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CONFIDENTIAL

July 3, 1939

To the Board of Trustees:

We have ended the second session since the outbreak of hostilities without serious inconvenience and with no compromise whatever as to academic or religious freedom or the national loyalties of our Chinese faculty and of the students. We are quite aware of being regarded by the Japanese military as the chief remaining stronghold in North China of "anti-Japanese" or "Communist" sentiment and of the danger this implies of being attacked at any time by irresponsible minor officers or their Chinese mercenaries. We know also that there are paid informers on our campus reporting on all that happens or is printed here with a meticulous fidelity which is not without its amusing aspects. On the other hand we have no evidence as yet of any action directed specifically against our institution. There are innumerable petty annoyances or the attempted enforcement of regulations which are inevitable in a time of military occupation and which we have tried to meet with a blend of friendliness and firmness. They naively reveal much curiosity as to our affairs and absurd suspicions about us which suggest how much of their blundering in this whole invasion is due to a strange lack of psychological insight. They are correspondingly pleased by any recognition of them or by the hospitality occasionally extended.

Their repeated efforts to induce us to have a Japanese teacher - even to the point of threatening - and our refusal to be intimidated while at the same time adopting a course not merely negative but one that indicates a positive attitude of readiness to cooperate under proper conditions is perhaps the best illustration of our relationships with the Japanese authorities. Their idea was to have a teacher of the Japanese language, preferably a young man, whom they could depend on to keep them informed as to what went on here or even to carry out instructions of theirs. They are unable to understand that the presence of such a man would be resented, that no student would elect courses under him, that social intercourse would be strained and limited to a few conscientious individuals chiefly westerners, and that in general such a device so far from allaying anti-Japanese feeling among us would inflame it, while at the same time aggravating their own dissatisfaction with us. It may be pertinent to quote a paragraph on the subject from my Annual Report to the Board of Managers:

"As we have been observing the lengthening tragedy of this conflict between two neighboring countries, which should have mutually beneficial relations, the conviction has been forming that a university with our Christian and international character has a duty more than merely to function as usual and to preserve its patriotic integrity. We should experiment in methods of restoring friendly intercourse and appreciation each of the other's problems or aspirations and thus help toward lifting the plane of adjustment to one of intelligent respect and free association, rather than that enforced by military victory or defeat.

"With this in view, we have invited Professor R. Torii to join our faculty for the coming academic year as Visiting Research Professor in the Harvard-Yenching Institute. Dr. Torii has had a distinguished career both in anthropological and more recently in archaeological investigation, especially

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in different parts of China, and has an international reputation. He is widely admired in China for his learning as well as for his modesty, gentleness, and sympathy for this country. He is a scholar of the first-rank in his own country and represents the best type of its traditional culture. Dr. Torii is seventy years of age, but plans to spend much of his time in the field, pursuing his favorite studies. His wife and two daughters, educated at Columbia and Paris respectively, will come with him. It might be added that this invitation was extended only after it had been made unmistakably clear that we would not agree to having a Japanese on our faculty under any semblance even of military coercion, but that we would use our judgment as to when and in what way we might make this venture entirely of our own volition in order to do our bit toward generating good-will and according to our regular procedure. If this essay in international idealism proves successful, we may make further efforts in the same direction."

It only remains to add that our invitation to Dr. Torii and his acceptance have been widely and favorably commented on in the Japanese press, and that we are trying to explain to our Chinese public what are the real motives for this decision.

It will be of interest to you to learn something of what has happened to our graduates of last month. They do not of course care to take employment in any of the Japanese-controlled governmental or subsidiary agencies in this region, and almost any career in North China involves some acquiescence in this hated military domination. About the only forms of escape are employment in mission work (extremely limited) or joining the guerillas. One of the objectives in my recent trip south was to explore possible openings and to establish contacts for students of ours who desired to engage in patriotic service. The University has been enabled through special gifts to help in the expenses of travel for those who needed it. I feel immensely cheered by the response of a large proportion both of men and women who have volunteered for various activities with only the barest living allowance, physical discomforts and no slight danger. Others are going abroad or continuing here for further study or have found positions of the more normal type. But we can feel the satisfaction of knowing that these graduates of ours are - with only very few if any exceptions - eager to use what they have learned here in the spirit of our controlling ideals for the welfare of the nation and are not being prevented from doing so because of the circumstances of our location. It suggests the wide range of socially reconstructive and public-spirited endeavor which is already calling for trained leadership and will be immensely augmented in the post-war developments.

It is now two years since the outbreak of the present hostilities. The military situation is tending toward the failure of the Japanese forces to make any notable advance, despite constant efforts in many directions, and the increasing initiative and effectiveness of the Chinese troops in thwarting these objectives. This is not to imply that the Chinese are winning or can drive the Japanese back, but it does indicate a weakening of Japanese superiority and an improvement in tactics, together with increasingly heavy Japanese casualties. If, as seems probable, the final outcome will depend less on the purely military conflict and more on a mixture of economic and emotional factors, then the continued lack of spectacular victories or gains will have a depressing effect on the Japanese public which, combined with financial strain, will compel their rulers to attempt a settlement of the kind that China could accept. As I have

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often pointed out before, the irreconcilable contention will be over North China which the Japanese already treat as a second "Manchoukuo" and must be included in a free and independent nation before Chinese resistance ceases.

The latest efforts of the Japanese to find a political solution centre around Wang Ching-wei who has now gotten into their clutches and must do their bidding. He was sent here a few days ago to win the veteran retired militarist, Wu Pei-fu, to join in his program, but the old general refused to see Mr. Wang despite insistent pleading by Chinese hirelings, an elaborate gift by Japanese to Madame Wu and other forms of pressure. Mr. Wang met Japanese officials and Chinese puppets but had to leave after two days in a Japanese military plane having lost face badly and failed completely in his main purpose. The present plan is to have him set up in Nanking an "All the People Government" covering occupied areas South of the Lung-Hai Railway. North of that Railway will be constituted a special administrative "Five Province Political Commission" reviving the Chinese compromise scheme of two years or more before the outbreak and embracing five northern provinces. When the specious Wang Ching-wei device fails to elicit any popular allegiance - as it will - it would seem that the Japanese will have exhausted their efforts at any pretense of a truly Chinese government that they can dominate. From then on they will have to choose between stark, naked conquest of all China and its continued military occupation or willingness to respect the independence of all China within the Great Wall by the withdrawal of their military and naval forces from Chinese territory. Any lesser figure after Wang Ching-wei would be in the nature of an anti-climax, just as the present playing-up of a renegade repudiated by government and people registers the frustration of repeated Japanese attempts to disguise their colonial ambitions under the figments of spontaneous Chinese movements.

Whatever be the ultimate British policy in dealing with the issue of the Tientsin Concession, this at least serves the purpose of making unmistakably clear the Japanese intention. The delivery to them of four prisoners charged with the assassination of a new official in the local government was never anything more than a pretext. Any other might have served or one could easily have been framed. As long as England continues to aid in maintaining Chinese financial stability the Japanese cannot crush the Chiang Kai-shek Government and achieve their attempted conquest. They must therefore try to humiliate or harass England until she extends her timidly irresolute policy of appeasement to the point of sacrificing China to her own temporary advantage.

Should England yield it will be the beginning of further encroachments. The Tientsin Concessions will be taken over by the Japanese - not returned to China except perhaps in name. My guess is that the next victim will be the Kailan Mining properties (associated in his early career with the name of Mr. Herbert Hoover) and then the Legation Quarter here. They will consolidate their grip on North China first before taking over Shanghai and other settlements in the south. This will be the beginning of the complete elimination of British interests from all China. The French will come next and be relatively easy to deal with. America will have her turn last as the one most to be feared, and meanwhile to be lulled into indifference and fancied security.

There is not the slightest question as to the reality of these aims nor as to the ruthless disregard of human rights or of civilized procedure in carrying them into effect. The only difference among Japanese is as to details of procedure. For instance, the present Wang Ching-wei boom is being promoted by the extremist party led by the present Minister of War and the notorious

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To the Board of Trustees

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July 3, 1939

Dohihara, and opposed by the more moderate Kita group who with Wang Ke-min control the local situation. General Kita has reached the point of advocating direct negotiations with the Chinese Government but the more violent faction seem to be in the ascendancy for the nonce. I rather imagine that it is this same extremist element which has precipitated the Tientsin crisis and is forcing the acquiescence of the Tokyo authorities. In any case the Japanese policy is thus disclosed in glaring clarity and the western countries are being tested out again as to how far Japan can violate treaties and continue her monopolistic aggrandisement with impunity.

On every ground of moral obligation, of national self-interest except with the most stupidly short-sighted outlook, and of idealistic endeavor to create a new and nobler international order we could so easily give Japan the warning that would restrain the reckless extremists and strengthen the saner and relatively liberal forces, rather than allow things to drift until we shall suddenly feel driven to the use of drastic measures. Any comment therefore on how long the present war will go on and what will be its outcome inevitably ends up in speculation as to what England and the United States are going to do about it and when. China will carry on to the end unless abandoned to her fate by supposedly friendly nations and even then she will keep it up as best she can.

Meanwhile we have at last signed contracts for the repainting of our academic buildings and residences. In the years immediately preceding the outbreak and during the two years since we have neglected all but the most urgent repairs, not caring to waste money on a plant that we might have to abandon or that Japanese troops might occupy or destroy. The decision to undertake this item of normal maintenance is therefore symbolic. It means that we dare to believe that somehow before too long this region will again be incorporated in a Free China and that we must continue to bear our witness and render our contribution toward the realization of this inexpressibly worthwhile achievement.

Very sincerely yours,

0857

(memo)

July 5, 1937

Arrangement for Exchange Students between
Yenching University and Educational Institutions in Italy.

Arrangement has just been concluded between Yenching University and the Italian Embassy here whereby Yenching graduates may have the privilege of studying in Italy, and Italian students may study at Yenching. This has been made possible by the efforts of Prof. George R. Loehr, of Yenching University, who holds the degree of Doctor of Literature from the University of Rome, and Count F. Vincenti Mareri of the Italian Embassy. Prof. Loehr will direct the teaching of the Italian language, literature, and culture at Yenching.

Students holding the Master's degree from Yenching who wish to benefit by the privileges offered by the Italian Government must take an examination in the Italian language, literature, and history; and those passing successfully will be allowed a substantial travelling discount, special studying privileges, free lodging and board, and other student facilities. Italian students at Yenching will be allowed similar privileges, and will take special courses in the Chinese language, and literature. This plan will commence on October 1, 1939, for a period of five years.

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July 5, 1939

Dear Dr. Stuart:

This letter is to summarize the latest developments in our negotiations with R. Brank Fulton.

On June 13th we received your cable as follows:- "FULTON RANK SALARY LECTURER. TRAVEL USUAL SHORT-TERM."

This arrived just as the McBrier Committee had completed a series of consultations with Mr. Fulton, in the course of which it became clear that he would at this time be available for only a one-year appointment. Inasmuch as the Committee was under the impression that the field desired a man who could come out for the three-year term at least, the Committee was inclined to turn to an active search for some other candidate. It did not, however, have any other man very definitely in mind. Two or three other promising men had been suggested, but all of them are married, and it was the Committee's judgment that the field would not wish to undertake the additional expense of providing for a married couple. On June 14th we sent you the following cable:- "FULTON IS AVAILABLE FOR ONE YEAR ONLY. THIS IS CONSIDERED UNSATISFACTORY UNLESS WE ARE NOTIFIED OTHERWISE. NOW SEARCHING FOR OTHER CANDIDATES."

About the twenty-second of June we received the following cable which was sent from Peking by amateur radio on June 18th:- "APPROVE FULTON ONE YEAR. TRAVEL ARRANGEMENTS DISCRETION OF TRUSTEES. CABLE FINAL DECISION."

We immediately made arrangements to call another meeting of the McBrier Foundation Committee. (Since Mr. Gamble is now in Europe and Mr. McBrier in Oregon, we were able to get together only Dr. Fairfield and Dr. North.) The Committee expressed its willingness to go ahead with a one-year appointment of Mr. Fulton, if a satisfactory financial basis could be worked out. Since Mr. Fulton has been spending most of his time during recent years in post graduate study, he has not been able to accumulate any reserve of personal funds. Obviously, he could not save enough during one year from his salary as a lecturer to cover any substantial part of his travel to and from China. Therefore, it would not be possible for him to accept a one-year appointment unless the University was willing to pay his travel to and from the field. The Committee was willing to accept financial responsibility for both the salary and the travel, except that it felt that it could not rightly expend McBrier Foundation funds beyond the support of the program for which the Foundation is established. Inasmuch as it is understood that a part of Mr. Fulton's time will be devoted to teaching work in the School of Religion, the Committee felt that whatever pro rata share of Mr. Fulton's time is devoted to teaching work should be supported from the School of Religion budget - including the same pro rata share of his travel expenses. It was therefore decided

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Dr. Stuart

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June 5, 1939

to send the following cablegram, which went forward on July 1st:- "McBRIER FOUNDATION APPROVES APPOINTMENT FULTON ONE YEAR INCLUDING PAYMENT ALL TRAVEL WITH UNDERSTANDING FOUNDATION'S BUDGET SHARES TOTAL EXPENSE ONLY PROPORTIONATE TIME FULTON GIVES FOUNDATION'S PROGRAM. CABLE WHETHER AGREEABLE."

On July 3rd we received your cable as follows:- "FULTON TERMS ACCEPTED."

We immediately communicated this to Mr. Fulton, and he is now actively engaged in arrangements for his sailing. We have advised him to make plans to arrive in Peking about the first of September, so that he will be on hand in plenty of time to begin the work of the autumn semester. We hope that within a week we can send you further details as to his sailing dates and at that time will also send you a copy of the letter we are giving to him setting forth our understanding as to the details of his appointment.

Very sincerely yours,

Dr. J. Leighton Stuart
Yenching University
Peking, China

BAG:MP

0860

學大京燕
YENCHING UNIVERSITY
PEKING, CHINA

OFFICE OF THE PRESIDENT

July 10, 1939

TELEGRAPH ADDRESS
"YENTA"

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

My dear Garside:

Your cable brings news about Miss Cockingham being delayed for a year on furlough. This is slightly obscure, but we shall assume that it means a period continuing until after the summer of 1940. It is not impossible that we shall meanwhile have to make other arrangements which may prove sufficiently satisfactory to make less urgent the desirability of her return. This will be the more so, if she herself has any hesitation about returning then for the usual period between furloughs. However, all this can be taken up more definitely in the light of her own physical condition and other factors as they take shape.

We note with satisfaction that Mr. Fulton will definitely arrive here the first of September.

Very sincerely yours,

Heigton Shueh

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學大京燕
YENCHING UNIVERSITY
PEKING, CHINA

July 10, 1939

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS
"YENTA"

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

My dear Garside:

Replying to your cable of inquiry this morning, on June 27 the following message was sent through the American Embassy Amateur Radio Service, assuming that it would go through satisfactorily. "Gratefully accept offer Kuan Yushan writing". Apparently there has been a slip in this method of transmission. We are, therefore, sending the same message today by commercial cable. This case has involved a great deal of somewhat emotional discussion. The young man himself is extremely eager to have the opportunity and his father is generously underwriting his expenses, although he has only the income of the principal of a Christian girls school, and a rather large family. The present exchange is of course cruelly unfavorable to him. We have not been able to find any other resources here to supplement the tuition and the \$600 raised by Mrs. Parlin and Miss Rathbone. K. A. Wee hopes, however, that he can work at International House and get substantial help from that source. He is also counting on assistance from a friend of his in Leonia and possibly in other ways. The University attitude is that he is going because of private assistance and there is no obligation on either side on his return here. On the other hand, we all want him back, and look forward to his more or less permanent connection with us in features for which this will give him special fitness. He is a fine young man and deserves all that can be done for him.

Very sincerely yours,

Shipton Stewart

jls c

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July 11, 1939

Dear Dr. Stuart:

Let me acknowledge receipt of your letter of June 14th, to which you attached copies of your correspondence with the Peking Branch of the National City Bank of New York.

We recognize at once the importance of the questions raised by Mr. Ball as to the authority of various individuals to operate the current accounts carried by Yenching University in the China branches of the National City Bank of New York. We can understand why the officers of the bank would like to have this matter clarified just at this time when many unexpected difficulties and crises may have to be faced at short notice. At the same time, it is very difficult from the standpoint of the University to deal with these questions in thoroughly satisfactory ways.

I am sure that in normal times, the Board of Trustees would consider that it is unwise for it to take any direct responsibility in these matters, and would call attention to the fact that under the Constitution and By-laws of the Board of Trustees and the By-laws of the Board of Managers, responsibility for the handling of all these business matters in China has been delegated to the Board of Managers. As you will remember, the pertinent paragraphs dealing with the responsibility of the Managers are as follows:-

"Constitution of Yenching University, Article IV, Section 2.

"The Board (of Trustees) in its discretion from time to time may delegate during its pleasure and in so far as may be permitted by law to the Board of Managers of the University constituted as hereinafter provided, such matters of University administration as it may determine....

"Constitution of Yenching University, Article VII, Section 3.

"The Board of Managers shall be immediately responsible for the administration of the University under supervision of the Board of Trustees, and shall possess such powers as from time to time may be delegated to it by the Board of Trustees as in Article IV above provided."

"By-laws of the Board of Trustees, Article IV.

"The Board of Managers shall be constituted as provided in the Constitution, and organized in the manner specified in their By-laws."

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"By-laws of Board of Managers, Article II, Section 2.

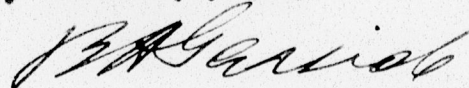
"The Board of Managers shall share jointly with the President the responsibility of the proper care and maintenance of all the real estate and personal property belonging to the Corporation utilized by the University, and shall through the President be accountable to the Board of Trustees for the custody and use of all funds received by the Board from the Board of Trustees. Donations to the University made directly to the Board of Managers shall similarly be accounted for to the Board of Trustees and may be employed by the Board of Managers in accordance with the wishes of the donors, provided always such use shall be for the purpose of and in accordance with the fundamental principles and objects of the Corporation as provided by its Charter and Constitution. Expenses or obligations shall not be incurred by the Board of Managers in Excess of the Budget approved by the Board of Trustees except upon specific authorization by the Board of Trustees."

From the above quotations it seems clear that all of the current funds for the operations in China of Yenching University are placed in the hands of the Board of Managers, which is accountable "for the condition, custody and uses" of all such funds. Certainly this authority and responsibility includes the banking arrangements for depositing and disbursing such current funds.

But we realize that at the present time it may be difficult to have the Board of Managers perform all of its functions in a normal manner. Mr. Evans and I are trying, therefore, to get the proper committees of the Board of Trustees to give as prompt consideration as they can to the matter you raise. Of course we can not make any predictions as to what the committees will decide, but we will suggest to them that the Trustees consider adopting temporary measures which will help to regularize your relationships with the National City Bank until it is possible for the Board of Managers to take the necessary action. It will, however, be some time before the Trustees can deal effectively with this question, because the members of the Board are now scattered for the summer, and a well attended meeting of any committee is impossible until after Labor Day. The issues at stake are too important to attempt to deal with the matter by correspondence vote.

We would suggest, therefore, that, without waiting for formal action by the Trustees, you consider the question of whether it may be possible for the Board of Managers to take action approving some such resolution as that submitted by the National City Bank. This ought to be done in any event as promptly as the situation in China will permit.

Very sincerely yours,



Dr. J. Leighton Stuart
Yenching University
Peking, China

BAG:MP

0865

July 11, 1939

Dear Mr. Fulton:

This letter is written to set down in concrete form our understanding as to the conditions of your appointment as a member of the staff of Yenching University.

1. Your appointment is for one year, with the rank of lecturer.
2. Your salary will be paid at the rate of 1205 Chinese currency per month, one-fourth of which may be drawn in United States dollars at the exchange rate of two to one. The balance will be paid in Chinese currency.
3. Your salary will begin on the normal date of your sailing from America by direct route in time to arrive on the Yenching campus by September 1st, 1939. Since you are taking a somewhat earlier steamer to permit of stopovers en route, we suggest that the date of August 5th, 1939, (when the Empress of Japan sails from Van^oVouwer) be considered the date for beginning your salary.
4. Under the special arrangements agreed to by Yenching University, you will receive the cost of your travel from New York to Peking, and also from Peking back to New York at the expiration of this term of service. The University normally allows a maximum of \$350 for travel each way. In view, however, of the special circumstances under which the University is making more than the usual provision for travel expenses, any saving you can effect within this maximum allowance will be gratefully appreciated by the University.
5. The University will provide living accommodations while you are on the campus, the free services of the University physician, and half of dental fees if incurred with the prior approval of the University physician.
6. The cost of your medical examination, preliminary^{to} appointment, is borne by the University but not the cost of inoculation and vaccination.
7. During the period of your appointment you are not to engage in additional remunerative employment, except for special arrangement with the University authorities.
8. While no commitment is made either by the University or yourself beyond the period of one year, it is understood that if at the end of this period it is mutually agreeable both to the University and to yourself, this arrangement might be extended for such an additional period as may then be agreed upon in conference between the University authorities and yourself.

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Mr. Fulton

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July 11, 1939

If at any point the above arrangements are not in accordance with your understanding, please let us know and we will discuss the matter with you. If these arrangements are satisfactory, will you please sign the two enclosed duplicate copies of this letter and return them to us.

Very sincerely yours,

Mr. R. Brank Fulton
208 East 16 th Street
New York, N. Y.

BAG:MP

I agree to the terms of my appointment as set forth above.

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July 11, 1939

Dear Dr. Stuart:

Along with other gifts he is making at this time, Mr. William H. Danforth has sent to our office his check for \$500 made payable to the order of the National City Bank of New York and accompanied by a letter of instructions directing that the Bank transmit this \$500 direct to you. We have sent the letter and check on to the Bank and you will doubtless be receiving the remittance of that amount through the Peking Branch of the Bank about the same time as this letter reaches you. Mr. Danforth also has sent us a copy of the letter he wrote you on July 7th which will probably go to China in this same mail.

Inasmuch as a somewhat similar gift from Mr. Danforth last year was counted as part of Yenching's share in the 1937-38 emergency fund, we are tentatively counting his present gift as applicable to Yenching's share of \$56,331.95 in the 1938-39 emergency campaign. We are this week closing our accounts for the 1938-39 emergency campaign. While we will fall a little short of our total objective, and some of the Colleges will not receive all of the emergency funds we have been seeking in their behalf, we can say definitely that Yenching will receive all of its share of \$56,331.95. Pledges still outstanding from three of the Yenching Trustees, payable during the next few months, total \$6,250. Thus the total which will be available for Yenching at the present time (including the remittances already sent forward) will be US\$50,081.95. A more detailed statement will be sent to the Field Treasurer at the end of this week. We hope that with the favorable rates of exchange prevailing, the University will be able to meet all of its current obligations for 1938-39, to care for some of the special items concerning which you wrote us earlier in the year and to carry forward a fairly substantial surplus for the beginning of the new year. We have found it much more difficult this year to raise the emergency fund than was the case last year. And it is obvious to us all that it will probably be even more difficult next year to secure a substantial special fund in addition to the regular sources of income.

So, while we all continue to do our utmost to provide the funds which Yenching and the other Colleges need in order to carry on, we hope that you will be able to begin the year 1939-40 with fairly substantial reserves, to avoid the possibility of deficits if the amount we can secure during the coming year is greatly reduced.

Very sincerely yours,

Dr. J. Leighton Stuart
Yenching University
Peking, China

BAG:BP

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Third, to continue the process of building up the capital resources of the University through securing additional endowment funds and other capital gifts as the situation may require and as opportunities may permit.

For reasons which are quite obvious, the Trustees try to bring the results of all their promotional efforts into these three categories. Where there are special current needs of the University which do not fall within the regular budget, they try to make a list of them all at the beginning of the year, and to have one comprehensive objective which will include all of these special needs.

In all these activities, the Trustees are merely trying to serve the needs of the University, as they understand these needs to be. Our recently adopted system of making the cost of home base administration and promotion an item that is provided for in advance out of regular income is annoying at times, but at least it clarifies our procedure in that we can say honestly to every donor who gives for any purpose whatever that the total amount of his or her gift will go to the designated object and that there will be no deduction whatever for the cost of home base operation. And the Trustees can now assure the field that every dollar received from any source will be transmitted to the field for the objective desired by the donor or added to the capital funds of the University here in America, with no deduction whatever. The Trustees are eager to have the feeling always that they are working in the closest harmony and the most complete understanding with the administrative officers of the University in all these promotional activities. At the same time we realize that some donors will always wish to send their gifts in special ways, and for special purposes which can not be tabulated in advance when our lists of regular and special promotional objectives are made up from year to year.

Whenever donors express a desire to make their gifts in some such way, the Trustees always accept them appreciatively on the basis of the donors' wishes, and promise to transmit them promptly as he or she may desire. They always guard against any attempt to persuade the donor to change the designation to some other objective which the Trustees might consider somewhat more urgent than the one the donor has in mind. Also, wherever the Trustees find that donors wish to send their gifts direct to Peking, we encourage them to continue that channel of giving. Sometimes, when the donor asks advice as to the best way of remitting funds to China, we offer to handle the remittance for him by receiving his check and depositing it at once to the credit of the Field Treasurer's account in the Central Hanover Bank and Trust Company.

In order to keep our New York records complete, it would be very helpful if at least once each year the University would send us a list of all the special gifts you have received direct from American donors, with a brief indication of the purposes for which such gifts were used. Where such gifts are intended by the donors to fall within one of the three regular categories listed above - regular budget, emergency funds, or permanent capital funds - proper adjustments can then be made. But if the donors wish their gifts to be outside these three regular categories, our New York office will merely make notations on the record of giving by these donors, so as to avoid unintentional duplications of appeals.

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Dr. Stuart

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July 11, 1939

Would it be possible for the Field Treasurer's office to make up at this time such a list of special gifts received direct in Peking during the fiscal year 1938-39? As a matter of record our Yenching office has this year forwarded by special remittances the following gifts which we have not counted within any of the three regular categories listed above:-

| | | |
|----------|--|----------|
| 7/28/38 | Dr. and Mrs. George B. Barbour (L50) | \$246.00 |
| 10/29/38 | Two gifts from Mrs. J. F. Shoemaker for use of William Hung | 300.00 |

We also have a record of a pledge from Mrs. Edward D. French in the amount of \$100, payable on or before January 1st, 1940, to be sent forward to you for use at your discretion. This we have not counted within any of these three categories.

Two special gifts which have been remitted to you have been counted in the emergency fund, subject to your confirmation:

| | | |
|----------|---|----------|
| 12/23/38 | Mrs. Francis J. Torrence, "for use of Dr. Stuart" | \$500.00 |
| 7/10/39 | Mr. William H. Danforth, "for use by Dr. Stuart" | 500.00 |

If this procedure is agreeable to you, we would be grateful if the University would set up the proper processes whereby similar reports of special gifts received during the year would be sent to the New York office each year shortly after the close of your books on June 30th.

Very sincerely yours,

President J. Leighton Stuart
Yenching University
Peking, China

BAG:MP

*copy for
Miss Van Linder*

0870

July 11, 1939

Dear Dr. Stuart:

The gift from Mr. Danforth, concerning which we are writing you at this time, raises again a question which has been coming up rather frequently during recent months.

The problem is this:- quite a number of our Yenching friends have this year expressed the desire that their gift to Yenching be sent direct to you, or to others of the University staff in Peking, to be used at your discretion. Of course we are always happy to comply with such requests, and transmit all such gifts promptly, sending along special letters to you and to the Field Treasurer so as to avoid the possibility of such gifts being merged with other University funds.

Occasionally as we carry on our Yenching promotional activities, we receive intimations from Yenching friends that they have already sent their contributions direct to Peking. Sometimes they are a bit annoyed that any further requests for contributions are received from the New York office and they seem to feel that we should know of the gifts they have already made direct to the University.

Of course, we are always happy to learn of such gifts that have been forwarded direct to the field, and are anxious to cooperate with those of you who are in Peking in our efforts to maintain and strengthen the support of all such contributors. We should, however, work out some system of reporting such gifts received direct in Peking so as to avoid the possibility of duplication of appeals, or I fear we will sometimes give the appearance of working at cross purposes, and nothing so quickly annoys and alienates a contributor as any appearance of lack of coordination and teamwork.

One other point of much less importance is that of keeping our records for the year reasonably straight. Each year the Trustees undertake to render three distinct types of service to Yenching University in the field of money-raising:-

First, to secure from our regular sources of income a fixed amount which the Trustees guarantee that they will supply to Yenching University in the course of the year for the support of its regular budget.

Second, the securing of special current gifts - such as the emergency fund of \$32,603 in 1937-38 and \$56,331.95 in 1938-39 - which the Trustees promised to use their best efforts to secure, and to transmit as and when secured, although they do not guarantee in advance that the full amount can be obtained.

0871

GREAT NORTHERN IRON ORE PROPERTIES

NO. 2 WALL STREET

NEW YORK

LOUIS W. HILL,
PRESIDENT.
RALPH BUDD,
C. O. KALMAN,
L. W. HILL, JR. } TRUSTEES

July 12, 1939

INDEXED

Mr. C. A. Evans,
150 Fifth Avenue,
New York, N. Y.

Dear Sir:

We duly received your letter of June 21st, enclosing declarations signed by J. Leighton Stuart in respect to the tax we withheld at the source from the Trustees' distributions Nos. 48A to 52, inclusive.

We enclose herewith Trustees' distribution check No. T-8019, drawn to the order of John Leighton Stuart, for \$7.50, being refund of that amount of tax withheld from the payment we made to Dr. Stuart on January 31st, 1939 (distribution No. 52).

Inasmuch as the tax withheld from distributions Nos. 51 and 52 was paid to the Collector of Internal Revenue at Saint Paul, Minnesota on June 5th, 1939, we are unable to make any refund in respect to those payments and it is therefore necessary for you to apply to the Government for the refund of the amounts which we deducted from distributions Nos. 48A to 51, inclusive. We return the declarations signed by Dr. Stuart in regard to these distributions as you may desire to use them in support of your claim for the refund of the tax. As agent in this Country for Dr. Stuart we believe it proper for you to file a claim with the Government for the return of the tax.

For your information, would advise that Form 1042, being information at the source of tax withheld during each calendar year, is filed with the Collector of Internal Revenue at Saint Paul, Minnesota, on or before March 15th of the year following the payments of distributions and the tax withheld is paid on or before June 15th. Your claim should therefore be filed at the office of the Collector of Internal Revenue at Saint Paul, Minnesota.

We enclose herewith three copies of Form 843, which form is used in making claim for the refund of tax, and should be filed in duplicate with the Collector.

0872

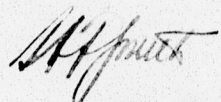
Mr. C. A. Evans

-2-

July 12, 1939

In our letter to you dated March 21, 1939 we listed information regarding distributions Nos. 48A, 48B and 49. Below you will find similar information regarding distributions 50 and 51.

Very truly yours,



H. F. Smith

HFS*MD
Encls.

| <u>Dist. No.</u> | <u>Date Paid</u> | <u>Amount Paid Per Share</u> | <u>Amount Paid</u> | <u>Tax Deducted</u> |
|------------------|-------------------|----------------------------------|------------------------|-------------------------|
| 50 | January 31, 1938 | 75 cents | \$67.50 | \$ 7.50 |
| 51 | December 20, 1938 | 50 cents | 45.00 | 5.00 |

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RECEIVED
UNIVERSITIES
MAY 14 1939
JOINT OFFICE

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INDEXED

July 12, 1939

Dear Dr. Stuart:

Let me acknowledge receipt of your letter of June 13th dealing with the terms of appointment for Mr. R. Brank Fulton, together with Dean Chao's letter to Mr. Fulton written at the same time. We have handed Dean Chao's letter to Mr. Fulton and have discussed with him the terms of his appointment. Enclosed herewith is a copy of my letter to Mr. Fulton setting forth the conditions of appointment, signed by him as an indication that these conditions are acceptable to him.

Mr. Fulton is sailing on July 28th on the S.S. President Cleveland. He plans to stop over in Japan for a short time and to continue his journey so as to arrive in Peking not later than September 1st.

Mr. Evans will make a report direct to the Field Treasurer as to the financial arrangements we are making with Mr. Fulton before he leaves New York,

We will leave in the hands of the field authorities the adjustment of the expenses of Mr. Fulton's salary and travel, between the McBrier Foundation budget and the School of Religion budget. We would be grateful if a preliminary report showing the approximate distribution between these two budgets can be sent us fairly early in the autumn. The exact distribution can be reported in the annual Field Treasurer's audited report as of June 30th, 1940.

We earnestly hope that all these arrangements will be satisfactory, and that Mr. Fulton's year on the Yenching campus will be most satisfactory to everyone. As Mr. Fulton starts for China he is definitely planning to return after a year for further post graduate study at Yale University. But there is always the possibility that he may be willing to remain longer if the University urgently desires him to do so.

Very sincerely yours,

Dr. J. Leighton Stuart
Yenching University
Peking, China

BAG:MP
Encl.

0875

July 13, 1939

Great Northern Iron Ore Properties
2 Wall Street
New York, N. Y.

Attention of: Mr. H. F. Smith

Gentlemen:

I greatly appreciate your letter of July 12th enclosing check for \$7.50 representing the reimbursement for tax withheld on distribution #52.

I am grateful for your advice and enclosures regarding the claims to be filed for distributions #48-a to 51 inclusive.

We are proceeding along the lines suggested.

Very truly yours,

C. A. EVANS

CAE/B

0876

July 13, 1939

Dear Dr. Stuart:

Thank you for your letter of May 22nd, in which you report your impressions of the conference of College Presidents held in Hongkong during the latter part of April.

We are glad that you found at least some encouraging indications of a trend to closer cooperation among the various institutions. That in itself is one important forward step for which we can thank our friends from across the Yellow Sea. And, as you say, if present conditions continue long enough, they may serve to bring about the solution of some of the problems on which we have made discouragingly slow progress. But we do hope that progress can be made without paying quite so high a price for it.

It seems that one of the most important places where progress ought now be made is East China. During the past year we have had some long talks with President B. E. Lee, and have also had several conferences with President Y. C. Yang. Both of them seem to be fully committed personally to the establishment of a single Christian institution of higher education in East China - for senior college work at least, and ultimately for junior college work as well. Dr. Decker is hopeful that the University of Shanghai will agree with this same policy. It is certainly an unique situation for an institution to have an opportunity to dispose of its present campus on such favorable terms as to provide funds both for building up a new united campus and also giving a substantial endowment - but to be compelled by considerations of patriotism to refuse the offer. Perhaps some satisfactory solution can be found. As for any real participation by St. John's - there are many sceptics among us, but perhaps the days of miracles are not entirely gone.

The problem of the future of the four colleges now working together in Chengtu is no so easy to forecast. Obviously, any permanent union of the four institutions on the present basis is hardly feasible or desirable.

As you already know, two of the most important topics to which the Associated Boards and the individual Boards of Trustees have been giving constant study during the last year are the closer coordination of the work of the colleges in China, and the simplification of the organization of the Colleges' Boards of Trustees here in the West. During the months which are just ahead both of these topics will be considered even more actively than in recent months. We are all grateful for all the information we can get on these subjects from every sources.

Very sincerely yours,

Dr. J. Leighton Stuart
Yenching University
Peking, China
BAG:MP

0877

July 14, 1939

Dr. J. Leighton Stuart
Yenching University
Peking, China

Dear Dr. Stuart:

Thanks for the confidence as expressed in your letter of June 14th, and agreeable to your request we have paid \$15.00 to the American Council, I.P.R.

Today's mail brings a reimbursement of \$7.50 of the January collection of tax on the Great Northern Iron Ore Properties which we have credited here to your account on the books - the balance now being \$287.50. As the Company paid previous collection to the government, they are cooperating with us in filing claims for exemption and reimbursement. I will let you know the outcome later on.

A few days ago Jack made application for \$100.00 to cover some insurance payment and we sent same to him charging Account #31 to the field.

I received your letter of June 5th authorizing me to invest \$1500.00 and charge same out to China. I have talked with members of the Investment Committee and our Investment Counsel as to what we should do with a personal investment of this kind for a staff member and I have been advised to hold off for a few days until we can more carefully evaluate present political and economical conditions as related in the up-turn of the market in the last forty-eight hours. There seems to be only one perfectly dependable source to protect capital and yet secure a fairly decent income, and that is U. S. Baby Bonds. The yield over a ten-year period is 2.9, but no interest is paid the first year. In fact, no interest is ever paid, but at the maturity \$2,000.00 would be returned for an investment of \$1500.00.

I am watching this carefully and will report later on what is done.

Very cordially yours,

C. A. EVANS

CAE/B

Via "Empire of Russia" 7/17/39

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S/S "KAIPING"
THE KAILAN MINING ADMINISTRATION



July 15/39
Aek 8/14/39

My dear Garside,


Enclosed are two articles
for you to use at your discretion.
The Situation in North China is by
Michael Lindsay and was intended
only for his father (Master of Balliol)
and a few influential friends in England,
but it gives a fairly typical liberal
British view-point. Taking Relief
to Faping is by Dr. Mather, an experienced
and highly esteemed Presbyterian
missionary. Again the interest
in the article is that it is typical.
I should especially like for Harry

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(Warren)
Price, and Vernon Kask to have
copies of these. Lindsay's should
be used very cautiously and in
neither case of course should any
publicity be given ^{as} to the names of
the writers.

Two weeks ago today, a message
came to me through the American
Ambassador in Chungking and the
Peking Embassy from Dr. Kung asking
me to go there as soon as possible
"for an important conference". The
message is doubtless on behalf
of General & Madame Chiang,
although I can only surmise
as to the special matters they wish
to discuss with me. After some

S/S "KAIPING"
THE KAILAN MINING ADMINISTRATION

hesitation as to where my duty lay I decided that if they felt that I could be of any help to them and regarded me as enough of a real friend to be thus summoned I ought to comply, whether I feel it worth while or not, and regardless of any possible minor problems at Yenching. These latter have ^{been} carefully planned for. Our survival is involved in the policy of the National Government and its ability to realize it. Since I am heart and soul for General

Cheang and his program, pray
for his success and care
passionately for all of which he has
become the symbol, the least I can
do is to respond to such a request.
Fortunately, simultaneous with
this call, was a decision to go
to Hong Kong for conference
on Rockefeller Foundation field
training plans in Yunnan.
We tried to go W.T. Lee to come
to Peking for this purpose,
but he was too timid to risk the
trip and urged that one of
us meet him in Shanghai or Hong Kong.

S/S "KAIPING"
THE KAILAN MINING ADMINISTRATION



This gave me a thoroughly plausible - and genuine - reason for making the Trip, and although it will probably be impossible to keep it secret once I get to Chungking, yet I have only told a few of the administrative officers at Yenching and a few others, all in strict confidence. Among these latter were Wang KE-min and Gen. Kita, with both of whom

I was quite frank and from
whom I learned much that
may be of use to the Gen. Chiang.
Be very circumspect as to
whom you share this with,
at least until it becomes
known. Even if it is reported
that I am visiting Chungking
I hope the occasion for doing so
will be kept confidential. But
the Trustees should be kept
informed of my doings.

Very sincerely yours,
Leifur Stewart

The Situation in North China

Michael Lindsay

The present situation in North China has no doubt been fairly fully reported in England, but it may be worth while to try to state something more of the background and of the general principles involved which may not be clear from the details of daily reports. As regards the sources of the governments information there is no doubt that the Ambassador is an absolutely first-class man who tries to get the fullest and most complete accounts of the situation, but, in North China, though there are many good people in the service, some of the more senior officials have practically no Chinese contacts and are apt to think primarily in terms of avoiding personal responsibility and of always acting along perfectly official channels. Their reports, therefore, are apt to reflect a rather limited outlook.

To a large extent British policy seems to be based on a misunderstanding of the nature of Japanese organisation. The Japanese army is not simply a military organisation. It is also to a large extent a political organisation independent of civilian control. To some extent it is also a political machine in the same sense as the more corrupt American political machines which protect various forms of racketeering and graft. People who are very well informed about conditions here and in Manchuria say that Vespa's "Secret Agent of Japan" gives a substantially correct account of conditions under Japanese military rule. There have been many cases here where Chinese have been compelled to sell property at a comparatively low price under threat of arrest or in order to secure the release of relatives who had been arrested by the army gendarmerie. An American in Peking was approached by a Japanese who had quarrelled with the official drug ring and wanted to find somewhere an American property where drugs could be stored. The Japanese offered a large sum for storage facilities and said that there would be no difficulty in arranging transport to any part of North China as he had all the necessary contacts with Japanese army pilots. Many people report that the scale of commission necessary to secure government orders or to obtain transport facilities is considerably higher than under previous Chinese regimes.

Except from the point of view of military strategy the organisation is by no means united. Different units are largely independent and there are fierce rivalries between different political groups. Even from the military point of view it is probable that issues of strategy have sometimes been subordinated to the rivalries between the different armies.

As a result of this loose organisation the initiative in anti-foreign action usually comes from some quite subordinate commander. If he is met with prompt action on the spot the general "face" of the army is not seriously involved and his superior officers will not support him. On the other hand if a local success is allowed while protests are made to the diplomatic authorities higher commanders will become involved. Even with the best will, it is very hard for the civilian authorities to exercise any authority over the army. For example, the Japanese government promised that the Pientsin postal authorities would let through copies of the Peking and Pientsin Times addressed to the embassies in Peking, but there was a very long delay before they could

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Michael Lindsay

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secure the obedience of the military authorities in Tientsin. Where even the civilian authorities have not got a genuine desire to help the foreign protest a question may become involved in almost indefinite delays. This is not to say that diplomatic protests are quite useless or that they should not be made. The point is that by themselves they are valueless unless supported by the sanction of definite economic or military reprisals.

In connection with local action they are very valuable; they show that the local action has the full support of a disciplined government; they claim the recognition of the point which local action has established; and, if rightly handled, they may have the further effect of giving the civilian authorities "face" as against the army.

An excellent example of effective local action is an incident which occurred last year at a French missionary school outside the concession boundaries at Tientsin. One day Japanese troops entered the grounds. A messenger was at once sent to the French consulate while some of the foreign teachers held the officer in conversation. Within a short time lorry loads of French troops arrived, machine guns were mounted in the windows covering the grounds, and the French officer demanded the immediate retirement of the Japanese. The Japanese officers made excuses about having misunderstood his orders and promptly withdrew with his men. If this incident had been dealt with by protests at the Japanese consulate, etc., the school would at the best, have been occupied for several days and the students and Chinese staff completely scared and demoralised.

In the Dyott kidnapping the great mistake of the British authorities seems to have been their determination to act only through official channels. The facts as officially admitted are that Dyott was kidnapped at lunch time; that the car broke down and stopped for about half an hour near a Chinese policeman in the ex-German concession and that eventually another car was procured; that a messenger came with Dyott's card from Pai Tang Kou, a village outside Tientsin, who reported that the police were holding on suspicion a car with three Chinese and a foreigner. The British authorities went to the Japanese authorities and about 5 p.m. the British commander went with Japanese troops to Pai Tang Kou and was told that the car had driven straight through and had refused to stop and that the police had let it go because of orders not to fire on cars containing foreigners. This official story leaves the card and message unexplained, and people who have been through Pai Tang Kou say that it is a walled village so that the car would have had to crash two gates which are normally kept shut. It seems fairly clear that the Japanese planned the kidnapping as a measure of terrorization and from irritation with the foreign community and chose Dyott because he had made a strong speech at a recent meeting of the Chamber of Commerce. The plans were obviously very badly made and the Chinese police at Pai Tang Kou had not been told to let the party through, or perhaps had been given the number of the car which broke down. If immediately on receipt of the message British troops had been sent to Pai Tang Kou it is fairly certain that Dyott could have been released the same day. In fact the Japanese were

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able to get through a message that the party should be allowed to proceed.

The recent action in circumventing the Nientsin blockade by sending out lorries escorted by troops to buy vegetables in the country seems to be an excellent example of effective local action.

As a further suggestion it seems very probable that the incidents of the stripping and insulting of British subjects could be avoided if the authorities took measures to have photographers ready. The boundary of the ex-German concession can be overlooked from the British concession and even the International Bridge might be covered from a gun boat or ship in the river. Cooperation with the film companies would certainly produce suitable equipment and where a permanent observation post could not be arranged it should be possible to hold a military lorry or consular official's car in readiness to take a photographer to the spot. A news reel of an Englishman or still more an Englishwoman being stripped and insulted by Japanese soldiers would do more than anything else to secure American participation in effective action in the Far East.

Again in reply to the Anti-British propaganda it might be possible to set up loud speakers or even a small broadcasting station which would give accurate news of the war situation.

These are not so much definite suggestions as to what ought to be done, but illustrations of the kind of effective local action which might be possible with good local leadership.

To return to more general principles, the main essential in dealing with the Japanese are politeness combined with a refusal to make any concessions on points of principle. Politeness and courage are virtues which they respect. The example of Yenching University is very interesting. Before the war it had been a centre of anti-Japanese feeling and the continuance of free teaching is quite contrary to Japanese policy. In resisting Japanese demands it has only had its position as an American institution and the very great diplomatic ability of its president. Japanese have always been met with politeness and shown around the grounds or invited to meals and reasonable complaints have been met. For example, there were notices in Japanese saying that the grounds were strictly private; after a complaint these have been replaced by notices in Chinese, Japanese, and English. On important points the attitude has always been to stand completely firm even when demands were backed by threats or when the civil authorities asked for concessions which would make it easier for them to control the military. This attitude has been supplemented by diplomatic protests and as a result complete academic freedom has been preserved. The only concession has been the appointment of a Japanese professor and the man appointed is a distinguished scholar interested in research and archeology who is not particularly persona rata to the military.

In Tientsin the present troubles may be largely due to the original concession by which the suspects were handed over to the Japanese for torture. It is certain that this action encouraged the section of the Japanese army which believed that England would yield to threats if sufficiently strong.

It might have been reasonable to allow the questioning of the suspects in the presence of a British police officer, but it is hard to see any justification for the actual policy pursued. It was partly due to a feeling of irritation at the assassination which involved the death of a member of the foreign community. In business circles in Tientsin there was a reaction against the Chinese and a desire to come down on Chinese activities in the settlement in retaliation. Chinese whose activities, though anti-Japanese, did not in any way interfere with peace and order in the concession were increasingly harassed by the authorities. The prevailing view in business circles was to some extent that if the concession could really be made what the Japanese would consider neutral, then trade could go on undisturbed.

It is probable that in this atmosphere the senior officials, who are not in sympathy with what they consider the Ambassador's pro-Chinese views, took advantage of the Ambassador's absence in Chungking to try an "appeasement" policy at the expense of the suspects, - with of course the usual results.

To some extent the Japanese attitude is no doubt due to the necessity for producing some diversion from the failures in the main war. It is certain that they suffered a very serious defeat in Hupeh. The local Japanese controlled papers had reports of large numbers of Chinese troops surrounded, - and then nothing much more. In fact they did surround them but only by getting two long Japanese columns into untenable positions from which they had to retire with heavy losses as soon as the Chinese counter attacked. Even before the main fighting American observers reported 13,000 wounded passing through Hankow in 2 weeks. In Shensi again the Japanese are losing heavily without making any progress. Some definite success is, therefore, necessary to keep up morale, and the 50,000,000 in silver in the concession would be a valuable help in the critical financial situation. Also, on a longer view, the Japanese may be realising that so long as China can get financial support and a certain amount of supplies from abroad they have no hope of ultimate victory. Their only chance is, therefore, to force foreign powers to withdraw all support from the Chinese government.

The conclusion is that in dealing with the Japanese the most essential point is to have really good men on the spot who will be able to take a fair amount of initiative and responsibility with the assurance that the home government will back them up. In practice this should mean unqualified support for the present Ambassador. This high opinion of the Ambassador is not just a personal one but is shared by a number of people whose judgement I value. It is quite probable that in pursuing an effective policy he may come into conflict with some of the consular officials and the issue will then be raised of experience and knowledge of Chinese conditions. In this it is very important to realise that in rapidly changing conditions length of experience is not any accurate guide to knowledge of the existing situation. The complete failure of the Japanese on the political side has come very largely from the inability, even of

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experts like Doihara, to realise that China has changed since the days of the Anfu group and the civil wars. The Ambassador has probably learnt more of the situation in months of careful study of actual conditions and of meeting with the present rulers of China than some of the critics of his policy have learnt in the same number of years spent in foreign study society in the treaty ports. Many of the senior consular officials have practically no contacts with the Chinese who are now ruling the country and their outlook is seriously prejudiced by memories of the civil war period and the events of 1927. Also the dealings of a great power with a disorganised oriental nation allowed an official tradition which is not suited to defending British interests against superior military force. When there was no doubt about the superiority of British power it was perfectly all right to refer local questions to be dealt with by diplomatic protest, but, as has been argued above, this now does not work. The change to an effective policy will produce some resentment and the action over the suspects in Tientsin and attempts to withhold information in Peking suggest that it may be necessary to uphold the Ambassador's policy against attempts at sabotage.

As regards the general policy of supporting China this is in the long run the only way of preserving British interests. There are no terms on which an agreed peace could be arrived at, which either a Chinese or a Japanese government could accept and stay in office, or even alive. Strong pressure by England and France might force China to accept some compromise though it should be remembered that even the yielding of North China would mean the abandonment of territory still largely held by Chinese troops. Such a compromise might appear superficially attractive as it would be possible to maintain foreign privileges against a weak China. In the long run, however, it would be disastrous. A victorious China might curtail foreign privileges but it would possess a strong and vigorous government interested in economic reconstruction and would almost certainly welcome Western cooperation. In the event of a compromise peace China would almost certainly develop into a militaristic society intent on renewing the struggle. On the economic side there would be a drive for self sufficiency and when the struggle was renewed there would be very little left of foreign trade and interests whichever side won.



Taking Relief to Fu P'ing

(William A. Mather)

A missionary who took relief funds to Fu P'ing and vicinity in April and early May, writes as follows of the trip: He had a Chinese colleague as companion.

We passed inspection of the Japanese sentry near the rail-road, and saw not a single Japanese from that time until 29 days later, when we passed the sentry at the same spot on return. This will give a little idea of the Japanese boast that they occupy the whole province of Hopei. Our first objective was a chapel in a market town, 19 miles to the northwest. We saw no soldiers of any description until we reached that town, where a number of soldiers of the 8th Route Army were strolling about.

The next day we went to a neighboring village to visit the District Government of Manch'eng, which for the time being, having been driven out of its own district by the Japanese, was sojourning in the neighboring district of Hsien. After quite an interview with the district magistrate, we obtained a passport for our trip to Fu P'ing. Less than an hour after we obtained this passport, news came that the Japanese were less than two miles away, and the whole district government took a speedy departure, later coming back and then fleeing again once or twice during the same day. Actually the Japanese were at least three miles away, and had no warlike intent for the time being.

The next day, being Easter, was spent with the Raipu Church, who turned out in large numbers to the services. One of the elders lives in the village which the Japanese had visited the day before and said that the Japanese had come there to exhort the people. They began by saying, "We Japanese are originally Chinese, and have just come home to live." Later they said that if they came to the village again and found some of the younger people fled (probably meaning younger women and girls) they would burn the houses of such people.

Next day we were on the march again. At Pei Lu Le we had quite a largely attended service and a good many vaccinations, and stayed that night with a Christian family we had not visited for three or four years, and who welcomed us warmly. The following morning, in the adjoining hamlet, we saw the first instance of an 8th Route Army base hospital, using the ordinary farmers' dwellings and tucked away in a narrow valley where airplanes would not be likely to come. The next village was the market town of Ling Hsi, swarming with 8th Route Army soldiers. Here we had to show the sentry our new passport, after which no one hindered our progress. These months are a time of intensive training for soldiers of the 8th Route Army, and we spied little groups of them in all directions listening to their teachers, or, in one case learning how to handle trench mortars and the like. As we rested for lunch that day, a red cross unit passed us, followed a little later by farmers carrying three wounded soldiers, one of them apparently a boy in his middle teens. Practically every village of any importance that we passed had sentries on guard to challenge the passer by, asking whence he had come and whither he was going, and whether he carried any

kind of passport or not. Some of these sentries were grown men. Just as frequently they were small boys, hardly as long as the clubs or spears they wielded. In one case a woman acted as sentry, showing her diligence by plying a spinning wheel at the same time. That evening we lodged at the market town of Sen Nan, where a company of cavalry was quartered. Shortly after our arrival the captain and first lieutenant came to our inn, marched me off to their quarters, and sat down for a long chat. They were almost the first ones who had recognized the tiny stars and stripes which fluttered from the top of the mule's pack as the American flag. They were strong in their praise of American's attitude, and when I arose to take my departure, they insisted on my eating supper with them. They were both graduates of the Anti-Japanese Yen'an University.

On the following day, after visiting a rather decadent Christian community, which has been rather neglected in recent years, we pressed on to Sung Chia Chuang, where there is a tiny Anglican hospital presided over by a very efficient and devoted English nurse. With multitudes of 8th Route Army troops swarming over the country-side and quartered in inns, it is sometimes very difficult for travelers to get accommodation. With her was staying a young Oxford graduate engaged in journalistic work, detained by an attack of typhus. When we arrived he was talking with the interpreter of one of the 8th Route Army generals, who told me that he was a graduate of Yenching University. Next morning the district magistrate of Ch'uyang dropped in for a chat, from Harbin, with almost flawless English. He said that fire destruction in Ch'uyang by the Japanese was much greater than in Fup'ing, but did not add that relief can be given in Fup'ing without molestation, while Ch'uyang is still torn by Japanese raids. Not more than four or five miles from Sung Chia Chuang, we began to hear of the these raids in progress, rifles cracking, machine guns sputtering, and a field gun adding its diapason now and then. 8th Route despatch riders were hurrying, detachments of troops were hastening to various positions, but we kept our course. The Japanese finally worked their way to the village we had just passed through, where they met pretty thoro defeat, leaving behind 50 or 60 tents and heaps of dead. The engagement lasted two or three days.

That night we spent in P'ing Yang, the first market town of Fup'ing district to be reached, and the first village where Japanese arson was terribly visible. Something like half the town was in ruins. But 8th Route Army troops were there in great numbers and we had to be accommodated in a private and well-do-do family. The last 20 miles to Fup'ing presented a dismal enough sight. Practically every village was from two thirds to three quarters destroyed by fire.

The day after reaching Fup'ing, we called on the district magistrate, the only one so far as I know of all the Border Government districts, who is able to reside in the walled town of the district, and to carry on business in his own official offices. He is a most attractive boy of 25 or 26, two of his family are members of our church. He reminded me of the time when he must have been very young, when I visited his home to officiate at a funeral. My colleague says that he was the most brilliant boy in the great Yu Te Middle School, standing first in his class all 6 years, and thus winning a scholarship at Tsinghua. He was also an earnest student in this colleague's bible class. The Japanese closed his career at Tsinghua after 2 years by turning the university into barracks, and he has therefore taken up political life. He greeted us most cordially

expressing his great pleasure at our errand, and soon invited us to eat with him and the commander of the local militia. Later he called together representatives of 12 or 15 local patriotic societies in a meeting of welcome to me. They sang patriotic songs, made a number of speeches, of which the magistrate's was much the best, and also called upon me for a speech. In a tiny hamlet where a number of our Christians live, in the mountains, the Border Government has established a printing plant, where books and a weekly paper are printed. Unfortunately, entirely unsolicited and rather unwelcome publicity was given to me in this weekly paper, which I hope will not hinder my future usefulness. Still later the head of the Border Government came to Fup'ing and wanted to have a talk with me. He is a young man of 29, a graduate of Pei'ia. He seems thoughtful and rather sane in his interpretation of world events, and told how the aim of the Border Government is to become more and more self-contained and less dependent upon the importation of Japanese goods. Already I think considerable strides have been made in the promotion of the use of the old-fashioned spinning wheel and the native loom.

(University of Peking)

Soon lists of the terribly destitute in the burned villages were furnished us by the district government, and it was possible for us to begin investigation and relief. On the second day of this work, we suddenly encountered the district magistrate in one of the smaller villages which we were investigating. When asked what he was doing then he replied that he had brought a few soldiers out with him to plant a man's land for him. The man was an interior teacher whom the magistrate had induced to teach a tiny school for the impossible salary of U.S.\$3 a year. The man said he could not live on such a salary, as he would be unable to plant his land at home. The magistrate then promised that he would plant his land for him, and here he was, fulfilling his promise and working all day long in the boiling sun. A greater contrast to the pompous old-time magistrate in China can hardly be imagined. Such an old-time magistrate had an ample salary and a tremendous "squeeze". This young man is content with a salary of less than U.S.\$2 a month.

It is almost impossible to describe the ingenuity with which the Japanese sought to make the destruction of the Fup'ing region complete. One could only think of a horde of naughty boys let loose where they could smash to their heart's content. Not only did they set fire to the houses. On their second trip in the autumn they paid particular attention to threshing floors and granaries, burning all the grain they could, and throwing the rest into the river to be carried down stream. Books of all kinds, but perhaps especially Bibles, were torn to pieces and committed to the flames. When they found the shallow iron kettles in which the Chinese prepare most of their food, they would seize a large stone and smash a hole in the middle. Large earthen water pots were thrown over violently and smashed. Clothing and bedding would be thrown into pits and burned. One young teacher showed his house completely gutted by the flames, while in his yard four or five bee hives were deliberately smashed to pieces. But they were not content with destruction of property. Neither age nor sex prevented them from plotting out human life wherever

Possible. While we were still in Fup'ing, we heard of a raid by the garrison of Tan Ch'eng, which is the nearest Japanese garrison to Fup'ing, upon a village in the middle of the night. A few shells startled the inhabitants and caused them to flee, whereupon the soldiers in this "Holy War" shot them down as they came, killing over 40 of all ages and both sexes. One village we visited had lost over 20 killed, including one aged leader of a religious sect who had often visited us in our chapel. Another village also lost 20 killed. One young woman had her home burned, her husband and one child killed, and her hand terribly mutilated by Japanese shrapnel. Is it any wonder that at the second visit of the Japanese to this village, when they were in straits because of a sudden attack from the 8th Route Army from south of the river, the farmers of this village rushed to the hillsides, raining rocks and even hand grenades upon them to avenge their slaughtered kin?

On our whole trip of four weeks in 8th Route Army territory, there was not a trace of banditry. The discipline of this army causes one to marvel. They show no arrogance or highhandedness, and the people seem to have complete confidence in them. The transformation in the one district of Fup'ing, where we spent most of our time, is simply astonishing. It used to be a very conservative region, where the common people had not even dreamed of patriotism, where "getting over the days" was the supreme consideration. Now, everyone is alive to the hatefulness of Japanese oppression and is willing to sacrifice everything to bring about their defeat. Small boys and girls sing patriotic songs with gusto, a lad in one village clad simply in his birthday suit singing as lustily as the rest.

One of the main devices used by the 8th Route Army for inculcating its principles is by the use of slogans written in large characters on the walls lining the streets. One of the most common of these is: "Chinese do not fight Chinese." Another sometimes seen is "The Anti-Japanese Army does not kill its Manchurian brother." There are also several about vigilance against traitors and spies and the purification of the land from them. Others are as follows: "Valiantly protect the Chinese Central Government"; "Valiantly preserve the peace of the world"; "Valiantly protect Generalissimo Chiang"; "Valiantly preserve to the end cooperation between the Kuomintang and the Communists"; "Valiantly preserve the United Front"; "Let army and people cordially unite as one man against the foe"; "Improve the people's standard of living"; "Put into operation a decrease in rent, in taxes and in rates of interest"; "Put into operation the people's participation in government and ~~xxxx~~ the rights of free speech, free assembly, religious liberty, etc." "Put into operation the Three Peoples Principles"; "Oppose elements who flee, who seek terms of peace, who are irresolute, or who go over to the enemy"; "Cultivate friendship with England, America, France and the Soviets." In addition to these are very numerous exhortations to the Japanese written in their own language. These were formerly also written on walls, but more recently are written very mostly on wooden slabs which are nailed to trees or walls. Members of the 8th Route Army told me that three hundred Japanese had already gone over to them, that they are treated in the kindest way, given much better food than the regular millet diet of the army, and are to be sent back to Japan as soon as the war is over. They tried sending

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them back to their original commands in China, but found that all such were shot by the Japanese. The Manchurian soldiers who have gone over to the 8th Route Army are numbered by the thousands.

It was a great pleasure to see the Christians and inquirers of Fup'ing after an interval of more than two years. We could not go to the more distant places, but they came to us, walking round trips of almost fifty miles, one Christian making the trip twice. They are hungry for Christian fellowship and instruction, having had only the chapel keeper and his wife for this period. If conditions do not greatly change by autumn, we ought to be able to have a fine lay training class up there.

Other interesting comments by the same observer included his seeing quite heavy machinery being taken west through this district, machinery such as seemed to come from abroad. He did not know how it could have come through Japanese lines. One of the 8th Army men was not so thoroly appreciative of America. He said that captured tanks were all American-made, as well as other munitions, even the airplanes were generally Italian.

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INDEXED

July 18, 1939

Dr. J. Leighton Stuart
Yenching University
Peking, China

Dear Dr. Stuart:

Enclosed find copy of an agreement signed with Mr. R. Brank Fulton who is on his way to Yenching University. He is leaving San Francisco on the "President Cleveland" July 28th. Advances to him have been based upon round-trip travel for one year plus essential expenses between New York and Peking and return. This has been figured on the barest minimum. As a consequence we advanced him \$512.35 to pay for the round-the-world ticket for two years plus \$64.65 representing the difference between one year round-trip ticket between Shanghai and New York plus expenses.

I have felt that this is an exceedingly close margin upon which travel should be based, but as he is exceedingly conscientious he rather insisted that this be the understanding. I, therefore, turn him over to you with the feeling that he will be a hard working individual who will be doing everything possible to make himself useful.

\$577.00 has been charged up against Account #31.

Very truly yours,

C. A. EVANS

CAE/B
ENC.

0896

Confidential

Recd 8/11/39

Hearing Hong Kong



A BORD

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July 19, 1939

Ack 8/14/39

Stevell 8/14/39

To The Board of Trustees;

MESSAGERIES
MARITIMES

In one of my recent communications I remarked that the Japanese attempt to dominate ^{China} would become increasingly through political maneuvering and be involved with international issues rather than be primarily - as it started out - through military conquest. These recent developments seem to confirm this.

① For several months past the Japanese ~~have~~ been making little if any progress in military efforts, and have been defeated, ~~or~~ driven back, or prevented from advancing in many battles over their long lines. Some of these are of minor importance and none (with one notable exception north of Hainan) of serious consequence in itself, but it has meant constant attrition of manpower and weakening of morale, to say nothing of expense. It is too early to draw optimistic conclusions but it at least makes much less probable the achievement of their objective through dependence on their armies. The naval actions in closing ports are perhaps primarily to maintain confidence at home, harass other countries, and only to a limited extent for any immediate bearing on the hostilities.

② The Tientsin issue and the anti-British agitations are all created by the Japanese. You are of course aware

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that there is no voluntary Chinese participation, but that it is all staged by Japanese under armed compulsion. The Japanese realize that British aid to China through the Burmah Highway route for supplies, maintenance of Chinese financial stability ^{or}, will enable China to continue resistance for an indefinite period, and that they cannot win. They seek therefore to intimidate England and lead to a compromise ^{of what} will result from the present Tokyo parleys will be known to you long before this reaches you. But England would unquestionably take a much stronger attitude if there were any assurance of American support or parallel action. It is even more certain that if England yields in this instance it will be taken as clear evidence of weakness and fear. She will gain nothing but there will be immediate demands looking toward the complete liquidation of British interests in China. The French will come next and we after the others will have been eliminated. These assertions can be made categorically. It would have been much easier to stop the Japanese earlier, it is still comparatively easy and would be of immense



MESSAGERIES
MARITIMES

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assistance to China, but ~~our~~ present lack of any well-defined policy is doing incalculable harm to all that we stand for in international affairs and ideals, and is stupidly shortsighted even from the most sordidly selfish standpoint.

¶ (3) The exploitation by the Japanese of Wang Ching-wei's defection may add seriously to the already enormous burdens of the National leaders. The scheme is with Japanese money and brutally unscrupulous military might to: (1) secure a "mandate" from the people of the occupied areas (which will be very simple), (2) bribe or bully the old Kuomintang members, ^{new, sparsely,} bankers and leading business men into allegiance of a new "National Government" using the flag, insignia, Three Principles etc of the present government, (3) win over military units which trained and equipped by Japanese will declare war against Chiang Kai-shek. There will then be another "Civil War" in China, and Japan will appear to have withdrawn.

0899

Foreign countries will be urged to support a de facto Chinese Government in the occupied areas, as they have in the past, and failing to do so ^{their nationals} will be penalized. Returned students from Europe, America and Japan will be employed in large numbers at tempting salaries for propaganda. The Japanese having seized the Chinese Maritime Customs revenue will probably use this to finance the project and will claim that it is being returned to China! ^{For Shanghai alone the allowance is 1 1/2 million yen per month.} It is a diabolical device. The best weapon against it is publicity. The fact that it is all being carried out with Japanese money and military coercion is a sufficient exposure, but this should be publicized in every way possible. Wang Ching-wei himself is repudiating all for which he has stood in the past and in his recent manifestoes contradicting previous speeches. His ^{animus} animus is jealousy of the growing popularity and confidence which Chiang Kai Shek has won by sheer integrity, together with lack of courage and faith as the hostilities became more appalling tragic. I do not believe that even now he means to be a traitor.

Very sincerely yours, L. Huston Stuart

0900

CONFIDENTIAL

Nearing Hong Kong
July 19, 1939

To the Board of Trustees:

In one of my recent communications I remarked that the Japanese attempt to dominate China would come increasingly through political maneuvering and be involved with international issues rather than be primarily - as it started out - through military conquest. Three recent developments seem to confirm this:-

1. For several months past the Japanese have been making little if any progress in military efforts, and have been defeated, driven back, or prevented from advancing in many battles over their long lines. Some of these are of minor importance and none (with one notable exception north of Hankow) of serious consequence in itself, but it has meant constant attrition of man-power and weakening of morale, to say nothing of expense.

It is too early to draw optimistic conclusions, but it at least makes much less probable the achievement of their objective through dependence on their armies. The naval actions in closing ports are perhaps primarily to maintain confidence at home, harass other countries, and only to a limited extent for any immediate bearing on the hostilities.

2. The Tientsin issue and the anti-British agitations are all created by the Japanese. You are of course aware that there is no voluntary Chinese participation, but that it is all staged by Japanese under armed compulsion. The Japanese realize that British aid to China through the Burma highway route for supplies, maintenance of Chinese financial stability, etc., will enable China to continue resistance for an indefinite period, and that they cannot win. They seek therefore to intimidate England and lead to a compromise.

What will result from the present Tokyo parleys will be known to you long before this reaches you. But England would unquestionably take a much stronger attitude if there were any assurance of American support or parallel action. It is even more certain that if England yields in this instance it will be taken as clear evidence of weakness and fear. She will gain nothing but there will be immediate demands looking toward the complete liquidation of British interests in China. The French will come next, and we after the others will have been eliminated. These assertions can be made categorically. It would have been much easier to stop the Japanese earlier, it is still comparatively easy and would be of immense assistance to China, but our present lack of any well-defined policy is doing incalculable harm to all that we stand for in international affairs and ideals, and is stupidly short-sighted even from the most sordidly selfish standpoint.

3. The exploitation by the Japanese of Wang Ching-wei's defection may add seriously to the already enormous burdens of the national leaders. The scheme is, with Japanese money and brutally unscrupulous military might, to: (1) secure a "mandate" from the people of the occupied areas (which will be very simple), (2) bribe or bully the old Kuomintang members, newspapers, bankers and leading business men into allegiance of a new

0901

July 19, 1939

"National Government" using the flag, insignia, Three Principles etc. of the present government, (3) win over military units which trained and equipped by Japanese will declare war against Chiang Kai-shek. There will then be another "Civil War" in China, and Japan will appear to have withdrawn. Foreign countries will be urged to support a de facto Chinese Government in the occupied areas, as they have in the past, and failing to do so their nationals will be penalized. Returned students from Europe, America and Japan will be employed in large numbers at tempting salaries for propaganda. The Japanese, having seized the Chinese Maritime Customs revenue, will probably use this to finance the project and will claim that it is being returned to China! For Shanghai alone the allowance is $1\frac{1}{2}$ million yen per month.

It is a diabolical device. The best weapon against it is publicity. The fact that it is all being carried out with Japanese money and military coercion is a sufficient exposure, but this should be publicized in every way possible. Wang Ching-wei himself is repudiating all for which he has stood in the past and in his recent manifestoes contradicting previous speeches. His animus is jealousy of the growing popularity and confidence which Chiang Kai-shek has won by sheer integrity, together with lack of courage and faith as the hostilities became more appallingly tragic. I do not believe that even now he means to be a traitor.

0902

CLAIM

TO BE FILED WITH THE COLLECTOR WHERE ASSESSMENT WAS MADE OR TAX PAID

The Collector will indicate in the block below the kind of claim filed, and fill in the certificate on the reverse side.

- ☐ REFUND OF TAX ILLEGALLY COLLECTED.
☐ REFUND OF AMOUNT PAID FOR STAMPS UNUSED, OR USED IN ERROR OR EXCESS.
☐ ADVERTISEMENT OF TAX ASSESSED (not applicable to estate or income taxes).

STATE OF New York }
COUNTY OF New York } ss:

TYPE
OR
PRINT

Name of taxpayer or
purchaser of stamps

Business address

Residence

(Street)

(City)

(State)

The deponent, being duly sworn according to law, deposes and says that this statement is made on behalf of the taxpayer named, and that the facts given below are true and complete:

- District in which return (if any) was filed
- Period (if for income tax, make separate form for each taxable year) from Dec 31, 1936, to Dec 31, 1937
- Character of assessment or tax Income tax withheld on Great Northern Life distribution
- Amount of assessment, \$ 30.00; dates of payment
- Date stamps were purchased from the Government
- Amount to be refunded \$ 30.00
- Amount to be abated (not applicable to income or estate taxes)
- The time within which this claim may be legally filed expires, under Section _____ of the Revenue Act of 19____, on _____, 19____

The deponent verily believes that this claim should be allowed for the following reasons:

I, Elizabeth M. Cloud, is a citizen of the United States and the tax should not have been withheld.
The dates and amounts of distributions are as follows:

| | | | | |
|------|------------------|-------------|-------|--------|
| 48 A | December 21 1936 | 750 per ch. | 750 | 750 |
| 48 B | January 4 1937 | 750 | 67.50 | 750 |
| 49 A | January 24 1937 | 750 | 67.50 | 750 |
| 49 B | March 31 1937 | 750 | 67.50 | 750 |
| 50 | May 20 1937 | 500 | 45.00 | 500 |
| 51 | December 20 1937 | 500 | 45.00 | 500 |
| | | | | 300.00 |

(Attach letter-size sheets if space is not sufficient)

Sworn to and subscribed before me this

Signed

15th day of July 1937

Elizabeth M. Cloud.
(Signature of officer administering oath)

NOTARY PUBLIC, NEW YORK COUNTY

New York Co. Civ. No. 282-Rev. No. 1-G 173

(Title)
Certificate filed in New York County
(SEE INSTRUCTIONS ON REVERSE SIDE)
Commission Expires March 30, 1941

2-11704

0903

July 30, 1939

To the Board of Trustees:

For reasons which had best be left unexplained I have unexpectedly made another trip to Chungking. After arrival in Hongkong I learned that a seat had been held for me on a plane the next night. For safety in flying over occupied territory the planes, of which there are two or three a week, leave about 2.00 a.m. and with a stop at Kweilin take six hours to reach Chungking.

On arriving there it was learned that the public airfield (which is a sand bank in the river) had been flooded over during the night and we were signalled to proceed to the military airfield some 50 miles away. Curtains were dropped and precautions taken against exposure of military secrets. The passengers were allowed to wait in a farm house nearby. In this primitive setting, with simple peasant women going about their humble tasks and staring at the strangers who had come from regions as unknown as though they had been other countries, there lay a parable of the invasion of this vast inland province by the more modern and progressive residents of the coastal regions. This was dramatized by the presence of a modishly dressed Chinese lady with her little daughter in shimmering green silk nibbling cakes and fruits that must have seemed like bits of fairyland to the women and children of the house. After a long wait we were finally taken by instalments in an antiquated little hydroplane to the bottom of the long flight of stonesteps that led up from the submerged airfield. Dr. Kung had two men waiting for me and at the top was his car. From then on I was the guest of the Chinese Government. Before long, sleepy, breakfast-less, unkempt, I was having lunch with him and learning why I had been asked to make this trip. The journey from Peiping had taken eleven days.

A week sped by before it seemed proper to depart, but it was full of interesting experiences. The city of Chungking had changed noticeably since my visit in early May at the time of those terribly destructive airraids. The population had been largely evacuated to the surrounding country, all of which is throbbing with new life. There has been more building already in the vicinity than was destroyed within the city. City planning in the form of fire lanes has tended to reduce the damage of future raids. This scheme had been carried out by our own William Woo, formerly in charge of our power plant, now the head of the Chungking Department of Public Works. Soon after my arrival there was an airraid at twilight and a solicitous graduate who happened to be with me carried me into one of the innumerable public dug-outs where for some two hours we waited for the "all-clear" signal. On entering it was almost like being in an air-conditioned room after the intense heat outside, but when it filled up, as it rapidly did, the fetid air and perspiring bodies made it an immense relief to escape. The efficient control and the orderly, matter-of-fact behavior of this cross-section of the populace made it a worth while experience. We could hear the bombing planes coming and then the dull thuds---about 100 bombs from the usual squadron

0904

of 27 planes---and on emerging we saw flaming destruction across the river. A thickly settled district was wiped out but with very slight loss of life and with some other unimportant damage elsewhere. Two Chinese pursuit planes suffered from difficulties of landing and one Japanese bomber was brought down. They have discovered that dusk is the time when anti-aircraft and pursuit planes are at the greatest disadvantage. The advantage to the Japanese as against the costliness of these raids would seem to be almost negligible. Certainly they are not shattering Chinese morale. On the contrary it is argued that they keep the people of this hitherto isolated province war-conscious and nation-minded. For the rest of my stay, it being the time of full-moon, the foggy or rainy weather discouraged further attempts, although two were made.

The week was full of dramatic happenings. The Chinese currency had slumped violently and Dr. Kung as Minister of Finance was naturally engrossed with this vital factor in continued resistance. The Anglo-Japanese Conference, which was perhaps largely responsible for this, was being followed by officials and people with intense concern. As cabled reports of American editorial opinion express my sentiments regarding the stupid and ignoble British policy in holding any such conference and in passing such an agreement I shall refrain from comment here. But by all odds the most sensational event was the news from Washington of our abrogation of the commercial treaty with Japan. Everybody was overjoyed and talked of nothing else. At a time of discouragement at the timidly equivocal British attitude this brought new faith in international morality and fresh hope. General Chiang Kai-shek was of course delighted. To him it meant not only a heartening aid in his grim fight but a reassurance as to the ultimate victory of Right against Might. The appreciation of American goodwill as thus suggested is immensely appreciated. Whatever else may follow this initial action it has been in itself of incalculable moral value. I hope that all who read these lines will add their efforts to making this but the beginning of further action by our Government on behalf of China and against Japan.

I cannot refrain from commenting again upon our Yen-ching graduates as seen in action at the provisional capital. I had arrived unannounced but word soon got around among them of my coming and from that time on it was a joy to have them calling or to see them in other ways. They continue to serve in a wide range of activities, directly related to the war or in more generally constructive agencies, and have an enthusiasm alike for the national cause and for Yen-ching which is very satisfying. Almost better than this bond is the request that came to me from several war-time agencies for more of our graduates, based upon the fine record they seem to be making.

0905

I now feel quite relieved as to openings for as many of them as are willing to endure hardships on small pay in the service of their nation.

The Department of Journalism proved of special usefulness in that our boys saw to it that, in view of my desire to be as inconspicuous as possible on this special visit, the notices in the Chinese and English papers were brief and colorless, and that---as on my previous visit---an undesirable story about my presence sent out by one of the American news agencies was safely "killed."

As to China's ability to maintain her determined resistance and its increasing effectiveness, I need only reaffirm what I have written to you before. Despite all internal and inherent difficulties and those arising from international relationships they are undeterred and are planning for whatever period may be required to recover their national independence. Any talk of peace is from Japanese and their traitorous minions.

The growth of industry and of productive effort throughout Free China is exhilarating. It means that even though the coastal regions cannot in the near future be rescued from Japanese domination an increasingly self-contained economy can be developed to aid in continued resistance and with permanent benefits to this area. Gold washing in the rivers of Kiangsi and Shensi, mines and metal working, mills for utilizing the wool and cotton which the Japanese had hoped to grab for their own purposes, are among the many evidences of this.

✓ During my stay a Scotchman arrived and was entertained with me in the newly built hostel for foreign guests of the Government. He had spent 12 years in research and in convincing his own government that its national defence ought not to be dependent upon oil, a product requiring transportation from other lands and controlled by a powerful group for their own monetary gain. All attempted substitutes had been too haphazard or limited in their scope, and the solution lay in comprehensive planning on a new basis by the British government leaders as alone able to fight the petrol interests. Having won his case, he had decided that the most important single issue in the world today for the cause of civilization and international decency is that China must not lose her fight for freedom, and that in this struggle the problem of fuel for internal combustion engines has a vital bearing. He therefore offered his services free to the Chinese Ambassador in London who, having been convinced that the project had passed the experimental stage, cabled recommending that he be given every facility for demonstrating his ideas. His father had been a missionary in India and his uncle had been killed by pirates after establishing a mission hospital in Wuchow (Kwangsi), so that missionary endeavor seemed to be somehow in his blood. Apparently a group of friends have made possible this idealistic passion of his to free man-

0906

kind from slavery to Oil. At any rate, having convinced myself of the genuineness of his motives, and realizing that like many of his race he was not at his best in "selling" himself, especially to Chinese who would naturally be on their guard, I took the responsibility of endorsing his character and aims to the Ministers of Economics, Communications and Finance, and learned before leaving that they had been much impressed by the technical aspects of the proposition but were speculating as to what might lie behind it. Their people have been experimenting in the same field, as has one of our graduates now in Chungking who specialized in this subject of research when doing graduate work in England. The story will illustrate the ferment of new forces released by China's desperate effort to rid herself of her greedy and savage foe.

On the day after arriving I had lunch with our genial Ambassador, and although it was Sunday found him and his whole staff working cheerily in the sweltering heat. They do this regularly under war-time pressure from 8.30 a.m. on although they in theory at least keep Sunday afternoons for rest. One mitigation of their busy schedule is the lack of facilities for recreation in this improvised capital.

Madame Chiang Kai-shek was away at a retreat in the nearby hills recovering from her latest spell of overwork. But she is spending five hours a day in intensive study of French because she has discovered how useful it would be to her husband to have her as his interpreter in this language as well as in English. Chungking is full of the activities she maintains for war orphans, wounded soldiers, refugees, international understanding, etc.

The day before leaving I had my farewell talk with General Chiang Kai-shek. More than ever do I admire his courage, clear-thinking, and utterly unselfish devotion. China is indeed fortunate to have such a leader in this supreme crisis. He is one of the best instances I have known in my personal acquaintance of the "conversion" of one's whole way of life---the sense of values, the controlling aims or motives, the rigidly maintained standards---from the acceptance of Christian faith. It is singularly unobtrusive and he rarely speaks of it except to those who share it. Several times each day he stops his busy succession of appointments to go quietly aside for prayer, and this is no formal exercise but an obvious source of power.

There were final documents from Dr. Kung's tired secretaries which came shortly before midnight. I was called at 5.00 a.m. the next morning and then escorted to the military airfield by a trusted member of the staff of General Chiang.

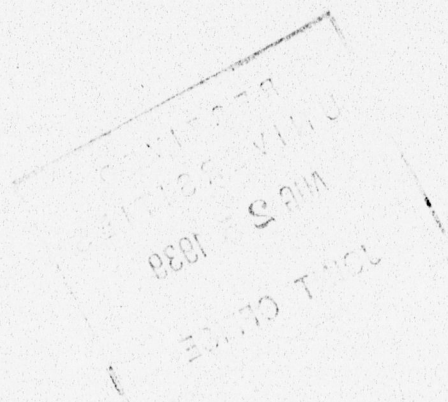
0907

We crossed the rising flood of the Yangtse River in his private launch, then came to another ferry on the tributary river in one of his cars, and thus arrived about noon at the same little house on the edge of the military airfield, now hastily transformed into an aviation office and rest house. We may get away about two o'clock and reach Hong-kong after it is dark. These special comforts I have had will illustrate some of the unavoidable inconvenience and delay in travelling in this country under war conditions.

Very sincerely yours,

J. Leighton Stuart

Enroute to Hong Kong
July 30, 1939.



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INDEXED

July 31, 1939

Dr. J. Leighton Stuart
Yenching University
Peiping, China

Dear Dr. Stuart:

I wish to acknowledge your letter of June 27th to Mr. Garside relating to the publishing of Dr. Galt's History of Yenching. We note that you intend to have the printing done in Peking, and that Dr. Galt is preparing to add a final chapter.

When the matter of the publication of this history was discussed at the last meeting of the Trustees, they very definitely expressed a desire to see the balance of the manuscript before it goes into printed form. We hope it will be possible for a copy to be sent on as soon as it is ready, so that certain members of the Board who are familiar with the background of the University's history may have an opportunity to make comment before the final printing is undertaken. We are indeed glad that this matter is taking shape, and that the history will be put in permanent form before long.

I will also acknowledge receipt of the memorandum regarding the arrangement for exchange students between Yenching University and educational institutions in Italy.

Sincerely yours,

Joseph I. Parker

JIP:cs

0909



Recd 8/30/39
CANADIAN
PACIFIC

En route for Shanghai

RMS

Aug. 4/39

Ack 8/28/39

My dear Garside,

There is not much to add to the enclosed. The return trip was made in the plane to Hong Kong without special incident. To show how congested is the travel by air for ordinary civilians a fellow-passenger remarked that he had been waiting for three weeks (and been through as many air-raids) before he could get a seat.

While in Hong Kong I had a very satisfactory conference.

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with W.T. Lee who had come from
Kumming to plan with me for the
Rockefeller Foundation field
practice work of our College of
Public Affairs of which he is
in charge. The Yenching Alumni
had a reunion for me. Mr. Bevan,
Miss Bent and Mary Braundt
(now Mrs. Dr. Wang) were passing
through Hong Kong. I saw various
other people, tried to avoid
newspaper publicity, and had
two or three days of only slightly
interrupted swimming or idling
in a friend's home on a secluded
spot of the island.

Yours in this bond of effort,
I saw Joseph Beech in Leighton
Chungking & solicited his help
on weak China correlation.

Printed in England.



Park Hotel

SHANGHAI

Aug. 10/39

My dear Miss Law Scier,

Referring again to the articles of Mr. Philip Fugh in the care of our office, he requests that they be disposed of without further delay along any of the lines suggested in your letter on the subject. That is, either sell them for whatever they will bring, or the University purchase them and make them a gift to some actual

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or potential donor, or offer them
to some such person as Henry
Luce with the understanding
that the proceeds be used here
for some philanthropic or patriotic
cause. The present exchange
rate makes it desirable to
dispose of them and turn the
proceeds into Chinese currency.

Thanking you for your further
help in this matter,

Very sincerely yours,
Theighten Stuart

INDEXED

August 15, 1939

ack 9/18/39

Dr. J. Leighton Stuart
Yenching University
Peking, China

Dear Dr. Stuart:

You have probably seen the minutes of the June 15th meeting of the Harvard-Yenching Institute Executive Committee, or at least have received direct from Cambridge some communication with regard to their action No. E-156.

But to be sure that the matter is brought to the attention of the University, I am enclosing herewith an excerpt from these minutes, summarizing the discussion and giving the action just referred to above.

Our Yenching representatives on the Harvard-Yenching Institute Board of Trustees have been passing along to me for some time intimations that the Institute Trustees, and particularly Dr. Elisscoff, have been a bit annoyed at times when financial estimates and reports from the University do not arrive at the time they need them. We all know how difficult it is for any institution in China these days to keep routine matters always up to schedule. But now that the Harvard-Yenching Institute Executive Committee has officially requested the University to send the budget for work in Chinese Studies to Cambridge "three months before the April meeting of the Trustees", we hope that it will be possible to set up some reliable system of procedure which would always produce this result. Sometimes annoyances over delayed or unsatisfactory reports and estimates prove very expensive to us when appropriations are being made.

Very cordially yours,

BAG:RC
Enc.

09 14

COPY

The Director then requested the Executive Committee to vote that the authorities at Yenching University who make up the budget annually be instructed to prepare it sufficiently in advance so that he will be able to go through it at least three months before the April meeting of the Trustees and, if necessary, to make inquiries of the Yenching people and receive a reply from them before the meeting. The Director said he felt that, if he was to help guide Chinese studies at the University, they should formulate a plan not only of what they would like to do, but of what they consider it will be possible for them to carry out efficiently with the personnel they have or will be able to secure to effectuate such a plan. He added that their policy has been to try to have different people put on the budget, regardless of whether or not their interests were in Chinese studies. An example of this was the case of Yen Ch'un, who was put on the Institute's budget by Yenching and who, as the Director found out by writing to Yale, is interested in Greek philosophy. Also, when the Yenching authorities learned that Kao Ming-k'ai would not be able to leave Paris and go to Yenching to teach, Professor Hung, in a letter dated April 12th, proposed taking on a man from the Franco-Chinese University. The Director said he answered Professor Hung that he did not see how he could at such a late date, consider putting Mr. Wang Ching-ju on the Institute's budget, since he knew nothing about him and noticed in his curriculum vitae that he is interested in the Hsi Hsia language and not in general linguistics, which is the need at Yenching.

The Director requested that one of the Yenching Trustees write to President Stuart and explain how important it is for them there to plan their program of Chinese studies ahead and to get their budget here early.

VOTED:
E-156

To adopt the recommendation of the Director in regard to having one of the Yenching Trustees urge upon the authorities the necessity of formulating a plan of Chinese studies and of having their budget prepared annually and sent to Cambridge three months before the April meeting of the Trustees.

09 15

學大京燕
YENCHING UNIVERSITY
PEKING, CHINA

Ack. 9/20/39

August 17, 1939

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS
"YENTA"

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

My dear Garside:

I only skimmed through the file of letters from the New York office on beginning work again here yesterday, and have not even opened most of the other files. I want, however, to get this letter off to you at once because it reopens the question of my trip to the States this autumn. You will recall that in explaining why it seemed inadvisable to respond to the call of certain Trustees last spring, I suggested that it might be possible for me to make such a trip this autumn. On my way back from my recent trip south my thought tended toward even recommending that the Trustees call me back for a relatively brief trip of intensive meeting with prearranged groups. Recent tendencies, however, in our local situation make me hesitate. The anti-British agitation is being pushed by the Japanese with all the usual effectiveness in intimidating employees in British firms or homes, and in general making life here intolerable for the nationals of that country. If, as I earnestly hope, there are further indications of more active American disapproval of Japan, it is quite likely that similar methods will be used against our people and institutions. Whatever can be learned, therefore, about the intentions of the Administration will be of help to the Trustees in giving me instructions on this matter. Entirely apart, however, from any immediate anti-foreign agitations, the Japanese are obviously closing down on every form of activity which they regard as in conflict with their own interests in this area. There are more instances of the seizure of students. Young men are being drafted for compulsory military training three or four times a week, espionage is rampant and remarkably successful in discovering past or present anti-Japanese efforts. In general, I rather feel that the coming session will be more full of anxieties than we have met with yet.

omit
(On the other hand, I venture to hope that the special opportunities I have had for consultation with General Chiang Kai-shek and with responsible Japanese military leaders may not be without interest to the President and the Secretary of State, and with a further understanding of American intention, I could be a very humble messenger in helping the leaders on both sides of this tragic conflict to reach a settlement that protects the essential interests of each. I have the impression that the Japanese especially are eager to wind up "the China Incident", and that Mr. Roosevelt more than any other man in the world could help them to realize the only terms on which this could be satisfactorily attained. Whether this should enter into the purpose of such

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a trip to the States might be safely left until my arrival, and in any case, any reference to this aspect of the proposal must be treated in the strictest confidence. If you reproduce this letter at all for submitting it to the Trustees, it might be well to leave this paragraph out. ^{JP} Apart from these vast issues, which none of us can fully understand, or do much to help in, it would be an immense relief to me to be able to plan with the Trustees for emergency action which we may feel it necessary to take after one more year, if Japanese occupation of this area continues for any extended period. There are so many factors in this complicated problem that cannot be satisfactorily put into letters, and what would seem best to our group here in view of conditions which only we on the spot can entirely appreciate, we wish to have thoroughly understood and approved by our Trustees.

This letter is not much more than my thinking on paper and the inconclusive and perhaps incoherent tone reflects a similar state of mind. On the whole, the best procedure might be for the Trustees to reach a decision from the standpoint of American promotional interests and send me a cable, and if they desire me to make the trip, allow me to come to a decision in view of local conditions as they may have developed by that time. I suggest the single word come or stay as being understood as referring to me.

As to American promotion, Arthur Rugh will be actively working for us and the other colleges, and what I have said to him would apply it seems to me to my own purpose and the Yenching campaign generally for the coming season. This is to the effect that we are fortunately in a position where we are much more interested in building up a constituency of loyal friends all over the country who will plan for more or less steady support of the institution in their annual philanthropic arrangements, rather than the securing of immediate financial objectives. When this war is over, if this region becomes again a part of a free and independent China, we have unprecedented opportunity and shall then need the support of all the American friends we can get.

I cannot close this letter without referring briefly to my profound gratitude to the Trustees for the successful attainment of our objectives for the past year. This is all the more cheering because of the worries of other kinds in the midst of which we are living. Please assure them of my appreciation of what represents a great deal of earnest thought, hard work, and generosity. I also realize the necessity for working out a technique in the matter of special gifts as instanced by that of Mr. W. H. Danforth. There will be no difference of opinion as to the desirability of this, and as soon as I have a little more leisure this will be taken up.

Very sincerely yours,

J. H. H. H. H. H.

jls c

RECEIVED
UNIVERSITIES
SEP 19 1939
JOINT OFFICE

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Memorandum on the proposal to invite a
Japanese professor to Yenching University.

This was first suggested in a communication sent by me to the Japanese military authorities just before the opening of the session beginning September 1, 1937. I expressed the hope that as one method of helping to create better understanding between these two countries we looked forward to such a possibility. This reference has evidently been taken very seriously, been widely discussed, and interpreted with a rigid literalism that was not intended. It is entirely true, however, that both in view of the unfortunate and unnecessary tension now existing between China and Japan and because of more general international and Christian considerations we have been quite prepared to invite one or more Japanese to join our faculty. But, as I have repeatedly explained to officials in the Japanese Embassy and to others, we prefer to take such a step only when we feel that by doing so it would not further exacerbate Chinese resentment against the present Japanese military aggression but would be approved as desirable and wise by our own Chinese faculty and students as well as by the friends of the institution and the Chinese public generally. Above all else the entire initiative must be ours alike as to the decision to invite a Japanese, the selection of the individual and all matters connected with his treatment, the time when this should take effect, the use of our own funds for providing his salary, etc. Even the suspicion that this was being done under military coercion, or from fear or on any opportunist grounds, would vitiate the whole undertaking. I have added, however, that we had begun correspondence with trusted American friends in Tokyo in the endeavor to find a suitable person and were making other inquiries, that several names had been recommended and these persons as well as the subject most appropriate for a Japanese to teach were being investigated.

In general our thought had tended toward some distinguished scholar in Chinese studies, such as art, archaeology, anthropology, etc., as being most acceptable to our Chinese colleagues. One of the Embassy secretaries had suggested on one occasion that instead we find a young man, preferably a Christian, to teach Japanese. Such an idea had much to commend it, as I acknowledged in thanking him for it, and I passed it on to our Tokyo correspondents. But the arguments for the other type seemed stronger.

In particular we have favored a social anthropologist, especially well-known for his Chinese research among Tartar tribes, and aborigines, and admired by those of us who know him because of his gentle, kindly temperament and by his attitude to the present conflict. He is not a professing Christian but seems to have the spirit that would make him congenial to our community. There is some uncertainty as to his ability to use either Chinese or English fluently. We have the assurance that he would consider an invitation favorably and have had in mind an invitation to him for the coming academic year.

I was surprised, therefore, when having been asked to visit the Japanese Embassy and having called there by appointment on February 16, I was taken to task by the young secretary whom I had usually seen on previous occasions for failure to keep the promise he claimed had been made. He was obviously much agitated and became more so as the discussion continued. He insisted that I had promised him to invite a young man and implied that this was to have been done much earlier. He indicated his displeasure that since - as he expressed it - I had changed my mind he had not been informed of this. He hinted several times that the Japanese authorities had evidence of "communistic" activities on our campus and that they might feel constrained to do something about this, adding that this would be done in a perfectly legal way. I pointed out that this was in effect a threat that unless we secured a Japanese teacher without further delay, and apparently the type of teacher he had recommended, the military would use some form of violence against us. He denied that there was

any threat and remarked that their troops were here in such large numbers and that they had so many complaints about our attitude that they might at any time get out of hand.

I tried with patience and self-restraint to ^{go}over again our obligation to maintain academic freedom whatever suffering it might involve, and the problems as well as the progress in our negotiations for a suitable Japanese teacher, my utter lack of any consciousness of having committed myself in regard to his suggestion as well as the lack of any reason why I should make any such promise to him, the unsuitability from every standpoint of suddenly bringing in a new teacher in the midst of the session, etc., but without altering his mood. The sinister influence is unescapable that military officers had urged him to get some one placed with us whom they could control for their own purposes and that he having assured them that this could be achieved had been severely reprimanded by them for failure and was trying to satisfy them by persuading me. It is an open secret that all Japanese civil officials must take orders from the fighting services.

The next day I reported this occurrence to Mr. F. P. Lockhart, the Counsellor of our Embassy, and sought his advice. This was that I ask the head of the Japanese Embassy to give me an interview with the secretary in question present. The day following (Saturday, February 18) I sent a letter to the Japanese Embassy with this request.

On February 21 I called by appointment on the Japanese Embassy charge d'affaires and had a lengthy interview with him the substance of which was a repetition of the earlier one with his subordinate. If without further delay we employ a Japanese to teach that language, the military can be persuaded not to exercise their rights in dealing with our students as their communistic or anti-Japanese behavior would otherwise warrant. The fact that all our classes including those in this language are all provided for and that such a man would have nothing to do avails nothing. The sentiments of our own and other Chinese are irrelevant. He urged me to exercise common sense and not talk about vague principles of academic freedom, and pointed out that while we were preserving this within our campus the army people could be exercising their freedom to deal with our students in their own way. What this can be is illustrated by the accompanying account of the distressing fate of one of them.

From this none too reassuring interview I went to see Mr. Wang Ke-min, head of the local government. He is an old friend and we are of the same age and were both born in Hangchow, two circumstances that count for much in China. He had arranged a tea with specially prepared Hangchow New Year dainties (we are still in the old lunar New Year holidays). After I had stated the problem he suggested that we think of it in the larger setting and he then described the latest Japanese scheme for winding up the "China incident", stressing the fact that those who were really well-informed among them had no desire to take on any more vexatious problems. He promised to talk with his most intimate Japanese friend, Gen. Kita, and advise me especially as to whether, in view of these developments, it would be expedient to carry out my plan for making a quick trip to Shanghai next week.

I spent part of Washington's Birthday in calling with my capable interpreter on Gen. Yamashida, the Chief-of-Staff of Gen. Sugiyama who is the ranking officer in North China and until recently Minister of War. We took with us a Japanese pastor of a rapidly growing Presbyterian congregation who is a personal friend of Gen. Yamashida and had taken us to see him once before for a purely social call. This interview was much more satisfactory. He responded at once to the distinction I made between the desire of the army to curb any objectionable activities of our students and our desire to invite Japanese professors on the usual terms that obtained in reputable academic circles. He was even more quick to appreciate my

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reference to the hope that Yenching would be able to strengthen good relations between America and Japan whereas any untoward happenings would have the opposite effect. He expressed a desire to visit Yenching and I promised to arrange for this on my return from Shanghai. My old chauffeur quoted as we were driving home a Chinese proverb to the effect that Pluto can be placated but it is the little devils with whom it is hard to cope.

This must be finished today (February 23) in order to catch an uncensored mail. The very intensive inspection of our busses at the gate which has been going on for several days seems to have subsided, and several persons connected with us have been released from a brief custody. It may be that the episode is closed. Or it may flare out again in more serious interference.

J. L. S.

0921

(copy)

August 17, 1939

Mr. W. M. Danforth,
Parish Hills
Saint Louis, Mo.

My dear Mr. Danforth:

On my return from a trip to the south of which you will soon be receiving a report from New York. I find in the letters from our New York office the good news of another contribution for \$500 from your good self. This continuing partnership is extremely cheering to me not only because of the good results which I believe are being achieved, but also because of its spiritual value. I can think of no better use than the one you originally suggested. This investment in carefully selected graduates of ours for the specialized study which equips them for permanent places on our faculty, is a policy which will have lasting benefits for the Christian character and general usefulness of the institution.

The recent drop in Chinese currency in terms of foreign exchange will make it not only almost prohibitive, but one might almost say wicked, for Chinese to be turning their money into American currency in order to study in the States. At present the dollar U S is equal to about fifteen Chinese dollars, and it may get worse. In any case, it is too late to send any more students abroad for the coming session, and we can plan for next year in the light of all the factors involved. I shall write you a little more in detail after the first rush of matters requiring attention after a month's absence and the opening of the new session, which comes in about two weeks. This is only a brief acknowledgment, but my gratitude is from the heart.

While in Hongkong, I had a pleasant evening with Charles and Matilda Yee, which has come to be one of the events I count on when passing through that city. We spoke as always of Mrs. Danforth and yourself.

With cordial greetings to her,

Very sincerely yours,

pls c

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(copy)

823

August 24, 1933

Mr. W. Ralph Johnson
38 Crestline Road
Brighton Station
Rochester, N. Y.

My dear Mr. Johnson:

I have your letter and am much interested in the work of the Globe Chapter. To be perfectly frank, although I have not been under as one of the missionaries of the Brick Church for many years, yet since the resignation of Dr. Nixon I have not been hearing from the Church, and am not quite certain whether this relationship still continues. I hope it does, for it has been a very happy one for me, and I have always enjoyed my visits to Rochester when my duties took me to the States. In any case, I shall send a prompt reply, even though it must be brief, and shall look forward to further correspondence. I am just back from an absence of several weeks in the south, and it is less than two weeks before the opening of our next session, so that I am especially busy. This will explain the lack of details.

I am asking our New York office to send you some of the material about Yenching University which will acquaint you with at least its external aspects. My visitors comment to the general effect that it is the most beautiful or one of the most beautiful college campuses in the world. To our lives which it is a lovely spot. It was once the summer garden of a Chinese prince, and we have tried to preserve and restore some of the original landscaping, while fitting it in with our new buildings. That is of far more importance, we have tried to preserve our Christian faith and its message in the happy harmony between Chinese and western members of our faculty, between teachers and students, and in our sympathetic concern over the social, political, and other problems of this country. We have been very much encouraged by the goodwill which has followed our efforts from government and people, and we are constantly cheered by the enthusiastic loyalty of our own students, as well as by the evidence which comes to us from many sources of the way in which they carry something, at least, of our ideals and convictions and the service they are rendering in a wide range of activities throughout China. I am writing thus, not as "propaganda", but because this is the way I really feel. Of our difficulties, or those at least of which we are most conscious at present, it is impossible to write so frankly, but we can leave these to your own imagination, as the news about conditions in this area must be fairly well reported in the American press. My chief encouragement during the past

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two years of conflict has been the unwavering loyalty of our whole Chinese faculty and staff, although this has involved no slight danger to them, and many of them could have protected themselves by finding some excuse for leaving here. Because there is only one other institution of higher learning in all North China (with certain exceptions which need not be considered), we are taking in as many students as we possibly can, although this is crowding us in physical arrangements and in academic and all other requirements. It is our share of the prevailing hardship, and we are far more fortunate than most of our sister institutions.

You especially ask about our needs. The one that is perhaps the most upon my heart at present is the plight of many of our students who are either hopelessly separated from their homes, or whose families have been ruined by the war, or who are in some other way caused to suffer. In addition to this, the cost of living has become very much higher than under normal conditions. We are trying to take the position that no student will be kept away because of inability to pay the fees and meet the expenses of study, provided that he or she gives convincing evidence of being worthy of help. In addition, therefore, to our usual scholarship and loan arrangements we have created an emergency fund for all of these pathetic cases.

I hope you will let me hear from you again before long, and do not hesitate to put specific questions. I shall try to answer them to the best of my ability.

Very sincerely yours,

jls c

學大京燕
YENCHING UNIVERSITY
PEKING, CHINA

Ack. 10/3/39

August 25, 1939

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS
"YENTA"

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

My dear Garside:

Miss Jacobs has just delivered to me the excellent photographs of Mr. McBrier and Dr. Luce. It would be too selfish for me to keep these in my own house or even in the office. It seems that the best use that could be made of them would be to have them framed with a statement in both Chinese and English and have them hung in McBrier Hall and the Luce Pavilion respectively. Will you kindly let each of them know of our plans to this effect and tell them how pleased we are to have these visible evidences of two of the best friends any university ever had.

Very sincerely yours,

Lighten Stuart

jls c

0925

UNITED STATES
OCT 2 1939
JOINT OFFICE

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