds or those we hope to secure from the Rockefeller Foundation much more easily if his own salary is already provided by other sources. Mr. Scott and his friends would naturally be more interested in providing for him than for the debts of something out here in which they can only have a vague concern. If this effort fails, Nankai has committed itself for one year for Tayler's salary, but they would much prefer to have the net gain that would come through this special gift and will have that much more money to release for the general project. I am writing Tayler himself so that I think all you need to do is to take up the matter again with Mr. Scott and advise Tayler of the outcome. His address is : 37 Glenhouse Road, Eltham Park, London S E 9, and he is planning to stay in England until after New Year.

Very sincerely yours,

*Sheington Stewart*

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學大京燕  
YENCHING UNIVERSITY  
PEIPING, CHINA

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS  
"YENTA"

November 2, 1933

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

My dear Mr. Garside:

*investments* In connection with the forged check which is still giving much concern, while we wait for actions in New York, Stephen Ts'ai and I called this afternoon on Mr. Bennett of the National City Bank. It happened that Mr. Bennett and I had both of us just come from a committee of the China Foundation dealing with investments, during the discussions of which I thought much again about our own affairs. I asked Mr. Bennett whether he had any definite opinion as to the wisdom of our transferring more of our into silver in view of the fact that most of our operations were in that currency. His immediate reply was that we should have begun doing this long ago, and pointed out the tendency of the China Foundation in this direction. I asked him about the interview in New York when he was quoted as rather questioning the advisability of such a course. He said that as nearly as he could recall it was then purely a question of the particular investment proposed and he gathered that the Trustees doubted their own right to act favorably on any such proposal, in which case he remarked that there seemed no occasion for him to express himself. In any case, a great deal has happened in America since then, and much of the guessing here is to the effect that the gold dollar will depreciate below 3:1 or even below 2:1. Entirely apart, therefore, from the question of the amount of interest or even the measure of security, is the still greater risk to us of a fluctuating and increasingly disadvantageous exchange.

Very sincerely yours,

*J. Hightower Stewart*

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YENCHING UNIVERSITY  
PEIPING, CHINA

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS  
"YENTA"

*Stuart*

*Oct. 1934  
-98*

November 2, 1933

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

My dear Dr. Gee:

Mr. Gunn and Dr. W. E. Tisdale have been spending several days in Peiping and were out here all of day before yesterday. Dr. Tisdale was apparently brought here from the Paris office to help Dr. Gunn in forming judgments about science work in China. He apparently has not been favorably impressed by anything that he has seen thus far either in mission or government schools, although he seems less critical of the work here. I am to have a further talk with him in a day or so. Meanwhile Dr. Gunn strongly advises against any application to the Foundation at this time for endowment on the general ground that the reduction in the Foundation's income will make them unwilling to consider any grant of this kind until their own resources improve. He thinks that there would be no disadvantage in our going ahead with our own effort to match the supposed conditional grant, and that we would certainly have a better chance if we had already done our part. I venture to hope that even though they could not give us the capital as originally intended, they would continue the annual grant until they could complete the whole matter. It might be well, therefore, for you to warn our Trustees not to take any steps in this matter unless you are already taking it up in some other way.

Mr. Gunn is apparently heartily in favor of the application for the Social Science grant together with the further one for extension work by us in rural reconstruction. You may recall that the former of these amounted to \$30,000 and the latter \$20,000 per annum over a five-year period. He is going to New York himself next March to present these together with his whole China program in person, and nothing can be decided until then.

*Read to Mrs. A. S. H.  
over phone 10/13/34  
#116*

Very sincerely yours,

*Leighton Stuart*

JLS C

*Seen by B.A.G.  
J.E.M.B.*

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YENCHING UNIVERSITY  
PEIPING, CHINA

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OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS  
"YENTA"

INDEXED

YENCHING

November 2, 1933

*file 12/11/33*

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

My dear Mr. Garside:

School of Religion

The affairs of this important unit are as seriously affected by our reduced income as other features of which I have already written you, with the added consideration that this is the only theological school of just this type in all China, and is a vital part of our own function as a Christian institution. I shall not deal in figures as you will be in a better position to estimate the probable income for the next academic year than are we. The budget for the present year is approximately L C \$30,000 which has been pared down to a point below which further economies cannot be effected except by dismissing teachers. A rough calculation would indicate that we cannot count on much more than half, or at the most two-thirds, of the present budget figure, which means that unless additional resources are provided, several members of the staff will have to be dropped. This is a problem, therefore, which cannot but interest the Trustees and the constituent mission boards. Is it desired that we maintain a theological school for college graduates and <sup>one</sup> able to give to Christian workers the short course which seems to be proving of such unique benefit of a kind which is not at present provided anywhere else in China? You are doubtless familiar with the references to our School in the supplementary reports to Rethinking Missions in which it is singled out for almost unqualified praise. I can testify that we have a group of specialists in their various subjects, mostly Chinese, who represent the very cream of Christian scholarship in this country, and who are devoted to their task. Apart from the direct purpose of training their own students, they are of immense value to the general religious life of the University, and are making a significant contribution to the church through their literary work, attendance at religious gatherings, etc. As one instance of this, within the past two weeks the centennial anniversary meetings of the American Bible Society's work in China have been held in various cities, running for three nights each, both in Peking and Tientsin, usually with two speakers an evening. In both of these cities all the speakers were members of this faculty with the exception of one missionary's daughter, married to a member of our college faculty.

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Additional illustrations of all their various activities could be supplied, but I shall take this as recognized by you and members of our Board. The problem is what to do to save a feature of the University which not only on theoretical grounds but almost more because of its proven achievements, ought to be worth preserving intact. If there is any one thing that the mission boards would apparently feel the importance of maintaining, it would seem to be a school such as this one. If the present boards feel unable to do more for it, would it be possible for them to authorize or actually conduct special efforts among their membership especially interested in this aspect of missionary work, or should the number of participating boards be enlarged because of the non-denominational and nation-wide service we are trying to render?

Another possibility that cannot but occur to one at such a time is that of Nanking Seminary. According to my information the Wendell estate provided thus generously for this institution because Dr. Rowe had left upon the mind of the sister whom he saw the impression of a non-sectarian theological school that aimed to meet the needs of this vast country. Therefore the spirit of her intention would be covered by whatever theological education aided in meeting those two salient considerations. It has seemed to me for some time that this donation constitutes an opportunity for theological education all over China to be planned on a unified, comprehensive, and efficient basis under the leadership of Nanking Seminary, which might be of incalculable benefit, just as a failure to treat it in this way can do equally serious injury. I would be heartily in favor of such a rearrangement in which our own School would perform a function recognized as distinctive and necessary, and as such, entitled to a modest part of the total expenditure. If on the other hand, it is decided to concentrate on this grade of work in Nanking, and those responsible are convinced that the special advantages in our situation here do not justify further duplication, the Trustees may recommend a discontinuance of the School or have it limited to a few departments. The one thing that is certain is that it cannot be maintained as offering a complete course of theological education without increased income.

There is the further question of Miss Munger's gift. Do the Trustees feel that until what was advanced for the Natural Science campaign can be replaced, the interest should go to the School of Religion? or are the terms of accepting the Rockefeller contribution such that the income on funds raised by us is required for the College of Natural Sciences?

As can be readily imagined, the Dean and other members of the faculty are very much perturbed by the outlook, and some indication at least of the policy of the Trustees as soon as it can be received, will be of no slight help in making the necessary plans.

Very sincerely yours,

*Freighton Stewart*

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Dated-Seattle, Washington  
November 3, 1933.

Dr. J. Leighton Stuart  
Yenching University  
Peiping, China

Dear Dr. Stuart:

*over CL*  
I have spent a good deal of time this afternoon with Mr. Bocker discussing the possibilities of Seattle for Yenching. He believes that the most hopeful group here is the Plymouth Church group (Blacks - Burwells and Colmans) and he and I have met with Dr. Fifield, Pastor of the Church, and discussed the possibility of getting Yenching on their church budget. Dr. Fifield has agreed and Mr. Bocker is having me meet several people at his home Sunday evening to discuss this plan with them. He is very hopeful that it will be accomplished very soon. This will not bring us in any additional money right now but it would give us a home here and access to the people of this church and we could work from the church as our headquarters. If it can be accomplished it will be quite a step forward.

*over CL*  
Another suggestion has grown out of our conversations. Mrs. Frank D. Black has a daughter who married a Presbyterian missionary (who was in the Language School at the time that she and her mother visited China) and they are now living down in Changsha. Mr. Bocker thinks. "Miss Black" is a very brilliant woman with very superior training and Mr. Bocker suggests that if you could get her on your staff there as a self-supporting teacher and make a Yenching enthusiast of her, that then she could come back here to get her connections together and raise large sums of money. He thinks you will recall the marriage and he cannot just now remember the name.

I am going out to see Dr. and Mrs. Smith tomorrow. It means the whole morning as I must be there at 10 A.M. but it is worth while to know them and report to them as to what we are doing.

With all good wishes, I am,

Very sincerely,

NGG.A

N. Gist Gee

*Copy has been put in  
Seattle books of CL's.*

*H*

0547

November 3, 1933

Dear Dr. Stuart:

I know you will be very sorry to learn of the death of Miss Elisabeth Berry. Dr. Luce came in today and gave us this clipping about her.

Another sudden death is that of Mr. Grant of the Lingnan Board. He took sick only yesterday and death was due to "Lightning Pneumonia." Miss Spivey says he died just as we were opening the big China Colleges luncheon at the Hotel Commodore this noon.

Just in case you may not yet have received a copy of the program for the luncheon, I am enclosing a copy. The three speeches were very fine. They say the enclosed booklet is being sent out tomorrow to all those present - about 300. I suppose Mr. Garside will make you an official report on the entire event.

Sincerely,

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

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Mr. Garside

YENCHING

INDEXED

November 6, 1933.

Dr. J. Leighton Stuart  
Yenching University  
Peiping, China

Dear Dr. Stuart:

In your letter of September 26th, addressed to Mr. Garside, which was presented to the Board of Trustees of their meeting on Friday, you raise the question of securing "additional endowment or emergency grants" in order to prevent cutting expenses, salaries, etc.

I wish you to know that every possible effort is being made now, and has been made ever since our active campaign began this fall, to raise money, and when I tell you that every letter that Dr. Gee writes reiterates the statement that it is utterly impossible to get anybody interested in giving money at the present time, you will understand how hopeless the task seems.

Just this morning Mr. Hedrick brought me a letter from Dr. Gee dated October 31st from St. Paul, in which he says that the list there is a good list, that Dr. Luce has many friends there, and they should "be cultivated for me to work". His concluding paragraph is - "There is no money being given to things so far away as China now. People are uneasy as to what is ahead. I hope it will be some better in the far West."

Dr. Gee is intensely cultivating every possible prospect and is doing as good work as anybody can do at present. He has been out just a little over a month and has been asking definitely for funds. During the time he has secured exactly \$75.00, and this comes from some of his own relatives. You can therefore see that his total net work has not covered his car-fare, let alone anything else.

You simply cannot expect that anybody in these troublous times will give money toward any project. Do not bank on our being able to secure any money this year.

At the same time I wish to assure you that we are doing everything humanly possible to get funds. You ought to know how hopeless it is after your own experience last spring. If, with the President assisting us, we were able to do so little, what can be expected now with conditions even more uncertain than they were then?

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Dr. J. Leighton Stuart

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Nov. 6, 1933.

I am writing this on my own initiative, and without consultation with anybody. We have got to face the probability of further decreases in income for another year. It therefore behooves you to conserve every possible dollar, cutting out all the frills and unnecessary corners, and save every cent you can for a future which is sure to be uncertain for some time.

Sincerely yours,

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YENCHING UNIVERSITY  
PEIPING, CHINA

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OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS  
"YENTA"

November 6, 1933

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

My dear Dr. Gee:

I have the correspondence regarding J. B. Tayler and am writing to express my pleasure that you are following this up. Apart from the money involved it would be much simpler administration if Tayler could be supported by this New York group and be entirely free to do whatever he desires, free from obligation to Nankai or to Yenching or anywhere else. If Mr. Gunn is able to convince the R F of the validity of his program, he would not recommend more than ten or fifteen thousand dollars a year for this Nankai-Yenching industrial project, and if that can all be spent on the activities under consideration without having to provide for Tayler, it will be a decided advantage. Try, therefore, to get Mr. Scott and his associates to provide that, even though they do not feel able to do anything else.

You will have noticed in one of the enclosures sent you a few days ago a reference to the attempt to raise one million dollars local currency for endowment, in China. This may seem visionary and fore-doomed to failure. It is partly the exigencies of the American depression which have forced the attempt upon us, but apart from that it is a chance to test out the extent to which Chinese really believe in Yenching and care about having it maintained without injury. To my mind the crucial test was with our own faculty as to whether this group predominantly Chinese cared enough about the institution to make quite real sacrifices themselves. In other words, were they here because they believed it was a chance to serve their country, or the Christian movement, or something worthwhile, or were they here merely because of the livelihood? It was put up to them squarely in a meeting held a few nights ago and they responded splendidly by determining as a group to undertake one-tenth of the total. A committee is now at work getting individual pledges which will be allowed to cover three or four years. This first experiment has therefore been a very encouraging success. For the rest we intend to work through alumni. They are so scattered, many of them struggling along, many others in careers that cannot be remunerated, with relatives dependent on them, others continuing their studies, or without addresses through which they can be reached, etc. Furthermore, this whole idea is so entirely new in China that they are not prepared to respond as American college

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graduated would be. The increased economic distress due to natural and human calamities of all kinds have many appeals for consideration more urgent than ours, adds to the difficulties. However, we have committed ourselves and shall make the effort. Insofar as successful it will be a big help in America.

Internally things have never seemed more quietly satisfactory. The point of this, however, you will appreciate. It is just the lack of disturbing factors, the attention to routine study, etc., and not only the better spirit, but the higher capacity of the student body that are in evidence.

I shall eagerly await your impressions of the opportunity on the coast.

Very sincerely yours,

*Highlow Stuart*

JLS C

0552

## Yenching Plans China Campaign

**Managers, Faculty, Alumni,  
Students to Cooperate  
in National Drive**

A nation-wide endowment campaign in China to meet the financial needs of Yenching University, to be launched soon by the Board of Managers, faculty, alumni, and present students, will be discussed at the general faculty meeting which has been called for Friday evening, November 3, at 7:30 o'clock, it was announced today from the office of President J. Leighton Stuart.

Tentative plans for the campaign were formed yesterday by the Board of Managers when they met at four o'clock at the Yenching Alumni Clubhouse in Peiping. Further particulars are being issued today from the president's office in order to acquaint faculty members with details of the discussion for Friday evening.

If plans for the campaign are adopted this will be the first time that a major appeal for support has been made in China by Yenching University.

*October 1933*

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Dated - Portland, Oregon  
November 13, 1933.

Dr. J. Leighton Stuart  
Yenching University  
Peiping, China

Dear Dr. Stuart:

I have just come in from a morning of visits.

I talked with Mr. R. G. Callvert of the "Oregonian" and hope the Journalism appeal, when the Board of Trustees is organized, will enlist his cooperation. He was interested in our work in Journalism, but was non-committal. They called a reporter and I kept him on the University. I hope we get a good story.

The other talk was with Mr. K. D. Dawson, Vice-President, States Steamship Company, who is leaving here in January 1934 for a trip around the world and hopes to be in Peiping some time in April. I gave him my card to you and told him I was writing to you concerning his agreement to help us out in the transportation of our staff and/or fellows. I am writing this far ahead so that you may be thinking the matter over and formulating some plan on a comprehensive scale if you find that he rises to the proper enthusiasm for an experimental period. He mentioned the shipping conferences behind which obstacle the Dollar people in New York hid, but he thought he could handle that and asked that we communicate with him personally even before he leaves if we have occasion to take advantage of this in the return of our people. This looks to be quite hopeful and I think will work out to some advantage to Yenching University. I have left the matter in an indefinite state in order that you may formulate a plan and discuss it with him on the ground when he will be fascinated with Yenching and her charming staff. Please be on the look out for him. I hope that something worth while will come out of this.

I have also talked with Mr. Dawson concerning the quota immigration basis being arranged now for both China and Japan as we are about to recognize Russia. He took to the idea at once and is writing to Mr. Howe in Washington about the matter today as he is sending him a letter about some other matters. I have been talking this a good deal already and hope that a request got through to Mrs. Roosevelt while she was in Chicago that this

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Dr. J. Leighton Stuart

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matter be brought to the President's attention. Seattle China Club through Dr. Hiltner is also taking the matter up and Mr. Lew Kay is sounding out his people there and in San Francisco and if he gets a favorable response they will take action asking their people in the Legation in Washington to push it. Could you not get something started there with the U.S. Legation in Peiping and with the Chinese Minister of Foreign affairs. I am not appearing in this but am getting others to move and the same idea coming from several quarters may bring action. Such an action will make for much good feeling and may mean something for Y.U. Let's do what we can unselfishly, however. I fear I am beginning to be tinged with looking at men and events and wondering how they can help Yenching.

I see very little hope of doing anything out here until there is a definite upturn in affairs. Mr. Dawson looks for it in the spring. I hope it comes then. I would like to get out to China next fall for a couple of months. I find that when I tell people I have been back over a year already they seem to think I am out of touch with things. What do you think of it especially if we are to put on a drive for funds in the spring of 1935?

Very sincerely,

A.

N. Gist Gee.

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YENCHING

Yenching University

November 14, 1933

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

INDEXED

My dear Dr. Stuart and Dr. Galt:

We enclose herewith copies of the minutes of the meeting of the Finance Committee held on November 2nd and the meeting of the Trustees held on November 3rd. Copies of the Trustees' minutes for distribution on the field are going forward today. I am sending the original of this letter to Dr. Stuart by air mail, and the copy for Dr. Galt will go forward by regular mail at the end of the week.

Before commenting on the matters dealt with in the minutes, let me acknowledge receipt of Dr. Galt's letter of September 17th accompanying the auditor's report, and Dr. Stuart's letter of September 19th, discussing the plans for charging Dr. Galt's salary. We will also comment on Dr. Stuart's letters of July 7th and September 26th which have already been acknowledged.

MINUTES OF NOVEMBER 2ND MEETING OF FINANCE COMMITTEE

Investment Items. All of the first four pages of these minutes except the last paragraph on page four, deal with investment matters, on which no special comments are necessary.

Pension of Mr. Hsieh. Mr. Evans has been corresponding with the Sun Life Assurance Company, and will be writing you a letter within a few days.

Mr. Hamilton's Pledge. Mr. Carl Hamilton is still unable to make payment of his pledge, but to show his interest and his desire to meet this obligation he has offered to turn over to the custody of our Yenching Trustees, a valuable oriental rug which in normal times would be worth a great deal more than \$15,000. We are now negotiating with him in regard to the matter, and I will write you further as soon as final action has been taken. I would emphasize, however, that the acceptance of this rug probably does not put us much closer to having this cash actually in hand, so we must not have any optimistic hopes of these funds becoming available in the near future.

Gain On Exchange. This subject occupied a large part of the time of the Finance Committee meeting. The Committee reviewed the discussions and actions of the past year with regard not only to gain on exchange, but also the misunderstanding which has existed between the field and the home base as regards the item of

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Pres. J. L. Stuart  
Dr. Howard S. Galt

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11/14/33

U.S. \$6,912.00 which the field understood for a time had been appropriated by the Trustees but which, as a matter of fact, they did not give and never at any time, had available.

Unfortunately, the Committee had an unfavorable psychological slant toward this whole matter as a result of several factors. It always irritates a Board of Trustees for the field to recommend some action, no matter how logical it may be, and then go on to say that the field assumes that this meets with approval unless they receive a cable to the contrary. This, you will remember, was what was done in the letter from the field under date of July 7th. This still rankled a bit in the breasts of the Committee. When they found that the Auditor's report from the field followed the same procedure of closing out these deficits on the assumption that gain on exchange would be applied toward meeting them, and that the field's letter of September 13th closed with the request that if the Trustees objected to this settlement, the field should be informed by cable, practically everyone at the meeting was suffering from a very natural and human attack of annoyance.

They ask, first of all, that we again remind the field that silence can never be interpreted as assuming consent. The field is never authorized to assume that the Trustees have given their approval to any proposal whatever until a definite affirmative answer has been received. In addition to the delays which are sometimes necessary in order to reach a wise decision, there are frequent losses of letters in transit which may result in the Trustees' complete failure to receive some suggestion of this sort which the field is assuming they have approved. It has been the contention of our New York office that something quite similar to this is the explanation of how the field counted for a number of months on \$6,912.00 more than the Trustees actually appropriated.

The Committee made an honest effort, however, to put aside its annoyance and to deal just as generously with the field as the situation possibly permitted. By action F-3227 it voted that in addition to approving the allocation to the School of Religion and the College of Natural Science of the gain on exchange of their designated funds, approval also be given to allocating two-thirds of the remaining local currency \$25,018.43 to the field to apply on any field deficits the Board of Managers may select. This leaves only local currency \$6,559.48 from the total gain on exchange from local currency \$37,382.03 which the Trustees desire to apply toward their appropriation of 1933-34 budget. I believe that this is as generous a disposition as we could ask the Trustees to make under the circumstances. They are facing extremely serious financial problems as they endeavor to supply the field with the funds they have guaranteed for 1933-34 and as they make plans for continuing their support on as adequate a basis as possible during 1934-35.

You will note that the Trustees on November 3rd by action T-3235, give their approval to Action F-3227.

In action F-3228 the Finance Committee, after expressing its dissatisfaction with the way in which the field accounts were closed this year in such a way as to use most of the gain on exchange without the conference with the Board of Trustees, provided for in action T-3040, went on to express its judgment that our 1933-34 budget must be administered in such a manner that we

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Pres. J. L. Stuart  
Dr. Howard S. Galt

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shall not have any deficit or any other special need which will demand any of the gain on exchange now accruing, but that this entire gain must be set aside as a reserve fund against the inevitable day of need which is probably not far ahead of us. The Trustees, by action T-3236, gave their very strong endorsement to this action. They gave me specific instructions to call this matter to the attention of the Field and to urge most earnestly that, in spite of any problems you may have to face during the year, this recommendation be strictly followed.

Return of Harvard-Yenching Institute Contribution for Natural Sciences.

I trust that actions F-3229 and T-3237 are self-explanatory. You will remember that the Harvard-Yenching Institute, when it made its gift of \$25,000 in June 1932 to help to escape failure to meet the conditions of the Rockefeller Foundation, took this action with the distinct understanding that if our collections on outstanding pledges exceeded \$500,000, we would return to the Institute any portion of this \$25,000 not required to meet the Foundation's grant. The Institute has now generously agreed that of the surplus receipts above \$500,000 only one-half is to be returned to them. The remaining half is to be re-allocated to the special objectives which certain donors specified as their preference to the use of their gifts for Natural Science. The Finance Committee is empowered to decide what shall be done with the remaining half of these gifts. I presume that the largest part of this remaining surplus will be re-allocated to the original objective specified by Miss Munger when she gave her \$50,000.00. I believe that on the field you have U.S. \$1,000.00 which is being held as applicable to Natural Science if required, but which will otherwise be used for other special purposes designated by the donors. We will ask the Finance Committee whether, in its judgment the field should now be permitted to use this \$1,000.00 for whatever other objective the donor wishes.

Allocation of Promotional Salary by the Field. As you will note from section F-2520, the Finance Committee wished to make a further study of the request by the field that Dr. Gee's salary be charged against Natural Science. This matter was referred to the officers of the Board, and we hope that we can send you some final decision on the matter within the near future.

MINUTES OF NOVEMBER 3RD MEETING OF TRUSTEES.

Several of the matters dealt with by the Trustees have already been commented on in the preceding paragraphs, and need not be referred to again here.

Communication From President Stuart. The Trustees gave very earnest and serious consideration to the important financial problems reported by Dr. Stuart in his letter of September 26th. Of course, you know that the Trustees have already been aware of the seriousness of these financial problems, and that, as a matter of fact, many of our Trustees have been predicting for some years that we would inevitably be brought face to face, sooner or later with just such a financial crisis as now confronts us. These Trustees have urged that we not only avoid any further expense but that we make substantial reductions in our work before such an emergency was upon us, that we might lay aside a substantial reserve against that evil day. The trustees were very much distressed therefore, that not only have we laid aside no reserve whatever, either on the field or at the home base (aside from certain surpluses in the financially independent units)

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but that it has even been necessary to use nearly all the gain on exchange from 1932-33 to meet deficits incurred during that year.

one of

Unquestionably we are facing the most serious crises in the history of the University where we must reckon both with decreasing income and also with a rate of exchange that is already very unfavorable and may become a great deal worse before it is any better.

Dr. Stuart's letter of September 26th emphasizes the seriousness of this situation. When, however, it asks that the Trustees meet the crisis by securing "additional endowment or emergency grants" it asks them to do something that with all their eagerness and faithful efforts, they may quite probably find to be impossible. Our plea is only one of the innumerable and urgent requests which are today bombarding almost every generous-hearted man and woman in America. Even in normal times these generous people would not be able to meet more than a small fraction of the really worthy pleas being made to them. And in almost every instance, the ability of individuals and organizations to give to philanthropic enterprises, has been reduced all the way from 50% to 30%. Many who have given generously to Yenching in the past are now simply unable to meet the daily costs of operating a very modest household. Therefore, while the Trustees will continue to make every possible effort to maintain the continued support of old friends, and to enlist the support of new friends, we dare not place any great hopes on their success. The Trustees can transmit to the field only such funds as they actually receive, either from endowment income or from the gifts of organizations or individuals. Beyond that the Board, with all the interest and good-will in the world, can go no further.

When the Trustees have done all they possibly can, nothing more remains except to look to the field to adjust the program of the University to meet the situation with which we are confronted. In action T-3258 (c) the Trustees earnestly urge the field authorities to begin immediately with the reductions in expenditure which we all so clearly see will have to be made in the very near future. If substantial reduction can be effected during the year 1933-34 so as to permit the building up of a fairly large surplus, it will minimize the further reduction which will have to be made in 1934-35.

Relationship with North China Industrial Service Union. When we had gotten down to the item of "any further business" on the docket, several members of the Board spoke of information they had been receiving from various sources lately with regard to the proposed cooperation between Yenching University and the North China Industrial Service Union. Everyone expressed their gratification at this new evidence of our definite and concrete service to the people of China. However, several members called attention to the fact that inasmuch as the North China Industrial Service Union is being organized primarily for service to the rural areas of China, its logical connection would seem to be with Cheeloo University which has been recognized as the institution which should devote itself specifically to service to the rural areas. It was pointed out that formal steps have already been taken both by the Board of Cheeloo Directors and the Cheeloo Board of Governors to effect a close cooperation with the North China Industrial Service Union.

Pres. J. L. Stuart  
Dr. Howard S. Galt

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11/14/53

The information we had at hand was not sufficient to enable us to pass judgment on just how these various relationships will work out. We were all in agreement, however, that at this time when cooperation among our Christian Colleges is so very vital, and when our joint resources are not adequate for our minimum needs, it would be very tragical to have any semblance of rivalry or duplication. The Board, therefore, asked that we ask for further information from the field as to what Yenching plans in its relationship with the North China Industrial Service Union and how these plans will fit in with our Correlated Program for Christian Higher Education in China. We would be grateful if you would supply us with this information at your convenience.

There are a number of other matters in these minutes which you will find of interest but I believe that all of them will be self-explanatory.

Very cordially yours,

BAG:MP

Executive Secretary

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YENCHING

INDEXED

Yenching University

November 18, 1933

Pres. J. Leighton Stuart  
Rev. L. J. Davies  
Pres. Y. G. Chen  
Pres. C. J. Lin  
Mr. O. D. Wanamaker

Gentlemen:

I attach hereto, a copy of a letter we have just received from Mr. Shattuck the Treasurer of the Harvard-Yenching Institute announcing that the Institute is being forced to discontinue after June 30th, 1934 its guarantee of the minimum income it provides on account of the restricted fund.

You will at once see from the figures given in Mr. Shattuck's letter that the assured income we can depend on for next year is substantially less than we are now receiving. The whole question of the continuation of dividends by the Aluminum Company of America is quite uncertain, both because the Company has not kept the public very well informed of earnings during recent months, and also because of the grave uncertainty as to the trend in business conditions during the coming year.

Obviously, we will be compelled to prepare our budget estimates for 1934-35 on the basis of the income from the Institute which we can consider as being reasonably assured - that is, U.S. \$31,000.00. If dividends of the Aluminum Company are continued or increased, adjustments can be made in our budgets when these added funds are known to be actually available. I give below a tabulation showing the pro-rata share of each of our colleges on a basis of U.S. \$31,000.00 and also for each 1½% dividend that may be paid by the Aluminum Company.

We all regret very profoundly, this news of further reduction of our assured income for 1934-35.

Very sincerely yours,

BAG:MP

	<u>Assured Income</u>	<u>Each 1½% Aluminum Dividend</u>
Yenching	8,157.88	3,552.05
Nanking	4,894.74	2,131.58
West China	4,894.74	2,131.58
Lingnan	4,894.74	2,131.58
Cheeloo	3,263.16	1,421.05
Fukien	3,263.16	1,421.05
Allahabad	1,631.58	710.53
	<u>\$31,000.00</u>	<u>\$13,500.00</u>

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YENCHING UNIVERSITY  
Peiping China

Office of the Treasurer

INDEXED

December 23, 1933.  
No. C33-12-23-118.

*Acc 2/5/34*

Mr. B. A. Garside  
Mr. C. A. Evans  
150 Fifth Avenue,  
New York City,  
U. S. A.

Dear Mr. Garside and Mr. Evans:

We wish to acknowledge receipt of your cable-gram dated November 9, your radiogram dated November 23 and your letters E-33-11-10-1 and E33-11-20-2 all of which refer to our raised check. We wish to point out that in our cable dated November 8 we proposed to seek legal advice and asked you to wire approval or disapproval. Six weeks have passed and so far we have not received your instructions in regard to our proposal.

As we pointed out in our letter of November 9, T33-11-9-23, we feel that we should seek best legal advice to protect ourselves from loss. The National City Bank is at present debiting our account for the raised amount and also that of the Kincheng Bank and apparently waiting for either one, the Kincheng or us, to take action to retrieve the credit of \$25,000. As long as neither party takes any action the National City Bank is in a very satisfactory position. If the Kincheng Bank takes legal action before we do and retrieves its loss, the National City Bank will put up a very strong fight before accepting responsibility for the whole loss.

On the other hand if we take legal action first it is quite possible that our account will be credited with \$25,000 after the National City Bank is in receipt of a few letters from a Shanghai lawyer of good repute. The expense of attorney's fees would be negligible in comparison with the satisfaction of having the case settled without loss to our Harvard Yenching Institute Account. If we continue to delay action, we fear that at some of the conferences in New York or Peiping statements may be "attributed" to you or to us which may be very prejudicial to our case. The whole matter

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Messrs. B. A. Garside  
C. A. Evans

December 23, 1933.  
No. C33-12-23-118.

is one of law and we are strongly advised that we should not participate in any way in verbal conversations without the presence of legal advisers.

Apparently your office assumes that the Kincheng Bank should take the loss of \$25,000 rather than the National City Bank. From information we have been able to acquire in Peiping we find there is considerable difference of opinion on this subject. It is quite possible that if the case between the two banks comes to court the National City Bank will lose. A suggestion has recently reached us indirectly that the three parties concerned accept a compromise, each being responsible for one-third, or L.C.\$8,333.33 approximately. We do not as yet feel ready to accept this loss, if there is a **better** way to protect our interests.

We do not feel that anything that happens in this case can endanger our relations with the National City Bank. To the best of our knowledge we can expect no benefits from them but they on the other hand may hesitate to jeopardize their interests with us.

This rather detailed statement of the situation is made in order to show you how seriously we feel that continued delay and unofficial conferences may endanger our case.

There is one other point we wish to emphasize. The Harvard Yenching Institute has contributed generously to the support of Yenching and promises to be of even greater assistance to us in the future. If we handle the case of this raised check in such a way as to merit criticism from the Harvard Yenching Institute Trustees we may only expect that future gifts from the Institute will be less generous.

This letter will not reach you until late in January. If you are able to cable us permission to obtain legal advice or commence legal proceedings immediately we would secure the best legal counsel obtainable (perhaps in Shanghai) and start proceedings without delay. Even friendly legal proceedings will take considerable time but we hope that the case of the raised check can be settled before the end of June so that our Harvard Yenching Institute Accounts can be closed at the end of the present fiscal year without a suspense item of \$25,000.

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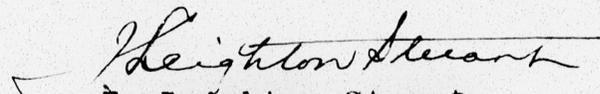
Messrs. B. A. Garside  
C. A. Evans

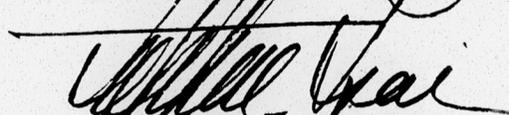
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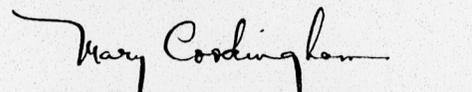
We feel that our prospects in the case are being impaired by the lapse of time, and if within a reasonable time after your office receives this letter, in the absence of definite steps toward the settlement of the case, the Trustees do not authorize us to proceed as seems best here on the field, we should like to be assured that the New York office accepts the fundamental responsibility for the settlement of the case, only counting on the field for such cooperation as may be required. As matters are at present the responsibility seems a divided one and circumstances seem to prevent us from initiating any positive action—a condition very unsatisfactory to us here. So we hope the Trustees will either accept the fundamental responsibility, or transfer the same to us.

We are very grateful to you both for the time and thought you have given to this case.

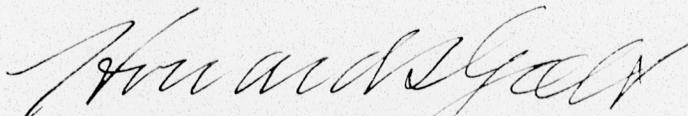
Very sincerely yours,

  
J. Leighton Stuart,  
President.

  
Stephen Tsai,  
Treasurer.

  
Mary Cookingham,  
Associate Treasurer.

Approved by

  
Howard S. Galt.

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YENCHING

Yenching University

November 20, 1933

Pres. J. Leighton Stuart  
Yenching University  
Peiping, China

My dear Dr. Stuart:

I should have written you before this in response to your letter of July 28.

In this letter you express your fears that the preliminary steps taken by the Associated Boards during recent months in the direction of united promotion on behalf of all the colleges may encourage the Presidents of the different institutions to hope that they will be able to maintain the status quo rather than to go forward with an unselfish and sacrificial subordination of institutional interests for the sake of greater economy and effectiveness on the whole program of Christian Higher Education in China.

I have not written to you earlier because there is really nothing more I can say beyond what I have already said a good many times, both in our correspondence and in our conversations together. The various committees that are taking the lead in these plans on behalf of the Associated Boards are keenly aware of the danger you describe, and are doing everything they can to make it plain that our plans for cooperative search for further support are dependent entirely on the willingness and ability of the different institutions to cooperate in the Correlated Program as it has now been approved both in China and in the West. We believe that even a moderate amount of success in a joint effort of this kind would be far more influential to bring about real correlation among our Christian Colleges in China than decades of endless discussion and drawing up of idealistic plans which had no possibility of securing any wide acceptance.

You and I are in absolute agreement as to the goal we are trying to reach in this cooperative effort, though we may not always advocate exactly the same roads in arriving at our destination. Sorry that your conversation with Mr. Cressy was disturbing. We hold no brief, of course, for any particular type of strategy he may consider desirable.

Let me assure you too that we are keenly interested in the problem of secondary schools and realize the very close relationship of this problem to that of the colleges. A solution of the two must go forward together.

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Pres. J. Leighton Stuart

- 2 -

11/20/33

But we must make a concrete beginning somewhere. It seems that we can in the end accomplish more for the secondary schools as well as the colleges if we go forward along the lines we are now trying to follow.

Among all the uncertainties of our efforts to go forward together, one thing at least is absolutely certain: there will be as many different viewpoints on how these problems should be solved as there are institutions cooperating. No one viewpoint can - or should - be completely adopted or carried through. Our only hope of success is that of moving forward together along the lines that have met with general acceptance and approval. We will continue to count on your loyal support, even though the results we accomplish may be far less than you or I would count the ideal ones.

Very cordially yours,

BAG:MP

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OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS  
"YENTA"

November 21, 1933

INDEXED

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

My dear Mr. Garside:

I am enclosing a copy of a letter recently sent to Mr. Wheeler which I think explains itself. I have not heard from him, but am assuming that he has taken up the matter with his family and that you may receive word from that source direct. As the fixed deposit is falling due we should like instructions so as to avoid as little loss of income as possible.

Very sincerely yours,

*Haigton Stewart*

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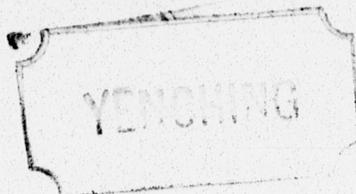
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學大京燕  
YENCHING UNIVERSITY  
PEIPING, CHINA

OFFICE OF THE PRESIDENT



TELEGRAPH ADDRESS  
"YENTA"

November 22, 1933

*Act 12/29/33*

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

INDEXED

My dear Mr. Garside:

I. Investments in Silver - Following up my personal letter of October 21 regarding investments in China, we had a joint meeting of our Board of Managers and faculty Property and Finance Committees recently at which this matter was discussed at length. All present were in favor of the general proposition, there being some difference of opinion as to the precise form such investments should take. The discussion, however, was in the direction of diversifying and thus taking some of the different types which were mentioned. This issue is giving us the more concern because all the indications that reach us are that exchange may become much more to our disadvantage than has been anticipated thus far.

II. Dr. P. C. Hsu - I wrote you under date of November 2 regarding the problem facing the School of Religion. As one possible form of relief which at the same time fits in directly with Mr. McBrier's wishes, I should like the committee in charge of the McBrier Fund to consider the provision for Dr. Hsu's salary next year from this fund. Dr. Hsu himself has been negotiating with Japanese friends of his to spend next year in that country, and thus carry out his strong convictions regarding the responsibility of Christians to help bring about a better understanding between these two countries than at present. These friends are endeavoring to secure his support, but he feels so intensely on this issue that he is even considering using up his savings in order to carry out this purpose. On the other hand, Dr. Hsu has become more and more the natural leader for the Christian work in the University. He has been elected chairman of the Yenta Christian Fellowship and is directing most of its activities, giving a large part of his time to these, and thus on religious work among the students. If he stayed next year under this fund, his teaching would be reduced even below what it is at present, but even his courses of study are on the application of Christian ethics to present-day life. Dr. Hsu has also become greatly interested in the movement toward rural reconstruction and has had in mind as another possible alternative

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going out into the country and actually living in the midst of the rural population. If certain plans of ours are approved by the Rockefeller Foundation, it is quite possible that he could be included in our set up for this kind of work. Another possibility would be that his time be divided half and half between religious work for the students and our Rural Administrative Institute, with a corresponding distribution of his salary. I should on the whole prefer that he give full time to religious work. I quite realize that Mr. McBrier is always on guard against my tendency to relieve administrative problems with the use of this fund, and that he has a real basis for this fear. As against this, when our income is reduced because of conditions in America which could not have been foreseen nor avoided by us, and when as one consequence of this we are in danger of losing as valuable a man for this particular kind of thing as is Dr. Hsu, it seems to me entirely within the spirit of Mr. McBrier's intention to see that this unfortunate necessity be avoided. We are facing very serious financial hardships and are trying to meet them as a spiritual as well as a monetary issue. The morale of the faculty as well as of students can suffer seriously or can actually be helped by these difficulties. T. C. Chao and P. C. Hsu are probably the two men who will count most in such spiritual achievements growing out of material distress.

Very sincerely yours,

*Heig Lombardi*

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Yenching University

November 24, 1933

Pres. J. Leighton Stuart  
Yenching University  
Peiping, China

My dear Dr. Stuart:

I enclose herewith a copy of the cablegram we are today sending by Amateur Radio in response to your inquiries as to the Natural Science budget for next year.

Your cable of November 3rd, sent by Amateur Radio, was addressed to Dr. Gee, so it followed him to the West coast and has just been returned to our office. I was actually at work on drafting this reply when your cable of November 24th, making this same inquiry, was delivered by the Western Union messenger.

I believe that the statement made in the cablegram with reference to the prospective Natural Science appropriation for next year will be quite clear. You will remember that Action T-3179 adopted by the Yenching Trustees on April 20, 1933 appropriated U.S. \$32,000 for the Natural Science budget 1933-34, and sets aside any income in excess of this amount as a reserve for the Department of Natural Science. As far as I am able to judge the attitude of the Finance Committee, I believe that they will adopt a somewhat similar course for 1934-35. While this will undoubtedly leave a fairly substantial surplus from the 1934-35 income, it is extremely unlikely that the Committee will approve any larger expenditure next year than the amount in this year's budget. The reasons for this are quite obvious. On June 30, 1935 the grants of both the Rockefeller Foundation and the Harvard Yenching Institute will terminate. We are quite sure that the Institute will not renew its appropriation, and indeed, it would probably be inadvisable to ask it. What the Rockefeller Foundation will do is still an open question. We dare not rely on any further assistance from them, however, unless we are able to do something in the meantime toward raising Natural Science Endowment funds which they might be willing to match, dollar for dollar. As yet, the Foundation has not made any promise whatever that it will provide such endowment (their earlier action having been cancelled), and neither have our Yenching Trustees been able to obtain a single dollar to apply on a new endowment fund for Natural Science beyond the \$500,000.00 already in hand.

Thus, at the present time, we have no assurance whatever of any support for Natural Science after June 30, 1935 except the income on our \$500,000.00 fund. Our Yenching Trustees have, therefore, expressed their judgment a number of times to the effect that we should continue our Natural Science work for the present on its existing level, with no increase whatever in annual expenditure. Any surplus accruing this year or next should, in the judgment of the Trustees, be scrupulously held in reserve to keep the work going on this level as far as possible after June 30th, 1935.

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Pres. J. Leighton Stuart

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11/24/33

Some months ago, we exchanged correspondence with the field Treasurer's office as to the date when our Finance Committee should prepare tentative estimates as to what income will probably be available for the new fiscal year. At that time, it was agreed that the information would be sent you about December 15th, and that is the date we have kept in mind in our planning for this meeting. Of course, it is desirable to postpone these tentative forecasts as long as we can without delaying your budget making unduly. Committees are compelled to take a conservative position on matters where their information is very indefinite, and if they do not have correct information as to just what they can rely on as income for the new fiscal year, they are bound to adopt figures which can be considered reasonably safe. Right at the end of the calendar year, it is usually possible to secure much more reliable figures as to the income we can hope to receive both from our securities and from our contributors than would be the case if we had to make decisions some weeks earlier.

We are now taking steps to secure a meeting of our Yenching Finance Committee some time before December 15th. At that time we will ask that these tentative forecasts of income for 1934-35 be prepared. As soon as this action has been taken, we will cable you the main figures.

During the last month the psychology here in America has taken a noticeably pessimistic turn. The main determining factor has been the Government's attempts to manage the value of the dollar. Just at the moment no one knows in which direction we are headed, and everyone is inclined to be extremely cautious and conservative. I hope that before the Committee meets we may have a somewhat more clear outlook.

Very cordially yours,

BAG

BAG:MP

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November 24, 1933

Mr. L. A. Smith  
462 Convent Avenue  
New York, New York

My dear Mr. Smith:

We are very grateful to you for forwarding to us the message you received from Peiping China on November 3rd.

We will be very grateful if you would send the following reply for us.

STUART  
YENCHING UNIVERSITY  
PEIPING CHINA (STATION AC2RT)

FINANCE COMMITTEE MAKING FINANCIAL FORECASTS NEXT  
YEAR INCLUDING SCIENCE BEFORE DECEMBER FIFTEENTH STOP  
BECAUSE IMPENDING DECREASE INCOME NINETEEN THIRTY  
FIVE COMMITTEE INCLINED REPEAT ACTION THREE ONE  
SEVEN NINE

GAR SIDE

I trust the above message is not so long as to be unwieldy. We boiled it down as much as possible.

We enclose stamps to cover the postage you used on the letter you sent us on November 3rd.

With warmest appreciation of the fine service you men of the Amateur Radio Relay League are rendering, I am

Very sincerely yours,

BAG:MP

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學大京燕  
YENCHING UNIVERSITY  
PEIPING, CHINA

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS  
"YENTA"

November 28, 1933

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

My dear Dr. Gee:

I have received a number of letters from you which enable me to follow you in imagination as far as St. Louis and St. Paul. The description of economic conditions in the States is just the kind of information that helps me to deal with the local problems we are facing in consequence, and answer inquiries which are continually being made. I can sympathize with you the more intelligently because of my own share in such experiences as you are having, although working alone and under the existing conditions makes this far more difficult than it normally ought to be. I hope you keep your health and cheerful outlook despite the heavy strain. It is needless to assure you again how much all of this effort is appreciated and how much satisfaction I derive from the thought it is you who are working now at the other end. I shall await with eager interest your experiences in California.

I am especially pleased to know that our good friend Dr. Moore and others in St. Louis are interested in reviving the relationship with the Botanical Gardens and Washington University. Unfortunately there seems at present no student who qualifies. Until Dr. J. C. Liu returns and offers courses in Botany it is not likely that any student will indicate any special capacity or interest in this field. He is due to return early in February. We shall, however, keep it in mind and watch for a suitable candidate.

The main event in our own community is the drive for one million dollars; the faculty undertaking to raise one-tenth of this is now virtually assured. The students are taking it up with a fine spirit of cooperation, although it will not be possible for them to commit themselves to any definite sum until some of them will have returned home or otherwise taken the matter up with their parents, and relatives. We are counting on getting Jimmie Ch'uan as director, giving full time, but are waiting to see if he can be contributed by his bank. After this is settled, we shall begin more detailed planning. Thus far there has been nothing but favorable comment so far as we know regarding the project, although conditions in the country seem to be getting

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steadily worse, and only last week a campaign for a similar amount was launched for Yellow River Flood Relief, and that is being intensively carried on in the city at present.

This letter will reach you in time I hope to carry Christmas greetings to Mrs. Gee and yourself. I hope that despite all the anxieties and uncertainties of the times and their bearing on your own affairs, the season will be one of refreshing relaxation and joy in being together, as well as in the permanent features in which we all share.

Very sincerely yours,

*Highland Stewart*

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YENCHING

December 5, 1933

President J. Leighton Stuart  
Yenching University  
Peiping, China

My dear Dr. Stuart:

We have been very much interested ~~at~~ the recent development of amateur radiograms from Yenching to various stations here in the United States. It seems to me that we ought, through this service, to secure much fuller communications between the field and the home base at a substantial reduction in cost.

In the last couple of months we have received these radiograms from about a dozen stations here in the United States scattered all the way from California to New York City. Most of the messages have come through promptly and clearly, though a few have been delayed or garbled. As yet, we have not trusted very many important messages to this channel of communication for we have not had any definite check on the speed or reliability with which our messages are handled. I hope, however, that we can make a much larger use of this channel.

I would like to obtain the judgment of your Yenching station as to the best channel for us to use in sending messages to you. Mr. E. D. McNeely, 4257 West 61st Street, Los Angeles, California, the operator of radio station W6Cll, informs me that he has a daily schedule with the Yenching Station. Since his messages seem to be handled quite promptly and accurately, and since he seems quite willing to render this service for us, it appears that it might be advantageous for us to use his station as a regular channel of communication. We could keep him supplied with air mail stamps so that messages he received would reach us a day or two later. But possibly our operators of the Yenching Station will have some better suggestion to offer.

Very sincerely yours,

BAG:MP

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YENCHING

INDEXED

Yenching

December 11, 1933

President J. Leighton Stuart  
Yenching University  
Peiping, China

My dear Dr. Stuart:

Let me acknowledge receipt of your letter of November 2nd. In this you discuss in a very careful way the problems and opportunities of our Yenching School of Religion.

I am having this letter mimeographed for distribution to all members of our Yenching Board of Trustees and to any other friends whom the promotional office feel would be interested.

Many of the questions you raise will require formal action by the Trustees or by the proper committee. On some of them I will comment informally:

The primary problem of adequate support for the School of Religion is one which the Trustees already recognize as being vital and urgent. Yet there is not much they can do in a constructive way just at this time. We are continuing our promotional work on just as large a scale as we possibly can in view of the prevailing conditions, in order to reach everyone who could in any way be persuaded to assist. I believe that most, if not all, of the Trustees themselves are taking as active a personal interest as we could hope for.

Whether we should enlarge the basis of support for the School of Religion by trying to bring in other participating boards, or securing the interest of other Christian groups, is a question I will not attempt to comment upon.

I know that the Board of Foreign Missions of the Methodist Church which is designated as the Trustees for the funds bequeathed to the University of Nanking from the Wendell Estate, would agree heartily with the general policies outlined in the second paragraph of your letter. Yet, as you know, this estate is not yet settled and it may be a long time before funds are actually in hand. It would be premature for the Methodist Board to announce any definite policies until the estate is finally wound up. Moreover, the Board will be required to carry out the conditions under which this bequest is made.

The question of the re-allocation of Miss Munger's gift to the School of Religion is one that is now pending. We have already passed the

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President J. Leighton Stuart

- 2 -

December 11, 1933

\$500.00 ~~make~~ in our Natural Science Endowment, and all additional receipts are to be divided as follows:- one-half be returned to the Harvard-Yenching Institute on account of their \$5,000 contribution; one-half to be re-allocated by the Yenching Trustees to the special objectives designated by certain donors who have agreed to the conditional inclusion of their gifts within the Natural Science fund. The three principal gifts to which this re-allocation will apply are as follows:- Miss Munger's gift of \$50,000, the Endowment Funds of the Yenching College for Women, around \$70,000 and Mr. Henry Luce's gift of \$5,000. It is probable that in the re-allocation of the surplus returns, Miss Munger's fund will receive at least a small amount, and this can undoubtedly be set aside as an endowment fund for the School of Religion. However, the amount of this allocation will probably not be very large, and the income received will not be great enough to be of any large benefit.

As soon as it has been possible for either the Yenching Trustees or the Executive Committee to take action on these matters I will write you again.

-- Let me also acknowledge receipt of the copy you sent me of your letter of November 2nd, addressed to Dr. Gee, discussing our procedure in approaching the Rockefeller Foundation for a second conditional gift for Natural Science.

Very sincerely yours,

BAG:MP

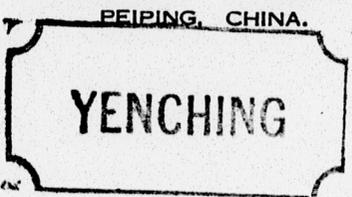
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YENCHING UNIVERSITY



OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS  
"YENTA"

December 15, 1933

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

INDEXED

My dear Dr. Gee:

I am enclosing herewith the final draft of the appeal to the Rockefeller Foundation through Mr. Gunn for our rural administration project. As you will recall we asked for \$30,000 a year for the next five years for the three social sciences in the Princeton unit, and an additional \$20,000 for this purpose.

Mr. Gunn is leaving here about the end of next month and expects to present these and his whole China program to the meeting of their Trustees probably during March.

Very sincerely yours,

*J. Highton Stuart*

JLS C

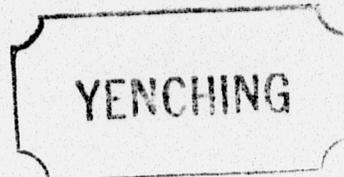
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學大京燕  
YENCHING UNIVERSITY  
PEIPING, CHINA

OFFICE OF THE PRESIDENT



TELEGRAPH ADDRESS  
"YENTA"

December 16, 1933

*Act 2/15/34*

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

My dear Mr. Garside:

Recent mails have brought letters from you reporting the actions of the Finance Committee on November 2, replying to mine of September 9 under date of October 30, and in reply to mine of July 28 under date of November 20, etc.

Regarding the Finance Committee actions I need only say that these are carefully noted, and we shall try to carry out instructions. On only one point need there be any comment from me. This is in regard to the North China Industrial Service Union and the place of Cheeloo. When I came back last summer and found that Mr. Tayler had presented a request to the R F for over \$50,000 Gold a year and rather large capital sums to be handled through an utterly irresponsible body, the only coherency of which was his own personality, and after talking with Mr. Gunn on the matter, I felt that it was necessary if this project were to be taken seriously, to have some organization that had more stability and continuity. After consulting with the Nankai men on the Executive Committee, and in the light of Mr. Gunn's comments, we agreed that since the Executive Committee was made up almost entirely of members of our two institutions, the President of Nankai and myself being chairman and vice-chairman respectively, it would be simpler if our two institutions assumed responsibility. The choice of officers and personnel implied this and yet we were not in any sense actually representing our institutions. Furthermore, the two universities being geographically close together, mutually friendly, and apparently approved by Mr. Gunn, we could function with a minimum of complicated machinery, but the chief consideration perhaps was the fact that Mr. Tayler himself was so closely associated with both and would make his head-quarters perhaps back and forth between the two. Our only thought was to help in the securing of funds for his projects and see that the things that he conceives could be executed efficiently. He would thus be free to dream, investigate, and inspire others. We are continually having unsatisfactory experiences in the carrying out of various undertakings, and we all felt that by having a responsible authoritative organization behind him, not only would the R F be better satisfied, but there would be less danger of recurrence of mishaps. The institutions themselves would not expect to benefit in the slightest by this grant, nor would it in any way prejudice an assignment of projects to Cheeloo or any of the other institutions which had been more

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or less nebulously included in the Union. Since then, however, Mr. Tayler has strongly urged the retention of Cheeloo and Mr. Gunn has changed his own mind, so that we have all quite readily agreed to retain the Executive Committee as it is, with Sam Dean representing Cheeloo's interests. Mr. Gunn's present thought is to make a grant of \$10,000 Gold a year, and if Mr. Tayler's own salary must come out of this, there is not much left for the three universities to spend.

Your comment on the progress in further correlation is in your usual fine spirit. I wish I could feel more hopeful about any authoritative action being enforced upon the institutions out here, which, as I have often urged, is the only process for improving an increasingly unsatisfactory situation. If the report of the Laymen's Commission and especially the basis of this in Dr. Knight's own frank and detailed report, together with the economic conditions continuing in the States, do not combine to bring this about, it would seem that nothing else ever will.

You have commented at length in this and previous letters on the necessity for our effecting economies and reductions. We fully realize this, and I am right now in the heart-rending task of planning to dismiss some of our very desirable teachers, and weaken the effectiveness of the institution in other ways. There is one item which with the same intent, it seems to us that the Trustees can from now on eliminate, and that is the rather large one which was approved last April for this correlation program under the head of T 3186. We cannot see that we should be called upon to continue these expenditures and have our own work crippled by so much in consequence, in view of the absolute lack of benefit to us and the long delays in any progress. ~~last year~~. The position of Yenching University as far as I can represent it has from the beginning been that we are whole-heartedly in favor of a really comprehensive, well-correlated scheme of Christian Higher Education for China in which there is no needless duplication, but that we prefer not to be identified with any joint financial campaign that is made up of the institutions as they are at present. The reason for this is that such a campaign would almost certainly be futile, and in view of the repeated testimony of commissions and other competent observers, is morally indefensible. All this gains immensely from the continued economic depression in America and unpromising outlook for the future. Furthermore, from the very beginning Yenching has indicated its own readiness to take any part assigned to it, and in the only item which has been seriously questioned, agriculture, we took the initiative in making the proposed change. Questions have also been raised about Jurisprudence and Journalism. The former has now been discontinued, and we are ~~now~~ ready to face the latter when the occasion comes. We are

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unwilling, therefore, to continue making by much the largest contribution to the maintenance of negotiations and campaign activities which in no way concern us, and with the continuance of a status quo which we feel to be unwise from every standpoint. This is on the assumption that at the meeting of the Council of Higher Education next month there will be no action in the direction of the desired goal. Should the other institutions change their attitude to the point of permitting such reconstruction as to enable Christian Higher Education to make a united appeal to the American public, we shall heartily join and pay the costs. The alternative, as I see it, is frankly to recognize that the different institutions prefer to maintain themselves as they are at present, and we have an association of organically and financially unrelated institutions having certain common academic and religious interests, but otherwise independent. This latter is a perfectly understandable relationship, and while no one would regret it more than I, yet it seems preferable to the irritations and futilities of continual conferences and reports on both sides of the Pacific. However that may be, we feel that just as the Trustees are quite rightly requiring us to reduce every possible expense, they do the same in regard to a matter in which we have not derived the slightest benefit during recent years and which becomes a factor in adding to our hardships for the coming year. While I am writing personally now, I am quite sure that our Faculty Executive Committee and Board of Managers will unanimously support a recommendation to this effect, if no radical change of policy develops from the meeting in Shanghai next month.

I am enclosing a copy of a  
brief review which I happen  
to have been asked for by the  
Chinese <sup>JLS C</sup> Recorder.

Very sincerely yours,

J. Hightow Stewart

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This is obviously the work of one who is at once a highly qualified student of educational affairs and an ardent Christian. Professor Knight gives ample evidence of being technically fitted to evaluate the "missionary" schools as schools, and of having an understanding sympathy alike with the purposes and problems of those in charge. His conclusions should therefore have had more influence in arousing a determination to rectify the remedial weaknesses in the system than has as yet shown itself. The greater part of the chapter is quite naturally historical or factual and therefore of no great interest to the majority of Recorder readers to whom this material is either familiar from actual experience or easily accessible in previous publications. But we are those who should concern ourselves the more with his trenchant yet constructive criticisms. As to the colleges and universities these are essentially those which have been urged by practically every commission and competent observer in recent years, although there is in these pages a breadth of information, a balance of judgment and a reasoned insistence on the obligation to improve existing conditions which ought to carry especial weight. In this first and longest section there are specific statements or inferences which may be challenged by those thus put on the defense, but there can be no denial of the force of his main contentions. Most of these have been the commonplace of conferences on higher education and yet those responsible both in the West and in the institutions themselves apparently prefer to retain these glaring weaknesses and the wastefulness of needless duplication to making the sacrifices or adjustments by which the totality of Christian higher education could count so much more both for the nation and the Christian cause.

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It is indicative of the exaggerated emphasis on our higher education as Dr. Knight found it that it occupies 55 of his 70 pages. Although the section on secondary education concludes with the following sentence yet it covers only 12 pages: "It appears that the supreme opportunity of Christian education in China now and in the immediate future lies in the secondary field, and that the middle schools represent a highly strategic place in the educational work of China". Similarly it is significant that the concluding section on primary education requires only 3 pages.

J. L. S.

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學大京燕  
YENCHING UNIVERSITY  
PEIPING, CHINA

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS  
"YENTA"

December 18, 1933

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

My dear Dr. Gee:

Today's mail has brought your letter from Seattle telling of the fine results from the Plymouth Church group and the possibilities in the case of Mr. Lew Kay. I also note the matters dealt with in your enclosures, and try to imagine something of the cost to you in nerve strain and increasing discouragement as you go round asking for money under present conditions in the States. I hope your health will stand the strain.

There is not very much to report here that is not already covered in our weekly Bulletin and otherwise. In other words, matters are progressing quietly and happily, with the one agonizing exception of trying still further to enforce budget reductions. Plans for the China Endowment Campaign are progressing slowly. The students have voted to contribute \$100 each over the next four years and undertake to raise, including this, in that period, a total of \$400,000. They are of course young and inexperienced and their enthusiasms tend to evaporate. None the less, whether we ever get any large part of this sum or not, the whole-hearted good will with which they have taken their action is immensely encouraging.

I have the letter from Thompson to you regarding the campaign for the Associated Boards. The enclosed copy of a letter to Garside will indicate our position which I shall count on you to support as you have opportunity. Another letter from Thompson to you about the support of J. B. Tayler through Mr. Albert Scott is partly answered in the same letter to Garside. Tayler has changed his plans and lands in Shanghai early next month. I shall also see Mr. Gunn in Shanghai during the month before he sails about January 30. If there is any further development I shall let you know.

I note that Mr. Jones of the Failing Estate sounds rather unpropitious. He is coming to China, and we shall do what we can to look after him.

With hearty appreciation of your devoted work for the University in the face of all these discouragements, both in the office and out in the field,

As ever yours,

*Freighton Stewart*

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YENCHING

December 19, 1933.

Dr. J. Leighton Stuart  
Yenching University  
Peiping, China

Dear Dr. Stuart:

I have yours of November 22nd, with copy of letter written to Mr. Garside.

My last letter to you on the matter of budget for the McBrier Fund deals with the ~~possibilities of some~~ necessity ~~of~~ conserving resources.

In order to confirm our understanding, will you please advise if the balance indicated in my letter of December 12th, namely Yuan \$3,853.79, will be the balance you will have on hand June 30, 1934 after paying appropriations for this fund for current year?

If such is the case, just how would the suggestions you make in your letter of November 22nd to Mr. Garside affect this balance? In other words, how much of same would be necessary to carry out the suggestion you make?

And is it determined just what Dr. Hsu's work will be next year?

The reason I ask is because your letter seems to indicate one of two or three things, as though you were not certain of what his program was to be.

I wish to say a word about the change in the matter of exchange. You will recall that on several occasions I quite plainly pointed out to you that what we considered the normal rate of exchange was 2 for 1; and that the great advantage we have experienced for the last four years and more could not be expected to last.

I have time and again attempted to throw out a word of caution that if the work in Yenching was built up on the basis of getting \$3 or \$4 of silver for \$1 of gold, that there would be sure to be embarrassment when silver sought its natural level, as it was in time bound to do.

You cannot therefore speak of silver at the present time being out of line. It began to be out of line when the exchange advanced beyond 2 for 1.

You are now being confronted with the embarrassment which was pointed out to you again and again during the last several years. I have continuously attempted to caution our people here at home, and you personally whenever I have had a talk with you about it, in regard to this very situation.

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I do not think you can ever again expect to see \$1 in gold buy \$3 or \$4 or more in silver.

At the last meeting of the Shanghai Tiffin Club I sat next to a gentleman who told me that when he went to China quite some years ago he had to pay \$1.10 in gold for \$1 in silver. I did not know that such a condition ever prevailed. It is possible that there may again come a time when a Chinese silver dollar will be worth a dollar in gold.

We are continually hearing rumors of a campaign for securing \$1,000,000 in Chinese silver, in which you are engaged. We should be glad to have some confirmation of this, and would indeed be greatly encouraged to receive from you assurances that such a program was under way. We wish you God-speed in any such effort. It is, I think, rather important that a definite effort be made to raise some money in China.

While you will have noted the action taken by the Trustees in reference to transference of any funds secured in America to China, we would offer every encouragement toward investing, under appropriate auspices, such funds as are raised in China, in Chinese securities.

There are, I think, very few good securities offered in China. There are some that are very good and substantial.

The list you sent some years ago, when we were investigating the matter, did not look so good to us. I commented on same at that time.

The recent letter from Swan, Culbertson & Fritz, quoting Shanghai Power Company 5 $\frac{1}{2}$ s, 1973, and Shanghai Telephone Company 6s, 1957, indicates to us the grade of securities that the committee in China might well invest their silver contributions in, as doubtless the investment would be perfectly safe.

In their letter to Mr. Evans they say that "the yield obtainable on such investments (i.e. silver funds invested in Shanghai) would not exceed 6% or possibly 5 $\frac{1}{2}$ % on a diversified list of silver investments suitable for your funds."

They state, - "There are, in our opinion, several very desirable investment securities obtainable on the Shanghai market. Yields and prices, however, are very much in line with similar gilt edge investments in this country."

They refer to the two securities above mentioned and then state, - "There are numerous other very well protected debenture issues in smaller amounts that could and should be included in any portfolio of silver securities but for the purpose of illustrating the type of investments we have in mind for your funds, the two above mentioned are rather typical."

Hoping we have some good news from you in reference to your campaign, and with sincere personal regards, I am,

Most truly yours,

EMMCB.A

0590

Christmas Day, 1933.

To the Board of Trustees:

The problem of how a Christian university in China can be effectively evangelistic under the existing conditions is partly one of technique. The use made of the Christmas season at Yenching seems this year to have shown marked improvement from this standpoint. At the Assembly last week the whole student body were gracefully reminded by a Chinese administrative officer that the twentyfifth would be observed by us as Founder's Day since the University existed only because of Jesus Christ.

Under the leadership of Mr. Wiant Handel's The Messiah has been rendered for eight successive seasons both on our campus and in the city by a chorus of 140 voices, chiefly students but with a good sprinkling of faculty members. In the long period of training Mr. Wiant always stresses the religious significance of this great oratorio. This year it was given on Sunday evening, the seventeenth, in Bashford Auditorium, crowded to capacity, with the chorus in the gallery. The stage had been transformed into a chancel with altar and bronze cross in the centre. Mr. Ritter and Dr. T. T. Lew led in prayer or read key verses at intervals, and the lighting helped to keep this consciousness of the whole performance as a great act of worship. The scripture passages of which the oratorio consists were printed in full in Chinese and English with explanatory comments and were read by perhaps every one present. The reverent silence throughout the two and a half hours testified to their appreciation of this aspect as well as to that of the music. It brought me no slight comfort as I listened and watched to reflect not only that this was a great artistic success but that the University was in effect preaching the Gospel of its Lord with rare impressiveness to its whole body of students. The repetition two evenings later in the crowded Dining Room of the Grand Hotel de Peking (the largest available hall) bore similar witness to the international community of Peking and again with a noticeable increase in the religious attitude of the audience.

On Friday evening the faculty entertained the students by giving two plays both redolent of Christmas in the truest sense, after which they were received according to colleges in four different centres. The whole atmosphere of the auditorium and of the social features which followed and the crowded attendance was most gratifying, and no one could have been present without realizing what was the animating purpose.

On Christmas Eve there was the usual Sunday morning Service and a joint Chinese and English candle-light service of rare beauty in the crowded chapel. In this framework there were numerous gatherings in faculty homes or other more personal relationships, but all avowedly basing ~~to~~ the social entertainment upon the religious meaning of the season. Nor was there any hint of the

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anti-Christian reactions which have shown themselves over the country in recent years any more than there was of fear lest by making the Christian nature of the celebrations too prominent offense might be taken. Ofcourse such acceptance by the student-body of the faculty program would not have been possible had there not been a respect for the institution and its ideals strengthened by the daily contacts in class-room and otherwise. But in all my years of association with student religious work in Central China and more recently here I have never felt quite the same sense of encouragement as from this year's treatment of the Christmas theme on our campus. It unquestionably registers progress in our own attempts to exert religious influence.

In addition to all that was done for the students directly there have been many activities which they observed or in which they helped. A celebration by the Yenta Christian Fellowship for employees took place one evening of Christmas week; another one was packed to the last bit of standing room by the people of the neighborhood, servants and their families, etc. The faculty wives operate five centres for teaching needle-work to some 300 poor women in neighboring villages and selling their product, and all these had their festivities. There are eight Sunday Schools in these villages all of which had joint celebrations yesterday and today. There are the practice schools, Mrs. Learmonth's dispensary, and other agencies through which the Christmas message from Yenching finds an outlet to its environing community.

In a few minutes will begin the event which for several years past I have claimed as my old special privilege when all the faculty children (now about 130) are invited to bring their parents to see the Christmas tree in my home and watch Santa Claus dispense simple tokens or be served in the dining-room where for the rest of the year grown-ups assemble for their own ends.

There are so many grave anxieties now haunting those concerned with Yenching that I cannot resist sharing with you the best part of my Christmas joy today while the impression is vivid and fresh.

J. L. S.

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JOINT OFFICE

A. T. S.

of the University of London and the University of Cambridge  
with reference to the various letters and reports which have  
been sent to the various authorities and committees.

The first of these reports was the report of the  
various committees of the University of London and the  
University of Cambridge in 1928 and 1929. These reports  
discussed the position of the various authorities and  
committees and the various reports which have been sent  
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The second of these reports was the report of the  
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December 28, 1933.

Dr. J. Leighton Stuart  
Yenching University  
Peiping, China

Dear Dr. Stuart:

Your letter of November 28th came after my return to the office.

You have doubtless had copies of the communications which I sent to the office and which I asked Mr. Hedrick to send on to you for your information. These letters almost repeat the experiences of St. Louis but I think conditions were increasingly worse as I went west.

SEATTLE. In Seattle we finally completed the relationship with Plymouth Church which Mr. Bocker has been desiring for so long a time. This gives us at least a church connection there though it may mean nothing more at the present time to us. It will give us a certain amount of publicity in that group and will give us access to the members of that church, though I think they guard very carefully the question of any additional contribution for Yenching under present conditions. I had a very pleasant interview with Mr. Colman and I believe that if I go there more deliberately I can have access to him even in his own home or in some of his camps around Seattle and thus gain a real hold upon him. Mr. Bocker was very helpful in the church connections; outside of that he was not able to do much for me. He was very busy, however, with his new carpet and linoleum business, which seemed to me one of the busiest places I saw while I was in Seattle. Dr. Hiltner was exceedingly helpful with his advice and can be looked upon as one of our best friends in the city. He seems to be very favorably known, especially in the church connections. He told me in confidence that he had put a small sum of money into a mine in which a friend of his was interested, and which he hoped would bring some considerable return. In his enthusiasm he added that if this came in he would not forget Yenching. Lew Kay was very cordial and in an afternoon conversation which I had with him he indicated that he expected to give Yenching something in the fall of next year; that by that time Mr. Goon Dip's estate would be settled and that whatever they had from it would be available. I discussed this very fully with Dr. Hiltner and he is carrying on for us with the thought of securing a memorial to Mr. Goon Dip, one-third to be provided each by Mr. Lew Kay and his wife, Mr. Goon Dip's wife, and Mr. Goon Dip's son. I hope this will materialize.

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Dec. 28, 1933.

PORTLAND. The most hopeful thing in Portland is probably the failing estate. I made a very interesting contact there and gave letters of introduction to you to the son of the manager of the estate. Any little courtesy which you can extend to him, a young man in the airplane service in China, will help toward the desired end.

SAN FRANCISCO. The situation in San Francisco is about as we saw it. There is no very definite hope of any gift in the immediate future there, though some connection with the University of California looked promising since Dr. Deutsch is much interested. I am writing you concerning this in a separate letter.

LOS ANGELES. Mr. Lloyd here is certainly our big hope. I had a long, unhurried discussion with him during the lunch hour and he promised to give us \$1,000 with the understanding that it was to go to China for investment, and I expressed to him the hope that it would be matched as soon as it got out there and would form the beginning of a fund to be handled by your Board of Managers under the direction of a group of Chinese bankers, to show what could be done with funds in China. Since I got back to the office I have learned that the Board of Trustees took, at just about that time, definite action in connection with the question of investments in China and that the minute of this meeting has gone on to you. Of course where the giver indicates in his gift what he wishes to be done with it, his wishes will be followed, so Mr. Lloyd's gift will come to you as soon as it is received. His check and letter have not yet reached the office. Mr. Warner was unable to give me any time on this trip and for that reason I was not able to cover the points on the way south from Los Angeles to San Diego. Miss Veghte was very good to me in Pasadena and we made quite a number of calls there but secured no funds. Miss Elizabeth Berry was killed this winter as she was returning from Detroit in an automobile. A car ran into the side of her car and killed both Miss Berry and her companion, Miss Wilson, who was driving the car. I judge that Miss Berry's fortune will go to Mrs. Colby. I saw Mrs. Colby but it was so close upon the death of Miss Berry that I did not ask concerning this matter. I can well do this in the Spring when I go back.

I wish very much that you would make your plans for the million dollar drive in China the subject of your next letter to the Advisory Council and that you allow us to have quite a large number of extra copies of this for general distribution as we write letters to various individuals from the office here. Such a move on your part at this time will meet with a very warm approval by the friends of the University everywhere, I am sure, and if you state fully the financial difficulties which we face,- a cut of 25% this year and a cut of almost 50% of the balance through the decreasing value of the American dollar, and then the failure to secure the usual annual subscriptions,- this may make an appeal which will result in something being secured here which would not otherwise be given us.

I suppose you are having the information from the office concerning the big drive being put on by the Associated Boards for publicity for the

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Dr. J. Leighton Stuart

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Dec. 28, 1933.

China Universities. This seems to be absorbing most of the activity and attention of the people in the office at the present time.

With every good wish, I remain,

Yours sincerely,

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學大京燕  
YENCHING UNIVERSITY  
PEIPING, CHINA

OFFICE OF THE PRESIDENT

YENCHING

TELEGRAPH ADDRESS  
"YENTA"

December 29, 1933

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

My dear Mr. Garside:

I have your letter of November 24 regarding the budget arrangements for the College of Natural Sciences for next year. The action of the Trustees is quite easily understood and we are fully aware of the uncertainties facing this College after June 1935. The question remains, however, whether a decision arrived at in New York as to the precise amount to be spent next year is more to the interest of the work to be done, than one by which we are given complete information and allowed to administer the affairs of the College with all of this in view. There are commitments to teachers and to students as well as to the Rockefeller Foundation in the maintenance of graduate work which are better understood by us than can possibly be the case in New York. If we fail to raise \$250,000 by June 1935, or even if we are successful and the Rockefeller Foundation does not renew its conditional grant, we shall have to make drastic reductions, but these can be made with full knowledge of such eventualities and with time to discontinue teachers and to make provision for students to transfer elsewhere. I cannot resist the feeling, therefore, that the Trustees would have been no less faithful to their own responsibilities, and would enable us to carry out ours more satisfactorily if they had authorized the actual income to be expected next year, less such amounts as are retained for promotional efforts for this unit. As it is, I am compelled to submit to the Trustees for their decision details which we are powerless to deal with here. I am enclosing a preliminary draft of the budget. Three teachers have been dismissed and economies of all kinds have been effected; even so, there is a deficit of approximately \$15,000. What are the instructions of the Trustees regarding this deficit? Mr. E. O. Wilson is entitled to a year's leave of absence which should really begin next month. If this is further delayed for a year, he would have a claim against us at the expiration of this period. If the worst happens in our financial outlook, we would be obligated to pay his travel back to the States and to support him there at least for several months. If there is no legal obligation to maintain him for a year, there would certainly be a moral one, unless he were fortunate enough to find work immediately on arrival or in the midst of an academic year already begun, either of which is quite unlikely. Mr. Wilson has been on the faculty of this College

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longer than anyone else and is an especially faithful and efficient teacher. He has latterly been stressing Industrial Chemistry which is one of the most useful features we could develop. He has shown unusual skill in relating our students to the Industrial problems of the country. My own very definite judgment is that it would be better to let him go to the States next summer according to contract and have a year there at our expense, during which he can be improving himself in his own subject and watching for opportunities to stay in America, if, as the time draws near, that seems necessary. Otherwise he would be ready to return to us under the permanently established endowment for this College. As to the others listed, all of the teachers are absolutely necessary to carry on the work for which we are under obligation as pointed out above. In Biology, the two major teachers are both showing signs of the heavy strain resting upon them, and for this reason we are insisting that Dr. Wu return to China next summer, although he has a possibility of staying on at Cornell for another year without expense to us, whereas his return increases by so much our budget deficit. The same is true of the other departments. It is comparatively easy to issue orders in New York that a budget must be kept within certain figures, but literally impossible to carry these out when commitments must be maintained. The problem for us is of course very much aggravated by the difference in exchange. We at first felt that we should estimate it at 3:1, but you will note that we are using 2.50 on the enclosed calculations. A further consideration is that the present personnel (not including of course some in the lower ranks intended to be temporary) are such as we would want permanently, assuming that we attain our financial objectives. If we let them go for only one year and find ourselves able to continue on our present basis, it would be extremely difficult to get them back, to say nothing of disorganizing the work to be done for that one year. My earnest plea, therefore, is that the Trustees allow us to carry on the work next year as we feel is essential, but have it understood that beginning with the autumn of 1935 it may have to be on a very much reduced basis. This will give us time to provide both for teachers and students to go elsewhere and to make other necessary arrangements. If we are reduced by that date to the income from \$500,000., especially at prospective rates of interest and of exchange, it means such a disruption of the work in this College that whatever it is that the Trustees are setting aside will be of only slight and temporary help, and it will be decidedly easier to let us use some of this to get through next year.

I referred above to our obligation to the Rockefeller Foundation. It is not only impossible with the income as authorized to carry out these obligations, but the unavoidable dismissal of enough

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teachers to balance the budget will unquestionably have a very unfavorable effect upon the representatives of the Rockefeller Foundation in China, and will thus prejudice our chances of securing a renewal of the original conditional grant. It would seem, therefore, that even from the standpoint of our future welfare it is better to accede to our request.

In explanation of the tentative budget enclosed, the names of those supplied by boards or otherwise are not included, this being merely to show the financial situation. Another point to be kept in mind is the present very strong trend toward Natural Science. There are about 130 students in Pre-medical and Pre-nursing courses. Quite a number were sent here by the Rockefeller Foundation or otherwise to be trained for advanced teaching of these subjects. We could of course discontinue the work in Leather which has been built up through a long period and is one of our most unique features. Almost all of the students who have taken this course are actually in some form of tanning or leather goods industry. By carrying out the instructions of the Trustees we would necessarily have to reduce quite considerably the number of students in this College, thus disturbing our student quota and very probably reducing our total enrollment, which in turn means loss of income from fees and other disadvantages. Here again, if as we approach June 1935, the outlook is unpromising for maintaining the work on its present basis, we shall have ample time to make the necessary adjustments while having kept faith with all concerned.

The phase of this problem, however, which gives me far more anxiety than any other is as to the process for putting our present income on a permanent basis. In talking recently with Mr. Gunn, he told me that it was very unlikely that the Rockefeller Foundation would consider voting an endowment grant to any institution because of their own depleted income. He indicated that the best thing for us was to go ahead with our part of the program which would give us a better case for making our request which would then be considered also in the light of the total situation. What, therefore, are the plans of the Trustees for active efforts to raise this sum of money by the required date? (Is it intended to retain Dr. Gee for next year? If so, I trust that a decision can be reached as soon after this letter arrives as possible if it will not already have been settled. It may be superfluous, and yet I cannot resist reminding the Trustees concerned through you that he is unusually sensitive and continues to smart under the humiliating treatment which he feels he has received in the negotiations thus far. A letter from his wife indicates that the physical ailment from which he suffers (diabetes) seems to have been considerably aggravated by this experience and by the very arduous and disspiriting task of soliciting

money when no one feels in a position to respond. I trust furthermore that the relationships between Messrs. Pierce and Hedrick, if their services are to be continued, and himself, will be given very careful consideration. He writes that on the west coast he did not receive the slightest help from this firm. If this was understood by others it is unfortunate that it was not made clear to him. I myself encouraged the arrangement that he have the west coast as his own free field of opportunity, and I incline to think that it was with this thought that arrangements were made for him. I mention these items more to illustrate the importance of exerting every effort to enable him to do his share of this urgent task to the best advantage. Mrs. Gee is seriously considering carrying him down to their home in the south for a sufficient period of rest to recover, which is a factor which must be kept in mind in further planning. Whether before the fatal date, economic conditions will sufficiently improve in the country to encourage any such effort as this is a question which is doubtless constantly under consideration by the Trustees. )

Pardon this lengthy letter. It is an attempt to clarify the issues involved. I appreciate the solicitude of the Trustees and am trying to indicate the form in which it seems to me this can prove most helpful and enable us to continue cooperating with thorough mutual understanding.

Very sincerely yours,

*Sheldon Stewart*

JLS C

*I am enclosing a memo.  
on Xmas which strikes a  
different note.*

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學大京燕  
YENCHING UNIVERSITY  
PEIPING, CHINA

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS  
"YENTA"

YENCHING

December 30, 1933

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

INDEXED

My dear Mr. Garside:

Since writing you the letter dated yesterday regarding the Natural Science budget, it occurs to me that some question might be raised in New York as to why we do not make reductions in teachers' salaries. You will already have learned of the attempt to start a campaign in China for an endowment of one million dollars. The faculty voluntarily and with a very fine spirit pledged one-tenth of this to be paid in during a four-year period. Obviously after this it would be almost impossible to make a cut in salaries. I of course faced the alternatives, and while a salary cut would have helped the immediate problem of next year, it seemed to me that the moral effect of the other method would count much more. Not only so, but there would be the ethical issue of the claims of different units in the event of a salary cut. As it is, the endowment proposed is for the University proper rather than for any of these various independent units.

January 5 - This letter which was started before the holidays has been delayed.

I am enclosing a statement which, as you notice, has been approved by our Faculty Committee and by the Board of Managers. The Trustees will probably not care to take any action until after they learn of the outcome of the meeting of the Council of Christian Higher Education later on this month. I earnestly hope, however, that no active plans for a joint campaign will be developed unless the action of the Council is in the direction of such reorganization as would support the Yenching point of view. In this connection I was keenly disappointed to receive the printed matter for the New York China College dinner. This seems to accept the maintenance of the ten colleges included and the other three as essentially the basis for promotional efforts. It seems a very different policy from the one that I took to be indicated by the meeting of the Associated Boards last April, and it is certainly encouraging the executives in each one of these institutions to go ahead as they now are in the hope of securing funds by this process and with the endorsement of the authorities in North America. Further argument on our part seems useless, so that there is nothing left but to protest.

Very sincerely yours,

*J. Highton Stuart*

JLS C

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SUGGESTED  
ITINERARY  
FOR  
PROPOSED TOUR  
UNDER THE AUSPICES OF  
YENCHING UNIVERSITY  
VIA  
AMERICAN MAIL LINE  
AND  
DOLLAR STEAMSHIP LINES

ITINERARY #1

September 1st	Sail from <u>Seattle</u> SS. PRESIDENT JEFFERSON	11 A.M.
September 2nd) to ) September 13th)	<u>Across the Pacific</u>	
September 14th	Call at <u>Yokohama</u>  We will be met by a guide and escorted to Tokyo and return by train. At the new capital, luncheon will be served at the Imperial Hotel and in the afternoon an automobile tour will be made visiting the Imperial Palace, Meiji Shrine and its Outer Precincts (stadium and picture gallery), Kugan Hill, Ueno Park, Imperial Museum, Asakusa Park, Kwannon Temple, etc.	7 A.M. until 6 P.M.
September 15th	Arrive <u>Kobe</u>	4 P.M.
September 16th	A Ricksha will be provided for half-day sight-seeing in Kobe, visiting Nuobiki Waterfalls, Suwayama Park, Theatre Street, Minatoghwa Shrine and Mokomaghi Shopping Street, accompanied by a guide.  Sail from <u>Kobe</u>	Afternoon Tide
September 18th	Arrive <u>Shanghai</u>  Transfer to the Metropole Hotel.	
September 19th	In Shanghai - at your disposal  Leave on Midnight Train for <u>Nanking</u>	

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September 20th	Arrive <u>Nanking</u>	7:45 A.M.
	Transfer to Yangtze Hotel. Private automobile will be at your disposal for visits to the Ming Tombs, the City Wall and the Sun Yat Sen Memorial. Nanking is the centre for the manufacture of heavy silks, brocades and tapestries and its native quarter will be your first introduction to real China.	
September 21st	Leave <u>Nanking</u> 10 A.M. by ferry for Pukow	
	Transfer to train and leave at 11 A.M. for Peiping.	
September 22nd	Arrive at <u>Tsinanfu</u>	7:30 P.M.)
	Leave	8:00 P.M.)
September 23rd	Arrive <u>Tientsin</u>	5:00 P.M.)
	Leave	5:10 P.M.)
	Arrive <u>Peiping</u>	8:48 P.M.
	Transfer to Wagons-Lits Hotel de Peking.	
September 24th	Tour will be made by private automobile to the Temple of Heaven, Temple of Agriculture, Bell Tower, Drum Tower, Hall of Classics, Confucius Temple and Llama Temple.	
	In the afternoon, by ricksha, the Forbidden City, State Museum, Picture Gallery and Central Park will be visited.	
September 25th	Six-hour automobile tour will be made to the summer palace, Jade Fountain, Sleeping Buddha Temple and Green Cloud Temple.	
September 26th)	Excursion will be taken to the Ming Tombs,	
and )	Great Wall of China by train and sedan car.	
September 27th)		
September 28th)	These two days will be left open for plans to	
and )	be arranged by Yenching University. These	
September 29th)	plans will be presented to you upon your arrival in Peiping.	
September 29th	Leave <u>Peiping</u> - via rail	10 P.M.
September 30th	Arrive <u>Hankow</u>	1:25 P.M.
	Transfer to the Hotel Terminus.	
October 1st	In <u>Hankow</u>	
October 2nd	Leave <u>Hankow</u> - via morning steamer	

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October	3rd	Call at <u>Kiukiang</u>	
October	4th	Call at <u>Wuhu</u>	Morning
		Call at <u>Nanking</u> and <u>Chinkiang</u>	Afternoon
October	5th	Arrive <u>Shanghai</u>	
		Return to the Metropole Hotel	
October	6th	Leave <u>Shanghai</u> - by train	9:10 A.M.
		Arrive <u>Hangchow</u>	2 P.M.
		Stay overnight at the New Hotel - Westlake	
October	7th	Return to <u>Shanghai</u> - by rail	
October	8th	Leave <u>Shanghai</u> by morning train for trip to <u>Soochow</u> and return. (Rickshas may be arranged.)	
October	9th	Sail from <u>Shanghai</u> SS. PRESIDENT HOOVER	
October	11th	Arrive <u>Kobe</u>	Tide
October	11th	Leave <u>Kobe</u>	4 P.M.
October	12th	Arrive <u>Yokohama</u>	11 A.M.
October	12th	Leave <u>Yokohama</u>	6 P.M.
October	20th	Arrive <u>Honolulu</u>	Noon
October	20th	Leave <u>Honolulu</u>	10 P.M.
October	24th	Arrive <u>San Francisco</u>	4 P.M.

Having gone this far around the Globe many of you will wish to continue to Hong Kong, the Philippines, Malaysia, Ceylon, India, Egypt, the Holy Land, Italy and France and for those, we are showing an extension trip available in connection with the continuous round-the-world sailings of the Dollar Line.

ITINERARY #2 (Continuing around the world)

October	9th	Sail from <u>Shanghai</u> SS. PRESIDENT JOHNSON	Tide
October	12th	Arrive <u>Hong Kong</u>	Tide

You may arrange a half day excursion by automobile around the Island via Repulse Bay. Then proceed to the lower Peak station where Funicular is used for the ascent to the Peak from which point a remarkable view of one of the world's most suitable harbors is obtained.

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October	13th	Sail from <u>Hong Kong</u>	8 A.M.
October	15th	Arrive <u>Manila</u>	7 A.M.
		An automobile tour may be arranged for a visit to the old Walled City, Church of the Immaculate Conception, Jesuit Church and Escolata, returning to the Manila Hotel for luncheon.	
		The afternoon will be free for independent action and transfer made by automobile to the steamer and sail at midnight.	
October	20th	Arrive <u>Singapore</u>	6 A.M.
October	21st)	In <u>Singapore</u>	
and	)		
October	22nd)		
		Three and one half days are spent in the "Crossroads of the World." A visit will be made or arranged at the beautiful botanical gardens, Raffles, Museum, one of the rubber factories, Chinese quarters, etc.	
October	23rd	Sail from <u>Singapore</u>	Noon
October	24th	Arrive <u>Penang</u>	Tide
		A half day will be spent in driving around the Island.	
October	25th	Leave <u>Penang</u>	Tide
October	29th	Arrive <u>Colombo</u>	6 A.M.
		After an early breakfast, an automobile trip may be arranged to Kandy, where you can visit the Temple of the Sacred Tooth, Elephants Bathing Place and the famous Peradinya.	
		Leave <u>Colombo</u>	8 P.M.
November	1st	Arrive <u>Bombay</u>	1 P.M.
		Automobile sightseeing tour may be made visiting the Towers of Silence, the Hindu Burning Ghat, Hanging Gardens, Prince of Wales Museum and other points of interest.	
November	2nd	Sail from <u>Bombay</u>	1 P.M.
November	12th	Arrive <u>Suez</u>	5 A.M.
		Suggest transfer to Cairo by automobile arriving about noon where hotel accommodations may be obtained at the Continental Savoy Hotel. After luncheon, automobile and guide can be obtained	

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for a drive to the Pyramids of Giza where camels will be used for a ride around the Pyramids to the Sphinx.

Return to town in the late afternoon.

November 13th

A morning drive by automobile could be arranged to the Egyptian Museum with its wealth of treasure from Tut-Ankh-Amen's Tomb; thence to the Citadel and Mosques of Mohammed Ali and Sultan Hassan.

Leave Cairo

Afternoon train

For the three hour journey to Alexandria where transfer will be arranged from station to the steamer.

Sail from Alexandria

Midnight

November 17th

Arrive Naples

6 A.M.

Full day excursion may be secured by auto via Pompeii, to Amalfi and Sorrento, returning in the late afternoon.

Sail from Naples

Midnight

November 19th

Arrive Genoa

6 A.M.

A two and one half hour motor coach trip may be secured with guide, visiting the Cathedral, House of Columbus, White or Red Palace and Royal Palace.

Afternoon free for independent action.

November 20th

Leave Genoa

5 P.M.

November 21st

Arrive Marseilles

8 A.M.

Suggest motor coach tour around the city.

Leave Marseilles

5 P.M.

December 4th

Arrive New York

10 A.M.

- - - - -

Your round the world ticket would be good for two years and if time will permit even a more comprehensive tour than the foregoing - the suggestions hereunder will be of interest to you:

#### INDOCHINA AND SIAM:

This trip is usually made by leaving the "President Liner" at Hong Kong, rejoining it at Singapore or Penang, though it can also be made as a side-trip from Singapore or Penang.

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Itinerary #2 - Tourist Class . . . . .	\$ 764.00
First Class . . . . .	979.00
(Round-the-World Extension)	

THE PRICE INCLUDES:

- 1 - \$545.00 provides Tourist Class steamship accommodations on American Mail Line and Dollar Line steamers.  
  
\$796.00 provides First Class steamship accommodations on American Mail Line and Dollar Line Steamers.
- 2 - Shore arrangements will consist of sightseeing as specified at Yokohama and Kobe. Hotel accommodations during all overnight stays in China, including a bed in a double room with private bath and three meals per day.  
  
Rail and steamer transportation - First Class - in accordance with schedule.
- 3 - \$764.00 provides rail transportation from nearest main railway point to your hometown, to Seattle and return from New York to starting point.  
  
Tourist Class steamer accommodations on American Mail Line and Dollar Line vessels from Seattle completely around the world to New York. Shore programs at all ports as specified, from Yokohama to Marseilles.
- 4 - \$979.00 provides rail transportation from any main railway point to Seattle and return from New York to starting point. First Class steamer accommodations from Seattle to New York. Shore programs as specified, from Yokohama to Marseilles.

ITEMS NOT INCLUDED:

Itinerary #1 from Seattle to Shanghai and return to San Francisco does not allow for trans-continental rail or Pullman accommodations.

Transfer of passengers and hand baggage between railway stations, steamer piers and hotels, except at Shanghai and Peiping.

The U. S. Revenue tax is not included (\$5.00).

PASSPORTS AND VISES:

NOTE: The fares are based on the present value of foreign currency in relation to the United States dollar (March 24th, 1934) and are subject to confirmation or adjustment, (either way) when final payment for the tour is paid.

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