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Warner, Franklin H  
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PEKING

TRANSFER

PEKING UNIVERSITY

May 14th, 1926.

Mr. Franklin H. Warner,  
415 Lexington Avenue,  
New York City.

My dear Mr. Warner:

The following is a memorandum of the conference at lunch today of yourself, Mr. Schell and myself on Peking University Finance Committee matters.

1. Inasmuch as two members of the Finance Committee would be abroad until October and as a third was leaving in July to be gone also until Fall, and as you yourself are leaving in a day or two to be gone until September in the far west, and as it thereby becomes practically impossible to get a quorum of the regular members of the Finance Committee, it was agreed that you should appoint as members of the Finance Committee to act in the absence of Mr. Evans, Mr. McBrier and Mr. Stock, - Mr. T. E. Wheeler, Mrs. C. K. Roys, (alternate for Mrs. Williamson) and Dr. F. M. Worth, and that in case, because of other absences, the Committee might be further reduced, Dr. George T. Scott and Dr. Frank D. Gamewell would be appointed by you members of the Committee.

In order to have this matter duly in order it was understood that you would write me at once of these appointments.

2. It was agreed that I should investigate the arrangements which could be made with a bank or trust company to act as custodian of the securities of the University and be prepared to report a recommendation for the next meeting of the Trustees of the Executive Committee with a view to putting this into effect as soon thereafter as possible.

3. I presented a letter of Mr. W. M. Kingsley giving his judgment as to the security holdings of the University, as kindly secured for us by Mr. Kerle-Smith. It was agreed that the apparently disproportionate investment in public utilities would be best handled, not by modifying the present investment but by adjusting the proportion and making new investments.

4. It was agreed that I should secure a list of securities suitable for the investment of the Wall Endowment fund in order that we might be prepared to act promptly when the funds are available

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Mr. Franklin H. Warner

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May 14th, 1926.

for investment.

5. I reported that on the basis of word from Mr. Gibb, \$5600 a week would be required to complete building operations, on a minimum basis, by first of October. We would need in cash between \$40,000 and \$70,000 more than was now in sight. Note was taken of the fact that the condition of the current account is affecting the cash available adversely.

6. It was agreed that if funds could be secured the library stacks should be constructed of steel rather than wood.

7. Consideration was given to the need for beginning construction of the infirmary, but it was thought wise to hold this matter over until a regular meeting of the Committee.

8. It was agreed that in view of the absence of Mr. McBrier, Treasurer, from the country, the Secretary should make such arrangements as the By-Laws provide, for signing of checks and that if adequate provision could not be made without action of the Trustees or Executive Committee, the arrangements should be made for this action.

I shall be glad to have word from you on the vacancies in the Finance Committee before you leave.

Cordially yours,

RHW/RT

Secretary

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Copy

Mrs. Franklin Warner  
30 Ridgeview Avenue  
White Plains, N. Y.

May 25, 1926

Dear Dr. North.

Your letter of the 22nd found me at Boulder this morning.

It was Dr. Stuart's wish as well as mine that the gymnasium should be started this spring so as to be usable next Fall. They are to start the locker wing first and ruff it over to make a square building of it and I hope that I will be able to finance the balance a year or two later. Mr. Murphy has this in view and so will lay it out with that in mind. I also talked over the sight with him and I hope that that will be one of the things that he does out there.

✓ With the \$5,000. that I have put in and with another \$10,000 I expect that the first wing can be built. As I told you when last we talked I expect to turn the \$10,000 over to you next Sept.

We are having a fine trip and are at the first State meeting here at Denver.

I am always glad to hear from you and my secretary will remail any letter to me and you can get the address from her.

Sincerely

(signed) Franklin Warner

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學大京燕  
YENCHING UNIVERSITY  
PEKING, CHINA.

PEKING

**TRANSFER**

DEPARTMENT OF PHILOSOPHY

June 3, 1926.

Mr. Franklin H. Warner,  
Peking University,  
156 Fifth Avenue,  
New York, U. S. A.

My dear Warner:

The University term ended on May 29 with interesting and picturesque Commencement Exercises. You have probably heard that we finished the term early--crowding the work as much as possible-- in order to have the dry month of June for the major part of the task of moving the University from Peking to Haitien. In spite of the unfinished conditions into which laboratories as well as families have to be moved, we are all glad about the real Hegira, which has been anticipated for so many years. I cannot help thinking back to the autumn of 1918, when Edward Lincoln Smith came out to help us get started and assured us that the Trustees would get us out of temporary quarters in the Southeast corner of the city within three years. The three have lengthened into eight, but the promise of beauty, fine equipment, and healthful living at Haitien more than compensate for the enforced imprisonment in our dirty corner--ours no longer.

We have greatly enjoyed having Murphy in Peking to study the buildings and architect and construction problems immediately before the University. I have been anxious to have him come earlier. He is, of course, making his formal report to you and the Trustees. I should like to make only a few comments which may help you to interpret better some of the things he will report. As you know, I am in general entirely in sympathy with Mr. Murphy's plan. I have felt all along that he, as official architect of the University, should have a very large voice in the determination of the practical working out of the plans he conceived. I feel also that there has been waste motion in the machinery that has handled construction because it has been difficult to know the relationship between the Construction Bureau, the Board of Managers, the President of the University, and the Trustees. Part of the trouble has undoubtedly come from President Stuart's unwillingness to act positively in his own name, as he had every right to do. Part of the difficulty has come from Mr. Gibb's methods of work, which, frankly, make him a sort

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Mr. Franklin H. Warner,  
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of dictator and final authority--subject to the Board of Trustees--on construction matters. Gibb has always disliked the committee method of doing business which is in vogue in connection with the academic and administrative phases of the University work.

Now you will get from Murphy a very sharp critical report of Gibb and the Construction Bureau. I feel it is a good thing for you to have the specific items of criticism that Murphy makes. I hope that none of the Trustees will feel that Murphy's report warrants any hasty actions. My own feeling is that Gibb, whatever his limitations, has been of really inestimable value to the University in the work of construction. I believe it would be a tragedy to have him sever connections with the University now, even to have him feel that a majority of his associates here in China do not have confidence in him. The tragedy in personal and institutional relations <sup>as</sup> would be involved with his withdrawal from the University under something of a cloud would be a tragedy which I feel that we as a Christian brotherhood should do everything in our power to avert.

I believe that President Stuart has worked out a scheme through several sub-committees--one on landscape, one on construction and architecture, one on painting--by means of which it ~~would~~ be possible to hold Mr. Gibb in check so as to insure that no unnecessary mistake is made and to secure the artistic taste and constructional knowledge which Mr. Murphy feels are so lacking in some phases of Mr. Gibb's work.

I believe that if you Trustees can contrive to stiffen up Stuart so that he will stand up to Gibb and assert the authority which the University President ought to have, and at the same time insist that Mr. Murphy's general plans in the way of landscape, color, construction, etc., should be carried out (subject to an arrangement which provides for this) ~~that~~ you will have done not only the best that can be done in the present situation, but will have made an arrangement that will insure avoidance in the future of unnecessary errors and the fulfillment along the best lines of the possibilities which we all see in the group of buildings at Haitien.

While I am in real sympathy with all of Mr. Murphy's general plan and with some of his specific criticisms of present construction, I realize quite clearly his own limitations in the matter of Chinese architecture. As I wrote you something over a year ago, I have taken occasion during the last year to make specific studies of Chinese buildings in the city which illustrated features that I thought might be eventually useful to us in our group of buildings at Yenching. While Mr. Murphy was here I had the pleasure of showing him some of my discoveries. I found that he and I had very much the same point of view and appreciated the

Mr. Franklin H. Warner,  
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same type of thing in Chinese architecture. I have now undertaken to carry on more specific studies in Chinese architecture as fully and rapidly as possible so as to be of help to him in making suggestions. The very best thing possible would be for Mr. Murphy to establish himself in Peking for six months or a year studying Chinese architecture under the guidance of some one like myself who has begun to know where to find the gems. Mr. Murphy is so quick at seeing the significance of new suggestions, and on the whole so willing to learn, that he would rapidly prepare himself for much better judgment on the details of Chinese architecture than he has at present. He has got hold of some of the general features unusually well, but in detail he is not to be relied upon *unreservedly*,

I know you will take my letter in the spirit in which it is written. I simply want to give you a point of view which I believe may be of help to you in making the important decisions which you as *the* most interested, as well as one of the most responsible, of Yenching University Trustees, have to make.

We have been much interested in reading of Mrs. Warner's new position and of her various official utterances. Please give her warm greetings from Mrs. Porter and myself.

I should like to go on and tell you of the very interesting visit we have had with Dr. and Mrs. Jefferson and Dr. and Mrs. Strong, but there is no time for that this morning. I am sending under another cover later on part of my journal letter describing some of the fun and some of the serious discussions of those visits.

I cannot close without a brief reference to the marvellous way in which President Stuart has carried himself during this last week. Oppressed by desperate anxiety on account of Mrs. Stuart, he has nevertheless fulfilled his responsibilities to the University in a way that has won the regard of all, and has been an expression of Christian grace and fortitude.

There are many difficulties ahead of us in the next few months of moving, but you may be assured that the staff here is facing them with eagerness and enthusiasm, looking forward to the building up of the work with the large possibility offered by the new site in the way that will be full *up* our educational *direction* and *of* our *Christianity*. *Devotion* *up*

*July*

Very sincerely yours,

*Lucius Porter*

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PEKING

Peking University

June 8, 1926

Mr. Franklin Varner,  
415 Lexington Avenue,  
New York, N.Y.

My dear Mr. Varner:

In accordance with your letter of May 25th, I have cabled the field to erect the north end of the gymnasium.

You will be glad to learn that yesterday's mail brought in \$19,000. of which \$14,000. was a final payment by Mrs. McKelvy for the infirmary, and I have therefore authorized them to construct the central part of the infirmary. This amount coming in was a great satisfaction as we have been having a somewhat anxious time concerning our bank balance. I hope, however, that sometime in the next two or three weeks we shall receive about \$58,000. from the Hall Estate which should help matters along considerably, but will not see us through to the end of our financial problem by any means.

There is a distressing personal letter from Stuart saying that his wife, who has been ill all winter, is seriously ill at the hospital and the doctors have reported that there is virtually no hope of her recovery. The basic difficulty is her old heart trouble. I think that with the death of his mother, and with this serious illness of Mrs. Stuart, he must feel particularly alone with his problems. Perhaps you will wish to write him a note.

Cordially yours,

Secretary  
Peking University

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CLAUDE N. STARR,  
PRESIDENT

GEO. R. TREMBLAY,  
MANAGER



# Sovereign Hotel

Portland, Oregon

July 10, '26.

PEKING

TRANSFER

Dear Dr. North;

This mail brings a letter from Dr. Porter and one from Mr. Murphy. I suspect that you have received another copy of Mr. Murpheys letter but I am enclosing Dr. Porters letter as you rprobably have not seen a copy.

I have written Dr. Porter that I did not think that a complete meeting of our Finance Committee could be had before about Sept. 1 st as so many were away and that if you did get a meeting that you would not take action on any more points than were really necessary. I plan to be home by Sept 1 st.

I will write Mr. Murphey a letter that I hope will catch him as he arrives at Seattle, and if possible will arrange a conference before he goes East. I think that it might be at Walla Walla, but I will give him by itinery. We will have left Seattle as appoint, ents have been made for us every day from now to Aug 13 th. and then we start for home from Montana.

We are all in sympathy with Dr. Porters letter and will do all we can to hold the ship steady to the end of the building program. I have no ideas until I have seen eith Mr. Murphy or his report. How ever I think that the sub committees that Dr. Stuart has appointed are all in the line of safe guards.

We are continuing to have a fine trip and I hope that it will result in the better understanding in our denomination. I have seen so many places that there is a serious over laping of denominations, that I wish some thing could be done in the line of merger of different churches in some of the small town that would result in a fine self supporting church in place of the several misson churches that all depend on the central office to finance them. Unfortunately you and I can not have our way, for we sure could correct many evils of that kind.

Sincerely

Franklin Warner

IMPERIAL GARAGE  
CROWN POINT  
LATOURELL FALLS  
SHEPPERDS DELL  
BRIDAL VEIL FALLS  
WAKENA FALLS  
MULTNOMAH FALLS  
EASLE CREEK  
CASCADE LOCKS  
HOOD RIVER  
COLUMBIA RIVER HIGHWAY



Columbia Gorge Hotel  
HOOD RIVER, OREGON

GEO. R. TREMBLAY, MANAGER

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JOINT OFFICE

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TRANSFER

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PEKING

Peking University

July 31, 1926

Mr. Franklin H. Varner,  
c/o Rev. W. Withington,  
Wallace, Idaho.

My dear Mr. Varner:

I have your letter of July 10th from Portland with its letter from Porter. I have had a similar letter from Porter. Mr. Murphy will not be here until the first of August. Two-thirds of the Finance Committee are in Europe and the rest are on vacation so that I see no possibility of anything systematic in the way of attention to this architectural matter. I have written Mr. Murphy urging him to write his report with the utmost fullness in order that we may have the thing in proper form for consideration when we get together.

Meanwhile we are having a terrifically bad time with finances. For some reason which I cannot understand our Peking friends have overdrawn the authorization for the current budget for 1925-6 more than \$20,000., and one of our donors has slipped up to the extent of \$10,000. Extra building funds and funds from the Hall estate have not come in. The result of it all is that I have had to get an authorization from the Executive Committee to borrow \$50,000. more than the \$100,000. which we had borrowed when you were here, and after scraping together everything in sight, and after telegraphing the field to draw nothing more (which they genially misunderstood by proceeding to draw \$15,000. more) I find that, with every possible resource that I can lay hands on, and after persuading some of the related agencies to give us some advances on their appropriations, we are in the situation where, by the end of August, we will have borrowed \$150,000., met all the drafts that have actually been drawn up to July 29th and will have only \$6800. margin. Moreover, the Construction Bureau will, by that date, be about \$25,000. behind the amount they should have simply to pay bills for materials and salaries for which they are already under contract. Believe me, the next time that Peking University starts upon high finance of this kind, I want the whole Finance Committee to be on the spot. The Executive Committee, which was the only committee of which I could get a quorum, has been kind enough to give authority to any two Trustees I can get hold of to hold the fort with me, but it is none too comfortable a feeling to know that either the Construction Bureau program in Peking is going to rack and ruin by their having to refuse to pay bills or discharge folks or do any of those other extremely

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obnoxious things, or that they will perforce be drawing upon us for money which we have not got. As I see it, our only hope of salvation is that the Hall Estate Trustees may pay us \$58,000. in the middle of August. If they do not I think I shall have to run for Europe with the rest of the Finance Committee.

If there are any resources of any kind that occur to you that we could tap for even a little leeway, on the basis of which we could let Peking have \$15,000. or \$20,000. to live on through August, I think we would come out all right. Let me know if there is anything that you see I can do in the situation.

Cordially yours,

Secretary  
Peking University

EMW-H

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TRANSFER

PEKING UNIVERSITY

August 24, 1926.

Mr. Franklin H. Warner,  
415 Lexington Avenue,  
New York City.

My dear Mr. Warner:

While Dr. North is still supposedly "on vacation", he was in the office yesterday for a brief but busy session on Peking University items, and while he was unable to personally dictate a letter to you, he wished me to write you about the financial situation.

As I believe you will have learned from the copies of the minutes mailed to you, the Executive Committee on July 7th authorized an increase of the bank loan to a total of \$120,000. Although the field was then instructed to draw no further drafts, further drafts were drawn, and on July 23th the Executive Committee took action authorizing an additional increase in the bank loan to the amount of \$150,000. On August 21st Dr. North cabled as follows:

"Stuart Gibb Tiant Tsai Instructions as per cablegram sent to you July 7th meant draw nothing whatever on any building account or current accounts except Famine Funds. Instructions are still in force. Including drafts through number 505, overdraft now US\$27,000. Funds are exhausted; repudiation, it may be necessary. Telegraph immediately amount drawn to date current account, building accounts, Famine, respectively, since draft number 570. Gibb are doing everything possible to assist; hold out as long as possible."

Yesterday, August 23d, we received the following cablegram:

Field property committee has taken the following action; require authority borrow China up to US\$100,000. or help from America to continue work; alternative, cancel all buildings, contracts, suspend academic work for one year, altogether destroy confidence. Do not send additional teachers English. Reply by telegram".

In response to this, the following message was sent this morning, August 24th:

"Stuart telegram received; having attention. Financial methods unsatisfactory; drafts improperly prepared; you must not leave name payee and time vacant; drafts should have been three days' sight according to instructions already given. Gift of Mrs. Marmon must be retained here for deposit. Hall Estate have paid nothing yet."

This morning, August 24th, we also received a cablegram from Peking, in reply to Dr. North's inquiry as to exactly what had been drawn, as follows:

"Since draft number 570 drawn on your account, current account, US\$13,500.; building account, US\$50,000.; Famine US\$4,500.; Warmon, US\$500.

In July, Dr. North understood that the settlement of the Hall Estate items would necessarily be deferred until the attorney for the Estate returned from his vacation, which it was expected would be after the first of August, and in view of the present situation, Dr. North has written, inquiring of Mr. Johnson whether any assistance would be possible in the early part of September.

This morning the following cablegram was also received:

"Warner - owing to the desperate financial situation you had better appeal in my behalf to Mrs. Jenkins legacy death apparently imminent. At her request I am willing to go to America. Stuart."

In this connection, I believe I might add that in a recent letter to Dr. North which I understand he plans to take up with you, Mrs. Jenkins stated that she had developed a serious heart condition.

In view of all these facts, Dr. North felt that you would undoubtedly wish to have a meeting of the Trustees of Peking University called as soon as possible, and he would appreciate it if you would advise me of the earliest date at which you would wish this called. I understand from Miss Grepe that you are expected to return to your office the latter part of this week, and I am meanwhile endeavoring to ascertain how many of the Trustees are now, or shortly may be, available, so that I may be able to let you know of the earliest possibilities of a quorum of the Board.

I think you will be interested to know that Dr. North's vacation thoughts have been somewhat diverted from the discouraging aspects of the Peking University finances by the arrival, on August 17th, of one William Haven North, who, according to all available reports, is all that can be desired.

Very sincerely yours,

Secretary to Dr. Eric M. North.

L.

Copy

THE WARNER CHEMICAL COMPANY

415 Lexington Ave.

New York, N.Y.

October 4, 1926

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

Dear Dr. North:

I beg to enclose check of \$11,000. towards the "Warner Memorial  
gymnasium," being the joint contribution of my Mother and myself. I would  
✓ suggest that you do your prettiest in a note to her, directing it to Mrs.  
Lucien C. Warner, 2 East 45th Str. You do not need to write me such anote,  
as I have already had my thanks.

Sincerely yours,

(signed) Franklin Warner

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From Dr. J. L. Stuart's letter of Oct. 4, 1926

"Home for Governor Chen Shu-fan: This is the man from whom we bought the estate which was the starting point of our present campus. You may recall that the price of this was Silver \$60,000. of which he remitted \$20,000. on certain conditions which we accepted. One of these was that his father should be allowed to build a little home somewhere on the grounds for his own use. Governor Chen has been out of office for several years and more or less in bidding. Meanwhile his father having died, I encouraged the idea of his building a memorial to his father which could be used for University purposes. A week or two ago he visited the place for the first time in his life with the idea of claiming the right to build a home for himself on the terms of our agreement, and selected the high ground on the North Shore of the Lake which was to have been the central section of Mr. Murphy's treatment for additional dormitories. It is the spot immediately facing the restored gateway to the temple of the flower god on the South Shore of the Lake. He has at least shown his good sense.

We have felt the embarrassment of giving up a location for which we had rather definite plans. On the other hand Governor Chen feels that he has this right and it would force an unpleasant issue if we disputed it. His idea is to have our Construction Bureau put up an attractive Chinese style house, fitting in with our architectural scheme with enclosing walls and an entrance to the road on the north. He would make occasional visits here and his children, as they grow up, could live here while attending our institution.

His friendship has some value to us, and would lead, I think, to financial assistance although of no very large amount. That this building would ultimately come into possession of the University is quite probable. We here are disposed, therefore, to approve his request and to ask that Mr. Murphy develop his dormitory scheme with this section left out. Gibb is writing in detail as to the dimensions. Judging by present prospects, it will be some time before we actually have any funds for completing this scheme of buildings.

Athletic Field: You will note in the minutes of the last Grounds and Buildings Committee meeting a reference to the suggested change of plan for the northeast corner of the campus. Chiefly because it was cheaper to do so, we have used the north end of the strip along the road nearest to the village (known by us as the Prince P'u Lun property) for tennis courts and other athletic purposes. This naturally has provoked the question whether we might not after all maintain this as a permanent athletic field. It is further away than the one originally planned from the Men's Dormitories and possibly a little close to the Women's Dormitories. On the other hand, it is not too far for any students seeking exercise, and makes an attractive feature along the roadway. There is ample room and I am not very hopeful about any immediate development of a school of education with practice schools. The latter could still be put up in the space which remains either north or south of the sewage disposal plant.

From Dr. J. L. Stuart's letter of Oct. 4, 1926 - 2

We are using some of the houses on the northeast corner, and these, while not of any great value, are of some service to us. If other industrial features are developed, proximity to the power plant, accessibility to the road on the east and relative isolation would all be obtained on that site. The main question would be whether the gymnasium ought to be kept here on the present location or placed on the P'u Lun left. Messrs. Murphy and Warner will be actively interested from the architectural standpoint. It would be a long distance to carry heat and water from the power house if its location is changed.

Since we have given up hope of carrying the gymnasium forward, and because none of us had any very clear opinions, we referred the whole matter to the Trustees for consideration. If Messrs. Murphy and Warner saw no serious objection in removing the gymnasium to the P'u Lun land, it would give a much larger space for athletics all concentrated at one point, which would be impossible on the original scheme. Additional men's dormitories might in that case be extended along the Lake Front where the gymnasium has been planned."

TRANSFER

PEKING

Peking University

November 6, 1926

Mr. Franklin H. Warner,  
415 Lexington Avenue  
New York, N.Y.

My dear Mr. Warner:

I enclose two paragraphs from a letter from Dr. Stuart that are very serious in their implications for the plans of the University. I have written Mr. Murphy and quoted them to him, but must say that I am disturbed by the temporizing point of view with reference to the gymnasium. I wish that you would take occasion to give Mr. Murphy ballyhoo for not having completed his report. I suppose he feels that he is not going to get any money out of it and therefore can dilly dally with it in this most unsatisfactory manner.

Cordially yours,

Secretary  
Peking University

EMH-H

Enc. 1

P.S. I have from Dr. Stuart, since the letter mentioned above, another from which I quote as follows:

"Referring again to the matter of the home for Gov. Chen on the North Shore of the lake, the more I think about this the less willing I am to agree to giving it up to him. I suggest that the Trustees take a strong action reserving this for dormitory use in its entirety, offering him a site elsewhere on our grounds that will be

0705

mutually agreeable and expressing appreciation of his generosity. The local people can put the onus on you in New York who will not suffer and the issue will thus be simplified. I do not feel that the location of the villa for him there is a very serious disadvantage, but would rather not permit it. And "face" will be saved all around and relationship eased up if we act under orders from abroad.

"In the matter of the shift of the Gymnasium from its position on the northeast corner of the lake to the northern section of the P'u Lun tract, I should be largely governed by Messrs. Warner's and Murphy's ideas, especially the former. Apart from that, the advantage of having the Gymnasium where the tennis, basket-ball and other courts could all be massed has much to commend it. We can also continue to utilize what buildings there are on the proposed athletic field (n.e. corner of campus) and gradually put industrial, service and other units there. I wish we had thought of this earlier but as I have a preference now, it is in favor of the changed location."

This puts the matter in a somewhat different light. We should endeavor to deal with it the best way possible.

Peking University

January 11, 1926<sup>7</sup>

Mr. Franklin Warner,  
415 Lexington Ave.,  
New York, N.Y.

My dear Mr. Warner:

I am sending you herewith, first, two complete sets of extracts from Dr. Stuart's letters of October 25th and November 17th and Mr. Wiant's letter of October 21st, concerning Mr. Britton. I think I would not show him the full extracts. However, I enclose a separate copy of extract from the letter of November 17th with his letter to Mr. Britton attached, which, by implication, makes it entirely clear that no authorizations from Stuart for the expenditure of funds were intended by Dr. Stuart, and that Dr. Stuart manifestly intended that Mr. Britton was to carry on any activities distinctly under the direction of the Trustees. X

As I said over the telephone, it seems to me that the thing to do is to indicate to him that our only anxieties in the case are first, his need for health and mental relaxation; second, his assuming unlimited authority to draw funds on the University and to incur expenditures in the name of the University which are not substantiated by authority from this end of the line.

You might find it worth while to advise him that when I had his letter indicating that he was leaving the field, I cabled at once to Stuart that the financial situation did not warrant our losing any of our valuable members of the staff, but by the time my cable reached there Mr. Britton had already gone. I think I would suggest to him that the present modus operandi be that he take as much time as he can immediately to get thoroughly rested and to get his mind off his anxiety about the University. Inasmuch as the financial situation has radically improved, there is no occasion for him to undertake any responsibility in connection with the Hall Estate or with the Harvard Orient Institute as these matters have both been fully set up and we are receiving funds from them both already.

So far as his financial relations to us are concerned, his accounts as presented have in them many things which we do not understand and which we would have to rule out unless President Stuart indicates that these are justified items; that therefore we will write Dr. Stuart about these matters and at the same time Dr. Stuart will be receiving letters which Mr. Britton has given to you and that in the course of time we will be able to review the whole financial situation carefully. Meanwhile, we are in the position of having provided him with sufficient funds for the travel of himself and Mrs. Britton from Peking to New York or Asheville

Mr. F. Warner-2

by the most direct route in accordance with the usual contract and that in addition to this we have furnished him \$1500. more because he claimed to be in a tight place financially, and this \$1500. will have to be regarded as an advance on account of salary until the justifications for the expenditures which it is supposed to cover are fully worked out by exchange of correspondence with President Stuart and our letter of settlement with him.

We have just received a letter from Dr. Stuart dated December 16th and enclose copy of paragraph concerning Mr. Britton and the series of cablegrams exchanged, and also one sheet giving three cablegrams which I think you may wish to give to Mr. Britton for his own information.

Cordially yours,

Secretary  
Peking University

EMN-H

Enc.

X

On this copy (four paragraphs) the following was added:

( Note: Dr. Stuart's statement concerning future of the Department of Journalism was based on the assumption that the Department's financial condition of September and October was going to continue. The radical change for the better in the financial situation in the last two months, it seems to me, removes the necessity for considering seriously the discontinuance of the Department.)

E. V. North

學大京燕  
YENCHING UNIVERSITY  
PEKING, CHINA.

TRANSFER

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F

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS  
PEKING

May 12, 1927.

Mr. Franklin H. Warner,  
415 Lexington Avenue,  
New York City.

My dear Franklin:

I am writing to you partly because Eric North may have left the office and partly because I am glad of a chance to do so anyhow.

Stamping of Deeds: For sometime past I have been worried over the legal title to our property. The history is briefly as follows: When we bought the original estate, constituting the main campus and including about sixty acres, it was done through the friendly offices of two very prominent retired officials, who advised us not to have the transaction registered until we had bought all the adjacent land that we intended to add and then to get a single deed for which they would arrange, assuring us that in the meantime their names on the documents were sufficient protection. We accordingly acted on the suggestion and from time to time made purchases, in a large number of cases being unable to get the "red" deed which indicates an official registration, but only a "white" deed. Changes in our personnel, my absences from China and other factors delayed any constructive action. Meanwhile there had been rapid changes in the political situation and in the regulations regarding the transfer of property. When we felt that we had purchased about all that we had in mind, we found that the procedure had been entirely changed; not only so, but the officials who had formerly helped us would be powerless to assist us now.

For sometime past we have taken the position that we did not intend to benefit by the foreign treaties, especially in their clauses regarding Christian work. We are, however, counting on a mandate of Yuan Shih Kai, giving exemption from fees for all educational and other philanthropic institutions.

With the help of the influential members of our Board of Managers, our deeds have been worked over and are now in shape for registration when the time comes. We could not hope for exemption on the "white" deeds, because they had not been stamped by the previous owners. In any case, there-

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amount  
required  
when 6/27*

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fore, the fees will amount to approximately \$7,000 Silver, and if we do not secure exemption on the "red" deeds, this amount will have to be doubled.

Our Chinese friends advise against putting the transaction through the Yamen, principally because the government is now desperately hard up for money, and the minor officers would make the utmost out of any transaction that comes their way. They think that when some sort of change comes in which the need for ready money will not be so acute, we would stand a better chance for the exemption. In other words, we may at any time feel that it would be advisable to register our deeds, in which case we would have to use at once about \$7,000, and be prepared if necessary to use \$15,000. If the authorities claim the right to tax us for buildings erected on the land, the amount would be enormously increased, as the rate is about 6%. This, however, is not probable unless a government comes in which is deliberately unfriendly.

*See page*  
Wall: Gibb has written in comment on the last meeting of the Grounds and Buildings Committee regarding the campus wall, giving his own objections which are more or less shared by other foreign members of the faculty and their outside friends. I see the force of these considerations, but on the other hand feel quite satisfied that we have acted wisely in erecting this wall. The decision was made during a time of threatened disturbance when almost all foreign wives and children were being hurried out of Peking, and there was a possibility of all foreigners being advised by their Legations to do the same. It can be easily realized that the Chinese who could not flee away were in a high state of excitement and fear.

While that particular crisis has passed, it is perhaps more accurate to say that it is only deferred and that sooner or later the Nationalist advance will reach Peking. No one can predict the amount of disorder attendant upon that event. It is conceivable that the cost of the wall would be amply justified in the protection to life, property and peace of mind for this one occurrence. It has been of immense moral value in the quieting effect the decision to erect it has had on all Chinese on the faculty and among the students.

It should also be remarked that for several years at least conditions will probably be more or less disturbed and uncertain, and that an open campus of the size of ours would be an attractive hunting ground for marauding soldiers and the neighboring populace in any time of break-down of authority. In addition to this, the wall has many advantages in protection under normal conditions against petty thievery, the nuisances of donkeys, beggars, idle visitors, etc. from the outside and the better control of our students and servants within.

There is also the Chinese conception which Gibb is anxious to break down, but which would be hard to overcome under present conditions: that the lack of a wall seems strange and unfitting, almost one might say indecent.

The two arguments against building the wall that have appealed to me are: (1) The use of money that might otherwise have gone into a dormitory. (2) The shutting off of a view of the buildings from passers-by on the main highway. As to the former, we have not collected enough to put up a dormitory to be available this autumn, and the Chinese friends who have made this possible may be the more willing to complete the original project when political conditions become a little better stabilized. In any case they feel quite pleased at the use made of their money, especially in view of the fact that we have been able to build the wall at considerably less than the ordinary cost.

I recognize the loss that comes from shutting off a view of the buildings. On the other hand Yenching no longer needs any publicity in China. We are much more in the public mind than is perhaps good for us, and the screening of the conspicuous and handsome buildings hitherto seen by every passer-by, may not be a disadvantage at this time. On the whole I am rather glad not to have our plant too much in evidence under present conditions. There is also the intriguing sense of mystery as to what is hidden behind the long wall on our western boundary. For those who when the gate and roadways are finished will be able to and care to take the trouble to drive through, there will be a happy surprise, and these people will probably in the main remember us pleasantly.

While there has been a difference of opinion within the Grounds and Buildings Committee on the matter, and between Gibb and myself, it is entirely friendly and Gibb has planned for the cheap, attractive and prompt erection of this wall with all the pains and enthusiasm he would have put into it had it been a favored project of his own.

Very sincerely yours,

JLS:B

cc J. M. Gibb

RECEIVED  
UNITED STATES  
JUL 18 1927  
JOINT OFFICE

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Mc. th  
INDEXED

Julien  
TRANSFER

June 17, 1927

Dear Mr. Warner:

Dr. Scott informed Dr. Luce of the action of the Committee today and referred him to me for the details. Dr. Luce very justly demanded to know the counts against him. He does not think we were fair with him in taking such action without first giving him a hearing. He also feels that after his years of devoted service to the university that we acted unfairly in demanding to be relieved of his service on such short notice, and I can fully agree as to the justice of his stand. He recognizes the crisis we are facing, indeed feels that few could realize it more fully, as he lives in the midst of the problem all the time. He feels that such criticisms as came through Mr. Schell from Cleveland and from Mr. Thorberg from Chicago are wrong interpretations of surface facts. He cannot understand Dr. Nixon's message to us, for he has not been near Rochester since the \$3500 pledge was made until his recent visit. Other cases of like nature which we have had presented to us should have been thoroughly investigated before judgment was passed. He feels that only a very small per cent of our constituency can have any other than the kindest feeling for him and that no one can do the type of work he is doing without offending some, which of course is quite true.

Since his return from China he feels that he has not had the co-operation of the Finance Committee. Mr. Lewis did not consult him and he found the files and office work in such condition that they had to be revised before any effectual work could be accomplished, and that his delay in leaving for the coast was due to the fact that his cards were in no condition to make a fair canvass of the cities to be visited and that this work had to be done before he could leave.

He feels that I am entirely at fault in not co-operating with him regarding the west coast, that he gave me an opportunity to insist upon his visiting the northern cities rather than the oil fields, and I had so decided. He feels that since I took over the office I disregarded his advice as to the policy

as to policy and failed to consult him upon other vital subjects. Since his return from the coast he has found his work hampered by not having proper office assistance. He thinks that if he had had the necessary stenographic and telephonic assistance, several thousand dollars in gifts would have resulted. He says that he was not advised of our office plans and that it was only through hard knocks that he found out his status here.

On his trip to Rochester he revived the interest in two new residences, secured the assurance of payment of a forgotten \$2000 pledge, a pledge of \$1000, and the possibility of another \$1000. He is of the opinion that no one working for China can show results equal to his in the past year. While we were deliberating over his failure to produce results, he was interesting a man downtown, the outcome of which visit will bring to us \$12,000 within two years.

Perhaps we as a committee, composed of business men, with our business point of view, have failed in our task. Perhaps we have been unfair to Dr. Luce in our anxiety to raise the money to carry on. Perhaps we as a committee should have consulted with our secretarial associates before making such a vital decision affecting the happiness and welfare of a devoted servant of our cause.

I therefore sincerely recommend that the Committee reconsider its action and give Dr. Luce an opportunity to show us the error of our ways and to co-operate with him, if possible, to make his work more effective.

Dr. Luce insists that with proper co-operation and such publicity as he would put out through proper channels, that his work can be effectively accomplished. I assure you that I will endeavor to do my part and am willing to give over my office as chairman of the campaign committee if it would make Dr. Luce's task easier. I regret that this matter was brought to a head just as I am leaving for the summer and I assure you that any action that you take for the best interests of all concerned will meet with my entire approval.

Most sincerely yours,

Mr. Franklin H. Warner  
415 Lexington Avenue  
New York, N. Y.

EAE:LM

*EW*

0114

TRANSFER

PEKING

INDEXED

June 24, 1927.

Mr. Franklin H. Warner  
415 Lexington Avenue  
New York, N. Y.

My dear Mr. Warner:

Mr. Evans has sent me a copy of his letter of June 17th addressed to you. May I give you my personal views in regard to the contents of his letter.

I will quote from Mr. Evans' letter certain sentences, upon which I will comment.

- (1) "He does not think we were fair with him in taking such action without first giving him a hearing."

Possibly this is so, though I cannot quite conceive how any "hearing" would effect the facts that confront the Finance Committee. The facts, as I understand them, are that the expenses of the campaign, which means Dr. Luce's salary and travel expenses, have been much greater than the amount of money he has collected during the last eighteen months; and that the Finance Committee feels that it can no longer face this condition.

I think we should be perfectly frank with Dr. Luce, and perhaps he would have felt differently about the matter if we had talked it over at great length with him, but I do not see how any amount of talk could effect the condition.

I gather from what has been said by others that there has been a tremendous amount of talk and conference between Dr. Luce and Mr. Evans and yourself without any practical results or improvement of conditions. I have been rather out of the whole picture, and being an interested onlooker I have greatly deplored the fact that Dr. Luce's campaign seems to have been at a practical standstill for about a year.

- (2) "He also feels that after his year of devoted service to the University, we have acted unfairly in demanding to be relieved of his services on such short notice."

I do not understand that in making its recommendation to the Executive Committee, the Finance Committee assumed the responsibility of saying that Dr. Luce's services to the University should be ended. Our position was that we did not feel that we were justified in charging up his salary and expenses to the campaign any longer owing to the conditions previously stated.

Mr. Franklin H. Warner.

6/24/27.

- (3) "Other cases of like nature which we have had presented to us should have been thoroughly investigated before judgment was passed."

I do not feel that we have passed judgment or even sat in judgment on these cases that were reported. These reported cases are only one angle to the entire situation. They simply reflect the feeling that certain individuals have in regard to Dr. Luce's approach to them. Judging from the number of cases reported, it does seem as though Dr. Luce was not considerate of the amount of time he took when calling upon people. Mr. Evans has himself repeatedly told us of the tremendously long talks and interviews he has had with Dr. Luce in which they "got nowhere". You also have reported to us how Dr. Luce has come to your office and taken large blocks of your time and did not give you a chance to express your own ideas.

All of this, however, has little to do with the case. The fact that seems to confront us is the actual condition of the campaign and the expenses incurred in the campaign. These matters of personnel have a bearing on Dr. Luce's acceptability as a campaigner, but they do not have any bearing on the financial problem, which is our chief worry.

- (4) "Since his return from China he feels that he has not had the cooperation of the Finance Committee."

It has been brought out in our Conferences again and again that Dr. Luce does not find it possible to work with anybody. He could not work with Mr. Caskey; he could not work with Mr. Lewis, and he could not work with Mr. Evans. Dr. Luce is an individualist. The only way for him to do is to do his own way. In that he is absolutely sure. The suggestions which Mr. Evans made to him were not received by him with favor, and no attempt was made on Dr. Luce's part to carry out Mr. Evans' suggestions.

The trouble seems to be that Dr. Luce, instead of "working under the direction of the Finance Committee", as embodied in the Resolution passed by the Board regarding his engagement, considers that he is the one to make all the plans, and expects every other member of the Finance Committee to back him up in his plans. I think his attitude is entirely wrong. I think he ought to be willing to sit around a table and talk matters over with Mr. Evans and other members of the Finance Committee, outline a plan, and then conform his activities to the plan agreed upon. Mr. Evans has repeatedly told us that Dr. Luce was not willing to do this, that Dr. Luce could see nothing but his own plan and his own idea.

It is not for the Finance Committee to cooperate with Dr. Luce, but for Dr. Luce to cooperate with the Finance Committee and to carry out the plan and program which he and they unitedly

Mr. Franklin H. Warner.

6/24/27.

work out. From all I have heard, Dr. Luce has been the one that has failed to cooperate, rather than the Finance Committee.

(5) "Files and office work."

Nobody will question Dr. Luce's statement that the files and office work were in bad shape. As to the necessity for Dr. Luce revising same before any effectual work could be accomplished, I seriously doubt it. Campaigning is not done by card-indexing records in an office. About all one needs is a list of names of prospective givers and a great ambition to secure funds for the work.

(6) "He feels that since I took over the office I disregarded his advice as to policy."

This rather reflects what I have said before in reference to the impression that I have got that Dr. Luce felt that his plan and policy was the only one to be considered, and that everybody else should bow to same and support him in it.

I am frank to admit in this connection that Dr. Luce has worked almost unaided by members of the Finance Committee. By this I mean, we have not shoulder-to-shoulder with him gone out to get money, nor do I think we ever will. We have depended on Dr. Luce for this particular phase of the work. We assume and presume he has a genius for securing funds. It was on this presumption that we engaged him to undertake this particular work.

Dr. Luce ought not to be obliged to spend time in the office. He cannot raise money doing office work; nor do I think that writing letters is going to get very much money. My idea of Dr. Luce's relation to the Committee is that he is to do the solicitation and not meddle with the office end of the work. All matters of records and cards and correspondence should be done by somebody else. Mr. Evans has reported how Dr. Luce would take letters from the files away from the office, and take cards away from the files, etc. Dr. Luce should plainly understand that the Finance Committee does not want him to do this sort of work. If it has not been made plain to him, then it should be made plain to him that the office work is entirely out of his hands.

If he needs stenographic or telephonic assistance, it should be furnished him, but he should not feel any responsibility for the office work, and should not meddle in it. The records, the files, the card system, and all such should be under the supervision of the office assistants. If Dr. Luce wants any help or any information it should be furnished quickly and efficiently, but he should not put his hands on any records or correspondence. The assistant who has charge of such should furnish him with copies of letters if they are needed, or copies of cards if they are required, or any

Mr. Franklin H. Warner.

6/24/27.

other date which he needs, but he should not go into the records and dig them out for himself.

The reason I am saying this is because Mr. Evans in his letter says, "He says that he was not advised of our office plans, and that it was only through hard knocks that he found out his status here." Perhaps his status, what he was to do and what he was not to do, was not made plain to him, and if that is the case then I, for one, should apologize, although personally I have nothing to do with it. Still I am a member of the Finance Committee and must bear my share of the blame.

Personally I have left it to the other members of the Committee who are in closer touch with Dr. Luce and his work to report the views of the Committee to him. I expected first of all that Dr. North would do this; secondly, that Mr. Evans, who was elected Chairman of the campaign committee, would talk frankly with Dr. Luce about these matters.

Personally I think we should have a frank consultation with Dr. Luce about these matters. If Dr. Luce does not understand what his status is, then he should be told so plainly. Perhaps he has not been so told.

We are all working for the same cause. We know we must have money to carry on this work. If Dr. Luce could produce it, I should be delighted. I think we ought to have a conference with him and lay all the cards on the table and talk the matter over with him very frankly. Above all we want to act justly by Dr. Luce in every way. I am sure there is not a member of the Committee that wants to do anything that is unfair. We have just felt that matters have been at a standstill for a long time and that we are confronted with increasing expenses which we have no way of meeting, hence we threw back on the Executive Committee the responsibility of dealing with the situation.

*Very truly  
E. M. M. Davis*



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TELEPHONES  
MURRAY HILL 0252-3-4  
CABLE: "CAUSTIC" NEW YORK  
CODES: A.B.C. LIEBERS-WESTERN UNION  
PLANT-CARTERET, N.J.

NEW YORK

June 30, 1927/

TRANSFER

Dr. Eric North,  
150 - 5th. Ave.,  
New York City, N.Y.

Dear doctor North:

*Pl. 2, 200-3/6/27*  
*(200-3/6/27)*  
In looking over Mr. Evans' folder I find that Mr. Ritter,  
the father of our faculty member, subscribed \$6000 for a resi-  
dence for his son in China dated Jan. 29th, 1924. On February  
16th, 1926 he paid \$2000 on account.

Will you please confer with Dr. Luce and either  
recommend following this matter up in a letter to see when  
further payments can be made or if Mr. Ritter lives near  
enough in New York whether Dr. Luce should not go and see him.

I find a note that the Colby<sup>3</sup> will give \$3,700 to  
complete the Berry library. Is there any reason why they  
cannot be informed immediately that that will cover the cost  
so that they can send on that sum of money. I understand that  
even if the cost went over that amount they would not consent  
to give a larger sum.

Very truly yours,

*Franklin H. Warner*

0120

THE WARREN CHEMICAL COMPANY

RECEIVED  
UNIVERSITIES  
JUL 1 1977  
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0121

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TRANSFER

TELEPHONES  
MURRAY HILL 0262-3-4  
CABLE: "CAUSTIC" NEW YORK  
CODES: A.B.C. LIEBERS-WESTERN UNION  
PLANT-CARTERET, N.J.

NEW YORK

June 30, 1927.

INDEXED

*ans 7/1/27*

Dr. Eric North,  
150 - 5th. Ave.,  
New York City, N.Y.

Dear doctor North:

In looking over memorandas left by Mr. Evans, I am discussing them with Dr. Luce and I find that the question of the course of the Presbyterian as well as the Methodist quoto need consideration. When Mr. Vincent returns to this country the Presbyterian quoto will not be full, therefore, it seems to me that the candidate committee should consider who is to take his place. I have also heard that the Methodist people are proposing to reduce their quoto. I do not know whether they are to continue the salary for the six men even if the personnel is reduced. These two questions appear to me to be serious and it will need the consideration of the Committee.

Very truly yours,

*Frank H. Warner*

*Take up at next meeting*

0122

THE UNIVERSITY OF CHICAGO

LIBRARY

RECEIVED  
UNIVERSITY  
JUL 1 1900  
LIBRARY

U 123

TRANSFER

Mr. W. Reginald Wheeler  
156 Fifth Avenue  
New York City

Dear Mr. Wheeler:

I beg to acknowledge receipt of my copy of the letter which you wrote to the Finance Committee on June 27th. I am sorry that you could not be present at either of the Finance Committee meeting or the Executive Committee meeting when the subject of Dr. Luce was taken up, because I believe that if you had been there that you would look upon the whole subject differently today. The first error that you have naturally fallen in to was taking for granted that the Finance Committee was asking for the discharge of Dr. Luce. If you will read over the action of the Finance Committee which was presented to the Executive Committee you will notice that it was very carefully worded and that it only asked that the Finance Committee be relieved of Dr. Luce's salary in connection with the promotional program and was suggesting that the Executive Committee determine other lines of activity for Dr. Luce to follow for the University, or if in their own judgment in China or some other field of activity to which he is now assigned. As far as the technical points of our contract with him they have been violated in several instances and so technically there is no contract with him now, although we may not stand on technicalities. First, the salary has been changed; that alone cancels the contract. Second, the contract specifically states that he shall work under the direction of the Committee on Finance and that Committee can prove in a number of instances that he has not worked in conjunction with the Committee but has insisted upon carrying out his own plans in his own way.

Just before the Executive Committee meeting a letter was received from Mr. Evans which asked for reconsideration. Therefore, the Executive Committee referred the matter back to the Finance Committee. The Finance Committee has not yet met but will at an early date and preparatory to that meeting Mr. McBrier and I have had two conferences with Dr. Luce in which we have listened to all of his statements; he has heard all of ours and we have formulated a plan of action for his carrying on until the Finance and Executive Committees take further action. We have carefully surveyed the amount of money that Dr. Luce has been able to raise during the last year and a half and we have carefully considered the expense he has been to the University, and although in dollars and cents he has put into the University a little more than his expenses the figure is not flattering to anyone who has given his entire time to raising funds. Although practically all the money that Dr. Luce has raised has gone into special objects there is practically nothing that can be applied towards the promotional budget, but this in itself should not condemn Dr. Luce's results and it may be up to the Committee to finance Dr. Luce's salary from some other source other than his own work.

0124

However, the fundamental thing in connection with Dr. Luce's work with the committee is the fact that he never has cooperated and personally I feel he never will. At our last conference which lasted three and one-half hours - at least two hours of that time was spent in answering six written questions which I had outlined and which you would have answered just as fast as I could read them. To work at all with Dr. Luce he will have to change his whole attitude and regard for the individual members of the Committee and the Committee as a whole. If it should seem wise to the Finance and Executive Committee to continue him as free lancer without expecting him to work under the direction of the Committee I still believe he can raise some money for the University and probably more than he costs the University. The matter is so serious with me that I have even threatened to give up my position with the University if he still remains, but I do not think I will carry out this threat, but I am sure that I will not be chairman of the committee that is supposed to be directing Dr. Luce's activities. My time is too valuable to devote to listening to his talk and reading his letters. I am absolutely through with him. I will see him as I will this afternoon in connection with directing University business, but I will forbade his discussing any of his relationships with the University, and this I do after my experience with him after these two conferences. Mr. McBrier and I will have to make a report to the Finance Committee and they may or may not refer the matter again to the Executive Committee.

If Dr. Luce is to continue soliciting funds for the University I must insist that he be given a list carefully prepared by those who know of old donors and possibly new ones whom Dr. Luce is to keep absolutely away from, for we have had in the office through the mails and from personal contact with individuals - requests that Dr. Luce shall never call on them again or complaints as to the amount of valuable time of theirs that he is interfering with.

At the present moment ~~eking~~ University has no promotional program and no personnel to either make up a program or carry it out. Personally I do not believe that Dr. Luce could either plan a campaign or direct the personnel necessary for making the campaign successful. If the University does not receive a substantially higher increase in funds immediately she is going on the rocks. The only way that I can see is to find a man capable of organizing and directing a continuous campaign for funds for ~~eking~~ University and that man himself does not necessarily need to be fitted for field work, but must be a man capable of directing field men and a continuous flow of letters and literature from the office so there may be a continuous support for the institution. If Dr. Luce is kept on he will not fit in with the major part of that program but of course would have to harmonize in it. It is unfortunate that he is of the temperament that can neither set up a program or direct it after it is set up and as far as I can see must always remain more or less as a free lancer.

Sincerely yours,

(F. H. [unclear])

IN

**TRANSFER**

Peking University

July 1, 1927

Mr. Franklin H. Warner,  
415 Lexington Avenue,  
New York, N. Y.

My dear Mr. Warner:

Dr. North has asked me to reply to your two letters of yesterday.

*clear*

He states that the important question which you raise in regard to the Presbyterian and the Methodist quotas at Peking University is one which must be given careful consideration at the next meeting of the Executive Committee of the University. Such a meeting, I believe, will be held in the near future.

*Balance  
12/4/27*

As to the contribution of Mr. Ritter toward the residence for his son in China, we find that at present \$4000. has been paid in, \$2000. in 1924, and \$2000. on March 16, 1927. This leaves a balance of \$2000. still due. Since Mr. Ritter paid in \$2000. just three months ago it will be wise to make some investigation as to his ability and willingness to pay the remainder of this pledge before going to him with a formal request. We will look into this matter at once.

*clear*

The matter of approaching the Colbys in regard to the \$3700. which may be needed to complete the Berry Library is just now being held up awaiting information from the field. Dr. North states that thus far our accounts do not show that this amount has actually been expended, or will certainly be needed, to complete the building. As soon as accurate information is at hand this item will be taken up.

Very sincerely yours,

Assistant Secretary  
Peking University

BAG-H

0726

CABLE ADDRESS  
"SIGNARF SAN FRANCISCO"  
WESTERN UNION TELEGRAPHIC CODE

# HOTEL ST. FRANCIS

MANAGEMENT-THOS. J. COLEMAN

UNION SQUARE  
SAN FRANCISCO

July 11, 1927

PEKING  
TRANSFER

Mr. Franklin H. Warner,  
415 Lexington Ave.,  
New York City, N. Y.

Dear Mr. Warner:

Your letter of June 24th was received on my arrival home, and I am not at all surprised at your surprise in receiving my letter of June 12th. As you know, I have fully realized for two years past that the Campaign Committee has found it hard to reconcile itself with the results obtained by Dr. Luce, and I am sure that some change must be made if we are to continue our work at Peking. However, I was of the opinion, at our Committee meeting, when the action was taken, that the time given as of July 1st was all too short, and I was also of the opinion that the combined committee meetings was not representative, that we should have had a fuller membership present. Upon my meeting with Dr. Luce the next day after his interview with Dr. Scott, I realized that we should have given Dr. Luce a full hearing by the whole Committee before taking such drastic action. If it is possible, some employment should have been offered Dr. Luce, in lieu of the work he is doing, and the Executive Committee should have formulated some such plan before notifying him. As far as I can see, Dr. Scott gave him no alternative, but referred him to Dr. North, who in turn referred Dr. Luce to me. I was never so grieved for a man in my life; he was absolutely crushed, and I found it hard to do other than recommend to the Committee a re-hearing of his case. I realize his short-comings as well as any one, and feel that some change must be made, if the University is to continue. Our budget continues to grow, and funds must be had to make our work possible.

I shall be glad to hear from you further, since your conferences with Dr. Luce and other members of our Committee.

Sincerely yours,

*Ed Cross*

0127

July 22, 1927

Mr. E. A. Evans  
Mill Valley, Calif.

My dear Mr. Evans:

On April 14, not long after the Nanking incident, President Stuart wrote a letter giving some extended consideration to the problems involved in the reorganization of the University to meet the situation. I have not shared this letter until the present time, because of my feeling that some suggestions in it might better be dealt with in the light of the result of some issues in connection with the Hall Estate.

As the time of settlement of these issues by the Hall Estate is not certain and as the measures in Dr. Stuart's letters, to which I refer, have not been pressed by the Board of Managers in their June meeting, I feel that these letters should now be shared, particularly with the interest of giving to Dr. Stuart without formal action the judgment of some of the members of the Board of Trustees upon the more essential issues that appear to be outlined.

Will you, therefore, as you have opportunity to read and to think over the points Dr. Stuart mentions, be so kind as to write me your judgment and impressions in order that we may send these forward to President Stuart for his information? The points which seem to me to need your particular consideration are the points involved in the status and powers in relation to each other of the Trustees, the Managers and the Faculty. See especially matter following Item V in the letter of April 14.

Supplementing the extracts from President Stuart's letter of April 14, I include a statement from his letter of April 20 and from his letter of June 16, written after the June meeting of the Board of Managers.

Faithfully yours,

EMN-R  
Enc.

Secretary

0728

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SEABURY C. MASTICK, VICE PRESIDENT  
WILLIAM D. PATTEN, VICE PRESIDENT  
WILLIAM B. THOM, SECRETARY-TREASURER



TELEPHONES  
MURRAY HILL C262-3-4  
CABLE "CAUSTIC" NEW YORK  
CODES KE C. DEBES-WESTERN UNION  
PLANT, CARLISLE, N.J.

NEW YORK

TRANSMIT

July 29, 1927

*Copied for J. L. S. - 7/30*

Dr. Eric M. North,  
Peking University,  
150 - 5th. Ave.,  
New York, N.Y.

Dear doctor North:

Your letter of the 28th. received. In considering President Stuart's plan as a whole and looking towards the ultimate, it would seem to me that the Board of Trustees in this country will have to be relegated to a holding corporation for the endowment funds of the University and that the operation of the University will have to ultimately be in China. With this in view, I approve of the plan as a whole. I do not know whether the complete plan should be put into operation at once or whether part of it can be attempted now and part of it later.

I am sorry that I could not be present at the meeting of last Tuesday and I will be interested to hear of the final action of the Committee.

Very truly yours,

*Franklin H. Warner* ✓

0129

THE UNIVERSITY OF CALIFORNIA

RECEIVED  
UNIVERSITIES  
JUL 30 1927  
JOINT #5115

0130

THE WARNER CHEMICAL COMPANY  
415 LEXINGTON AVE. NEW YORK, N.Y.

OFFICERS  
FRANKLIN H. WARNER, PRESIDENT  
SEABURY C. MASTICK, VICE PRESIDENT  
WILLIAM D. PATTEN, VICE PRESIDENT  
WILLIAM B. THOM, SECRETARY-TREASURER



NEW YORK

August 24th, 1927

TELEPHONES  
MURRAY HILL 0262-3-4  
CABLE: "CAUSTIC" NEW YORK  
CODES: A.B.C. LIEBERS-WESTERN UNION  
PLANT - CARTERET, N.J.

PEKING

TRANSFER

TO THE TRUSTEES OF PEKING UNIVERSITY:

In sending out the July 15th letter of Dr. Stuart's to the trustees together with his post-script I wish to make the following comments:

I have just received a personal letter from Dr. Stuart written on July 27th from which I quote. "I cannot overstate the importance, as it seems to me, of securing these Hall Estate endowments, and if my presence in America will tend to create confidence in the intentions of the Chinese leaders to enable us to carry on undisturbed, or if I can bring information that will help in the more strictly legal aspects of the question, this is more important than anything I can do for the University at this end. I do not think that there is going to be any change in the control of North China, at least for two or three months, nor do I look for any serious disturbances when the transfer comes. In other words, our problems are financial rather than military or nationalistic." This clearly indicates to me that if it is possible Dr. Stuart could come to this country for this Fall if the needs of the University are going to be greater here than they are in China.

Since we have received the \$30,000. interest on \$1,000,000. for the first six months it may not be necessary to curtail as seriously as is indicated in the post-script of Dr. Stuart's letter. We have also had a favorable decision on the subject of the ability of the executors of turning over the million to us, although the money is not in hand but it looks as if that is all in order.

What Dr. Stuart says on page three of his letter to the trustees in the second paragraph regarding the income from 150 additional students without approximately any additional expense is a well taken point, for that the Board of Trustees found to be true in operating Talladega College and we felt the loss one year of a few students very seriously. Therefore, moneys can be raised for the commencement of the new dormitory unit on an investment basis and people might be induced to give on that basis when they see that it really does bring in income to the institution. Dr. Stuart is justified in his worry over the fact that only a small amount of money has come in through efforts of the campaign members since Mr. Lewis died.

If it is possible for Dr. Stuart on the ground here to raise sufficient moneys to build the necessary additional faculty houses, to raise at least the commencement of the new dormitory unit, to help secure someone to take Mr. Lewis' place, to consult with us regarding the logical man as Comptroller of the University in China,

sent out 8/31/27

0031

and many other questions- it would be well worth while to call Dr. Stuart to this country by cable. I would therefore like every director to reply to these suggestion at the earliest possible moment so that word might be cabled to Dr. Stuart. This would give him a chance to make his plans and come if the trustees thought the work in China will not be too seriously handicapped.

Very truly yours,

*Franklin D. Harnes*  
Pres.

CORRESPONDING SECRETARIES

RALPH E. DIFFENDORFER

JOHN R. EDWARDS

SECRETARY—COUNSEL

FRANK MASON NORTH

FMN/L

Board of Foreign Missions  
Of the METHODIST EPISCOPAL CHURCH

150 Fifth Avenue  
NEW YORK CITY

CABLE ADDRESS, MISSIONS PHONE, CHELSEA 2130

PRESIDENT  
BISHOP LUTHER B. WILSON

TREASURER  
MORRIS W. EHRES

September 2, 1927

TRANSFER

Mr. Franklin Warner,  
415 Lexington Avenue,  
New York City.

My dear Mr. Warner:

I have been in the office for a few hours today and have read as carefully as possible your favor of the 24th ultimo, and the copy of Dr. Stuart's letter of July 15th.

I find it difficult to form an opinion as to a course that would be wise. I almost wish that Dr. Stuart's letter could have been written after the decision in the Hall matter and the receipt of the \$30,000, rather than before. I should be greatly interested also to know how his mind is affected by the check which seems to have been given to the advance of the Southern forces in China. There does not seem to be laid out clearly the positive need of his coming to the United States at this time. My present thought is that decision on that matter might be postponed still further in view of these two factors which were not in mind when he wrote. I shall, however, be glad to agree with any decision which you and other advisers at hand may make in this matter. I expect to be in the office again on Tuesday and shall be available thereafter on call.

With best wishes,

Yours cordially,

Frank Mason North  
R

Dictated but not read.

0133

TRANS

Peking University

September 26, 1927

Mr. Franklin H. Warner,  
415 Lexington Ave.  
New York, N.Y.

My dear Mr. Warner:

I quote below a letter from Harris, Forbes & Co., dealing with the proposal to reinvest the \$10,500. Dutch East Indies 6% bonds held by Peking University. You will remember that the Finance Committee on September 23rd instructed you to investigate the wisdom of this proposal and to advise our office whether or not to make this exchange:

"I think that the Trustees of Peking University still own \$10,500 of the Dutch East Indies 6% bonds due 1932. These bonds are callable in 1932 at 100, and are, of course, almost certain to be retired. The issue sold yesterday at 105 and interest, and if the bonds are going to be paid off in 1932 it would certainly be to the advantage of Peking University to dispose of them now at their present premium, reinvesting in something that would give a better income.

"In this connection, it occurs to me that they might be especially interested in an expected issue of the Free State of Prussia. I am sorry to say that it is too early to give official information regarding this loan, but the newspapers indicate a \$30,000,000. loan for Public Works, to be offered as 6% bonds at 96 1/2 and interest, running for twenty-five years. I believe that this information regarding the offering is approximately correct, and, of course, on this basis Peking University can exchange the \$10,500. of Dutch East Indies 6s for \$11,000 par value of the Prussian 6s. This would mean an increase in income and a cash difference in favor of the University.

"Undoubtedly, if the Prussian bonds are offered at the level indicated above they will sell pretty readily, and I am writing you in advance in the hope that it may be possible for you to get your Committee to authorize the exchange in advance of the public offering."

Very sincerely yours,

BAG-H

0134

Warner, Franklin  
See [unclear]

PEKING UNIVERSITY

October 10, 1927.

Memorandum to Miss McCoy:

In response to your request for letters from the F. H. Warners re their gifts, I can give you the following information:

- \$98.52 - Nov. 9, 1921 - no data in our files.
- \$250.00 - November 8, 1922 - no letter of transmission; however, this amount was returned to Mr. F. H. Warner on May 24, 1924.
- \$90.00 - July 21, 1922 - no letter under that date, but the following does appear, dated July 14, 1922 - "When President Stuart was here I arranged with him that I would forward through you to the University \$90.00, check of which is enclosed, in payment for the use of the house that the University is turning over to Lucien while he is teaching. You remember the vote called for the furnishing of living quarters for Lucien if it was possible. Will you, therefore, kindly forward this to the Treasurer at Peking with instructions that they shall give him rent free while in Peking, and if the Treasurer wishes information, he can, of course, refer to Dr. Stuart."  
(Franklin H. Warner)
- \$100.00 - February 19, 1923 - no letter of this date, but one from Mr. F. H. Warner - "I am enclosing check for \$100.00. Please send \$100.00 gold out to the Treasurer of the University of Peking to be turned over to Lucien H. Warner so that he may pay his bills. Please do not have my name connected with it. As far as I know this will be the last money of the kind I will send out for that purpose." Letter dated February 16, 1923.
- \$100.00 - October 17, 1924 - no data in our files; presumably paid in person to the Lion fund.
- 20.00 - October 17, 1924 - no data; presumably also paid in person.
- ✓ X  
gpm  
✓  
\$1,633.66 - January 8, 1925 - I quote the part of the letter of January 8, 1925 which bears upon this item:  
"I beg to enclose two checks being 1/3 of \$5,000, which I promised towards the purchase of the land where the new athletic tract will be situated. As I understand it the resolution was that 1/3 should be charged against the mechanical installation and the other third against the plant as a whole." Letter also signed by Mr. Franklin H. Warner.
- ✓ X  
\$11,000.00 - October 5, 1926 - I quote from letter of Mr. Franklin H. Warner dated "Sep ober 4, 1926" (October 4, 1926) - "I beg to enclose check of \$11,000. towards the "Warner Memorial gymnasium", being the joint contribution of my Mother and myself."

Regarding the amount of \$1,633.66, however, I would call to your attention a memo from E. M. North to Miss Lane, February 11, 1927 -  
"Inasmuch as Mr. Franklin Warner's gift of \$1,666.66 in account 122x3 for Athletic field was really an advance on account of Gymnasium in order to make it possible to authorize the purchase of the Athletic Field grounds, this amount should now be transferred to Gymnasium fund 122x4, making the total of that fund \$16,000.00. This I have confirmed in conversation with Mr. Warner on February 10th."

K. J. Linehan  
K. J. Linehan

0135

# PEKING UNIVERSITY

(CHINESE NAME—YENCHING UNIVERSITY)

PEKING, CHINA

AMERICAN OFFICE

150 FIFTH AVENUE, NEW YORK

## OFFICERS, BOARD OF TRUSTEES

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ERIC M. NORTH, SECY. AND ASST. TREAS.  
B. A. GARSIDE, ASST. SECY. AND ASST. TREAS.

## OFFICERS OF THE UNIVERSITY

J. LEIGHTON STUART, PRESIDENT  
HENRY W. LUCE, VICE-PRESIDENT  
WU LEI-CHUAN, VICE-PRESIDENT

*\$1000  
J. Leighton Stuart  
"Mercedes"*

October 11, 1927

To the Friends of Peking University:

Although the daily press has been full of news items regarding war and unsettled conditions in China during the last six months, you will be glad to know that Peking (Yenching) University has been able to carry on its work *unhindered*. This is largely due to the fine relationships established between the faculty, the student body, and the government under the able leadership of President J. Leighton Stuart.

In a recent letter Mr. Sidney D. Gamble, a secretary of the Y.M.C.A. in Peking, and the author of a well-known volume on Peking, writes:

"Yenching finished the year's work and graduated a fine class of 116 students, of which 29 were girls, and including 20 pre-medical students. Summer school is now in full swing with over one hundred pupils. There are many more applications for the fall term than can possibly be accepted. The University has a wonderful opportunity for service and influence and is doing splendid work. . . . We feel confident that Yenching will be able to adjust to any new political situation and will have a growing influence in China."

We have more recently received the following cablegram direct from Peking, dated September 19, 1927:

"A GOOD OPENING, FULL ENROLMENT; THE OUTLOOK IS ENCOURAGING IN EVERY RESPECT."

One of the very reasons why China today is going through these birth pains is because of the new life engendered by such institutions as ours. China will find herself; how soon this comes to pass will depend in part upon how steadfastly the friends of China stand by at this particular time and support faithfully the institutions which make for peace, law and order, and a regenerated society.

You will be interested to know that President Stuart, at the request of the Trustees, is coming to the United States and is this week landing in Seattle. During his brief stay in this country he will be meeting groups of friends of the University in a number of larger cities to give them the latest news of the Chinese situation. He can be addressed in care of this office.

A new issue of Peking News will be published soon and will be forwarded to you. It will contain authentic information of present conditions in China and in Peking University.

We wish to send you this brief statement now to report that the University is going steadily forward in its service, that Dr. Stuart will be in this country during the coming months, and that we appreciate your interest in the University and count upon your continued sympathy and support.

Faithfully yours,

FRANKLIN H. WARNER,  
*President, Board of Trustees*

ERIC M. NORTH,  
*Secretary, Board of Trustees*

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RECEIVED  
UNIVERSITIES  
JUN 7  
JOINT OFFICE

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