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COLLEGE FILES
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Yenching
Correspondence
Stuart, J.L. 1939 Nov-Dec

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學大京燕
YENCHING UNIVERSITY
PEKING, CHINA

OFFICE OF THE PRESIDENT

November 1, 1939

Ack. 2/5/40

TELEGRAPH ADDRESS
"YENTA"

INDEXED

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

My dear Dr. Garside:

We are sending herewith our revised budget as has just been approved by the Faculty Executive Committee. Also several sheets of Condensed Forecast. The changes are only in matters of detail called for by the increased student enrollment, adjustments of faculty personnel, etc., except for the heavy item of what we describe as "exchange compensation". This is due to the steadily rising cost of living. We have been calculating this on a monthly basis which has increased from 25% last May to from 40 - 50% in October, according as the normal salary is under or above \$100. This has been decided monthly because the purchasing value of the dollar varies constantly, and it seems impossible to form any long time predictions. We have planned the budget on a 50% average compensation for the year chiefly because we cannot feel justified in going beyond that, although in reality staples have, in general, already risen to some 200% as compared with pre-war indices. Unfortunately, the problem of buying rice and flour is becoming increasingly acute, even at any price. This will give some idea of the profiteering and racketeering which is a natural result from the present situation.

The rate of exchange in our earlier budget as submitted to you was 3:1. The rate decided on at the latest meeting was 6:1, as being a conservative estimate of what we can probably expect. Even at this high rate we still have the following deficits:

For the Administration and Arts and Letters	LC\$127,299
For the College of Natural Sciences	119,298
For the College of Public Affairs	10,743
For the Women's College	33,533
Total.....	LC\$290,873

Fortunately, the communications from Mr. Parker arrived just in time for this meeting and we note that you have entered US\$44,800 as our share in the ABCCC campaign. Assuming that this full amount is realized, we could probably balance the budget at the rate quoted, or one slightly above it. These developments considerably modify my earlier letter as to our financial outlook for the present fiscal year. We shall, therefore, be very deeply gratified if this campaign is successful. In our budget we have not, however, made any allowance for income from this source.

The Chinese dollar has been gaining strength slowly and on the whole, steadily. The rate for one U S dollar a month and a half ago was about 13, whereas now it is fluctuating around 10. No one dares to predict what may happen in the future,

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and it is all involved of course in military and international issues.

The H-Y Institute, Modern Greats, and McBrier Fund are not included, these all being self-sufficient.

(A) "What concerns me far more than the income and expenditure for the present session is the necessity of vigorous planning for the future. There are several units which cannot possibly be continued as they are unless we have a substantially increased assured income. I have written to this effect before, and do not doubt but that the Trustees are well aware of this necessity. The delay of Mr. Rugh is all the more to be regretted. There would not seem to be much hope of my leaving here for such work until after next summer, if then. Although I do not see how we can spare him, especially in the present tension and uncertainty, yet the idea of Stephen Tsai making a trip in the late winter or early spring might be tentatively discussed in New York. I naturally depend on him for many of the special problems, such as those described above. If, however, plans were made in advance to utilize him so that he would be profitably occupied from the time of arrival, we would do our best to spare him for a few months in the spring. In addition to more general efforts, it might be worthwhile to have Sidney Gamble consult with the P-Y-F and its constituency as to the value of special efforts among them. //

Very sincerely yours,

Freighton Stewart

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學大京燕
YENCHING UNIVERSITY
PEKING, CHINA

OFFICE OF THE PRESIDENT

November 8, 1939
Ack. 12/18/39

TELEGRAPH ADDRESS
"YENTA"

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

My dear Garside:

The enclosed does not add very much to what I have written previously, but keeps the record up to date. All that I have been urging seems now to be determined upon in principle by the Washington administration. Commercial and missionary interests alike should, however, try to impress upon our government and people that any settlement which does not involve the withdrawal of Japanese troops will be only a temporary palliative, and will evade or postpone the real issue.

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As to Yenching policy, we shall stay here and claim American rights now that the government has clarified its stand. We shall do this, as hitherto, with every effort to be conciliatory in manner, but as we interpret the government policy, our rights are not limited to the persons and property of American citizens, but include the enterprises in which they are engaged, with all that has to do with their free and effective functioning. On the whole, my surmise is that in the big centres, like Peking, they will not attempt any "rough stuff", and even the more unruly elements will be under restraint.

I am enclosing some studies of the increased cost of living which will be of interest to you and other friends of ours.

As usual, I shall be grateful if my personal list is included in this latest report.

Very sincerely yours,

Reighton Stuart

jls c

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INDEXED

November 8, 1939

President J. Leighton Stuart
Yenching University
Peking, China

Dear Dr. Stuart,

Thank you for your letter of October 9, telling of the plans to celebrate on December 8 the fortieth anniversary of Dr. and Mrs. Galt's arrival in China. After consulting with the officers of the Yenching Board of Trustees, I have written the enclosed letter of greetings and felicitation to Dr. Galt. I am putting it in this envelope, so that it can be handed to him at whatever time, and by whatever method would best fit in to your plans. A carbon copy is enclosed for any use you may care to make of it.

We look forward to receiving from Mr. Rugh the copy he is bringing of Dr. Galt's history. The latest revision of the date of Arthur's anticipated arrival is November 11. We have of course missed him greatly during the opening months of this year's work, but realize that his delays have been due to a complication of unavoidable circumstances.

As soon as the manuscript of Dr. Galt's history is at hand, the trustees will give consideration to the question of whether the printing should be done in China, or in the United States. We can then correspond with you further on that point.

Your letter of October 9 to the Board of Trustees is being mimeographed and distributed. I know that all of the group of Yenching friends who see this communication will rejoice to know that the University has begun its work this fall under such encouraging circumstances. We earnestly hope that these favorable conditions will prevail throughout the year.

Very sincerely yours,

BAG:ms

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INDEXED

November 8, 1939

Dear Dr. Stuart,

This is a preliminary acknowledgment of your letter of September 15th, in which you discuss some of the general aspects of a long-range financial policy for Yenching University. We are having a meeting of the Yenching Promotional Committee on November 15th, and at that time will give these questions as full consideration as time will permit. Following that meeting I will be able to write in a more official way. In this letter I will summarize the general situation as it now appears to us here in America.

General Promotional Policy. As you know, it has long been our general Yenching promotional policy to build for the future of the University. Each year's budget has normally been based entirely upon assured income. Gifts coming in during any given year have gone largely into endowment or building funds. Where current gifts, not pledged in advance, have been received they have usually been used either to liquidate existing deficits or to provide funds for future expenditures. Under this policy there has been a continuing growth of the capital resources of the University, and each year we have known in advance just how much would be available from Western sources for that year's budget.

War-Time "Emergency" Policy. During the last two years all of the Christian Colleges in China have faced an emergency situation in which a large part of their Chinese income was suddenly cut off, and at the same time war conditions brought additional expenses of varying kinds and amounts. Here in America it has been extremely difficult to continue our normal policy of securing capital funds for Yenching - both because of uncertainties as to the future in China and also because of economic conditions here. For these two years, therefore, the Yenching Trustees have joined their efforts with those of the other boards of trustees to seek jointly the special current funds needed to meet the immediate requirements of the Colleges. It has seemed necessary to continue this same general policy for 1939-40, though with a gradual shift in emphasis to a longer-range policy. In these appeals for special funds, the amount asked for Yenching has in every case but one been the largest for any one institution.

It has been our hope that through this "emergency" policy we could achieve three objectives: (1) Meet the special needs of the Colleges for the current year; (2) Build up a sufficient surplus so as to have enough funds in hand at the beginning of each year to carry on the work for that year;

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November 8, 1939

and (3) Develop friendship and support which would continue and would increase with the years.

We trust that in the case of Yenching University this policy has successfully served each of these three objectives. Obviously the first has been adequately met, since the work has been maintained and a substantial list of reserves has been built up.

As to the second objective - that of having a surplus adequate for the year ahead, we would like your counsel. Of course any predictions as to the future are made difficult by uncertainties as to the trend of events in China and the instability of the exchange situation. But - insofar as it is possible to judge - does it seem that with the surpluses you now have on hand, and whatever portion of the US \$44,800 we are now seeking we may succeed in raising this year, Yenching should have enough surplus in hand by June 30, 1940, to carry you through the following year?

We find that a great many people prefer to give year by year, and that they are likely to give more generously for a need that is concrete and immediate than for some objective in the distant future. How can we keep the support of such friends, yet deal fairly with them in presenting our appeal for help from year to year? I have been thinking of some such possibility as this: - That we try to build up in Yenching - and in some of the other Colleges - a sufficient surplus to cover all budgetary requirements above assured income for at least one year. That we consider this surplus a sort of permanent revolving fund, which we will draw on as may be required during the course of each year, but which we will try to restore to its original amount when the year's accounts are closed. Then the current gifts made year by year can properly be considered as received for and expended in that year, even though the actual expenditure may precede the actual receipt. If in any one year current gifts fall below expectations, that year's budget at least will be safeguarded by drawings on the revolving fund, though for the next year reductions might have to be made to restore the revolving fund or to meet reduced prospects for annual support. If current gifts in any given year exceed expectations, the increase would not affect that year's budget but would allow some increase in the following year. Would such a plan seem to be feasible? And if so, what should we consider under present conditions to be the amount at which we should maintain such a revolving fund?

As to our third objective in our present emergency policy - that of developing friendship and support for Yenching which will continue through the years - I will discuss that under the following headings.

Recent Increases in Capital Resources. Even under the uncertain conditions of the last two years, the Yenching Trustees have not abandoned their continuing efforts to build constantly greater capital resources for the University.

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During 1937-38 they carried to completion the Gamewell endowment fund, and since then have been collecting the pledges outstanding on this fund. When one pledge of \$5,000 which is due this autumn has been added to the fund it will reach the goal of \$50,000 set for it.

During 1938-39, under the leadership of Mr. McBrier, the Methodist Board has at last paid off the long-standing obligation of a little more than \$97,000 for the old "City Site". This now puts our building funds in satisfactory shape, after more than a decade in which we have been seriously handicapped by a large deficit in this account.

During these two years there were also smaller increases in other capital funds, including an increase of \$10,000 in the Women's College endowment funds, and gains of between \$10,000 and \$15,000 in our plant funds. We have been following up a number of our friends who are not quite ready to make capital gifts in this time of disturbance, but whom we should be able to count on a little later. We believe, too, that our special efforts on behalf of the current support of Yenching during the past two years have helped to broaden and strengthen our foundations for future capital gifts. Had we gone out for capital gifts instead of current support we would have gotten little and would have met with a great deal of criticism. Had we made no special efforts of any kind, we would have lost some of the interest and the habit of giving to Yenching which must at all costs be maintained if we are to succeed in any kind of special appeals for capital gifts in future.

As you know, in the summer of 1937 the Yenching Trustees and the trustees of some of the other Colleges were all ready for an intensive two-year campaign to secure endowment funds totalling \$2,000,000, almost half of which would have gone to Yenching. We hoped in 1937 that we had the first million of this fund in sight. Our plans have not been abandoned, but merely postponed. As soon as a fair degree of permanence and stability have been restored in China, we should be in a far more favorable position to secure substantial sums in America for the rehabilitation and strengthening of the Christian Colleges there than we would have been in 1937.

Turning more concretely to the immediate and more distant plans of the Yenching Trustees for securing capital funds, they may be summarized somewhat as follows:-

(a) Completion of \$100,000 Endowment Fund for Women's College.

This is a project on which we have been making slow progress for many years. To date we have secured a little over \$30,000. The Trustees and the Yenching College Committee are making the completion of this fund their next major objective, and are hoping that the \$70,000 required can be secured during the current year.

The completion of this fund will be of direct value to the University as well as to the Women's College, for this reason: Since the Yenching College Committee turned over to the Trustees practically all of their endowment funds in 1932 to complete the \$500,000 Natural Science endowment fund, the Trustees have been paying them annually 5% interest

on the unrepaid portion of this loan. This balance is still about \$47,000, which means that the Trustees are turning over to the Yenching College Committee each year about \$2,350 of the income on the Natural Science Endowment Fund, which would otherwise go to the support of that department. As soon as the \$100,000 fund has been completed, this loan will be considered as repaid, and this \$2,350 will thereafter go for the work in Natural Science.

(b) Increase in Income for Natural Sciences. For several years the Trustees have been transmitting to the field around U.S. \$14,000 per year as the annual income from the Natural Science endowment fund. The amount available will, however be increased by about U.S. \$2,350 a year whenever the Women's College endowment situation is cleared up as discussed above. Also, the annual income in Natural Science has been somewhat more for several years than the amount sent out, so a reserve of approximately \$7,000 has been built up. Unless there is a further decline in interest rates on invested funds, the Trustees should be able to provide an average of U.S. \$18,000 a year on the basis of endowment funds already in hand.

The Trustees do not at this time have actively on their consciences the necessity of increasing this college's endowment fund to \$1,000,000, although that is down as one of their objectives for a long-range program. If the field authorities want this put high up in the list of funds to be secured, it would be advisable to undertake an educational process which would show just why this additional \$500,000 is necessary. How much of that amount is needed to replace annual grants now being received from such sources as the Ministry of Education and the Chinese Government, and to what extent would the income be used to increase the present program of the College of Natural Science?

(c) Increase in Income for Public Affairs. It is generally recognized here that the amount of income at present provided from the Princeton-Yenching Foundation for the College of Public Affairs is entirely inadequate. But as yet no solution of the problem has been found. The Foundation has in the past gotten several times as much current income as it is securing today, and - on the basis of our experience with ~~such~~ other American college groups, such as Yale, Smith, and Wellesley - it ought to be able to restore its current income to previous levels. Some years ago the Foundation started in to build up a substantial endowment fund, but didn't get far before the depression blocked the attempt.

I am sure the Yenching Trustees will be glad to do anything they can to help the P.Y.F. with its current activities or its campaign for endowment. But of course the initiative must come from Princeton men. It seems that a sine qua non of any progress here would be to find a Princeton man with the ability and the willingness to devote himself to the task of raising money, both in current gifts and in endowment. It is at this point we have long been "stuck". Our hope has been that we could find some Princeton graduate who could go to Yenching for a time on a Princeton-Yenching fellowship, and then have him spend some years here in promotional work, but we have never been able to find anyone who would follow through such a program. If the field can give us any suggestions, we'd be grateful.

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(d) Other Endowment Funds. On our list of long-range objectives, the Trustees also have the following additional endowment funds which we hope to secure some day:-

School of Religion	\$ 25,000
General University	\$385,000
Dept. of Education	500,000
Dept. of Phys. Ed.	250,000
Dept. of Journalism	250,000
Library Book Fund	100,000
Scholarships	(sum not specified)

At the present time the Trustees are not actively working on any of these objectives, except to a very small extent on Journalism. Even on this, Vernon Nash feels that present prospects do not justify his going ahead, though he hopes they may a little later.

The Trustees are planning, however, to start in again aggressively as soon as conditions permit. They of course desire that the field check over the above list, together with the two objectives discussed above (\$500,000 for Natural Science, and \$450,000 for Public Affairs), and indicate (a) any changes in amounts and designations, and (b) the preferential order in which these funds should be sought.

In connection with this undertaking to strengthen the capital resources of Yenching, it has long seemed to me that one objective we should emphasize more is that of "sustaining" scholarships - that is scholarships in an amount sufficient to cover the entire cost of the student to an institution, not merely his tuition. If, for instance, your total Yenching budget is LC \$1,000,000 per year and you have a normal enrollment of 800 students, the average cost per student is LC\$1,250. That is the amount we would seek for each scholarship. If desired to provide students with some help for room, board, other essential expenses, this might be increased to \$1,500, or some other such figure - but in every case the amount paid to Yenching University on the student's account would cover all of the institution's expenditures on his account. The amount of endowment required to produce this \$1,250 to 1,500 Chinese currency each year would vary widely depending upon on exchange rates and interest rates, but would average between U.S. \$8,000 and \$10,000. I believe that over a period of years we could build up a large endowment fund for scholarships on this basis, each unit supplying one eight-hundredth of the total budget of the University. This is, of course, the principle you have already suggested for the Luce Scholarship Endowment Fund. Scholarships are always an appealing objective, particularly so just now when so many of the Chinese students are in dire financial straits. What do you think of this general idea - and if the principle is sound what is the amount we should set as the income needed each year for each scholarship?

(e) Plant Funds. The present list of plant objectives the Trustees have approved for future appeals is as follows:-

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November 8, 1939

Gifts for Residences erected but not assigned	\$72,300
Library Building	100,000
Music Hall	25,000
Dormitory, Women's College	40,000
Dormitory, Men's College	50,000
Laboratory	15,000

Here again the Trustees are not very active just now, though they have been quietly picking up gifts here and there applicable to the unassigned residences. As regards the Library Building, we would hope that when the time is ripe the Harvard Yenching Institute ought to give some valuable help. I believe that at the proper time funds can be found for the dormitories.

Of course the Trustees look to the field here also to bring the above list of plant objectives up to date, both as to amounts and objectives and also as to order of priority.

There has been much discussion of the desirability of securing maintenance funds for as many of the Yenching buildings as possible. These should be sought as soon as the way is clear to do so, while the original donors are still with us and willing to endow the upkeep of the buildings they gave. What amounts, expressed in annual costs, should be provided for each of the buildings that should thus have maintenance funds?

In connection with the matter of buildings is one question that becomes more and more embarrassing with each year that passes - the long delayed "Wheeler Chapel". Just as soon as it is safe to do any building in Yenching we simply must reach a definite decision one way or the other on this matter of the Wheeler Chapel. If the building is to be erected, we must take such funds as are in hand and if necessary add more from other sources, and get on with the job. If the building is not to be erected we must report that frankly to the donors of this money, offering some alternative suggestion if we desire but at the same time offering to return their money if they wish it.

This letter has grown much longer than I intended. Apologies for its wordiness. At least it will indicate that these are matters which are constantly in our thoughts, and on which we need your counsel.

As soon as the Committee on Promotion has met, either Mr. Parker or I will write again.

Sincerely yours,

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Confidential

November 8, 1939

To the Board of Trustees:

This is in the nature of a postscript to my report under date of October 14. A few day after that was written Ambassador Grew shortly after his return to Tokyo made an address in which he set forth the American attitude to Japanese military activity in China. In this it can be safely assumed that he was speaking with the fullest authority from the Administration. As it is what I have been hoping for and advocating I am naturally immensely pleased as are all of our fellow-countrymen in this city whose views I have heard. The friendly tone with which so frank and firm a statement was permeated makes it a model for diplomatic negotiations. It was admirably done. Already its effects are showing themselves.

The rather pathetic attempts at rebuttal and other forms of publicity with which they hope to neutralize its force may well be ignored. But a pronouncement from Tokyo on the Wang Ching-wei movement has more substantial interest. This is that while General Itagaki will be allowed to carry forward his promotion of this attempted method of ending the war, yet what the Japanese Government really desires is permanent peace in Eastern Asia and it will seek to secure this through whatever may seem to be the most effective means.

General Itagaki was largely responsible for the seizure of Manchuria. It was he again who advocated the anti-commintern pact which led to the overthrow of the Cabinet in which he was War-minister when the German-Russian agreement discredited his pro-German policies. He was more recently entrusted with the task of crushing Chiang Kai-shek by military and political processes. Having suffered a severe set-back in the military defeats in North Hunan, he has been urging a political solution through a revamped "Central Government" led by Wang Ching-wei, maintained of course with Japanese bribes and bayonets.

This official explanation from Tokyo is an open admission of the internal struggle which has been continuing for some weeks past among their militarists. One minority element have come to realize the futility of this or any other similar device and are advocating some approach to the Chungking Government, but agreed not to press this in view of the official commitment to Wang Ching-wei. At this point - probably in large measure due to Mr. Grew's warning - there was a wavering in the direction of repudiating this puppet "Central Government" scheme after all, when Itagaki sent word that if this were done he would take things into his own hands and defy Tokyo. I have reported these details of news which has been reaching me from reliable sources because it seems to indicate that the crumbling of Japanese solidarity may have begun. Once the military extremists are unable by censorship to deceive and by organized force to compel their own people into the support of their policy, their abandonment in favor of a more enlightened treatment of China and of other countries in China may be expected.

But it is just here that Americans need to be most alert. Under the present stress they may seem to comply with our demands and we may with the best intentions cease to press these. They can be very plausible in their promises. But the lesson of Formosa, Korea, Manchuria and all that has been occurring in the occupied areas of China proper is unmistakably clear, and we shall let slip a unique opportunity and render a disservice to both of these countries unless we press our present advantage by insisting on a fundamental solution. This in its simplest terms is the withdrawal of all Japanese troops from the whole of China, within the Great Wall, including especially North China and Inner Mongolia. This is the only adequate guarantee of good faith. The Chinese Government will hesitate to

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accept even this agreement unless it is more or less sponsored by ours. Our country has both the power and the moral idealism in international affairs to accomplish this and without any slightest danger of war. The worst that could befall might be some temporary loss of trade and possible injury to American life and property in these occupied areas. These at their worst would be a small price to pay for the vastly greater good.

There is a feeling among us of impending crisis as America and Japan come to grips on the issue which has now been precipitated. Some Japanese are advocating closer relations with Russia as the best means of parrying the American thrust. Others are probably trying merely to frighten us with this threat. But at this writing the question whether and how the United States will implement the strong hints given to Japan of disapproval of the course of events in China is absorbing our attention. Confirmation has just been received of Senator Pittman's statement that an embargo in whole or part will be enforced after January 25 if Japan does not give satisfaction as to American rights before that date. This is a very wise and even friendly move as helping to break through the crust of Japanese censorship and illusory concepts. I am adding these few lines to much that I have previously written on the subject in the hope that those who read them will understand how largely it is now in our power to end this iniquitous and blundering attempted conquest of a neighboring country merely by ceasing to sell to her the war-supplies without which she cannot carry on.

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INDEXED

November 11, 1939

Ack

1/4/40

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

My dear Dr. Stuart:

Let me acknowledge receipt of your letter of September 18th, to which you attach a copy of the letter you wrote Dr. Elisseeff that same date.

In accordance with your request, I am transmitting copies of this correspondence to the Yenching representatives on the Board of Trustees of Harvard-Yenching Institute for their information and for their comments. I will wait until I have had further opportunities to discuss with them the points you discuss before I attempt to make any comments on these matters.

We must not, however, in our discussion of these important matters of general policy, lose sight of the specific point dealt with in my letter of August 15th, and Action E-156 of the Harvard-Yenching Institute. This was a request from the Harvard-Yenching Institute that Yenching University each year send its budget for work in Chinese Studies to Cambridge "three months before the April meeting of the Trustees." I believe that all three of our Yenching representatives on the Institute's board of trustees considered this a reasonable and proper request. I do not see anywhere in your letter to me or your letter to Dr. Elisseeff any reference to this request or any statement as to whether the University will find it possible to comply, but we trust that plans are being made to follow this procedure in future.

Very sincerely yours,

BAG/G

學大京燕
YENCHING UNIVERSITY
PEKING, CHINA

OFFICE OF THE PRESIDENT

November 11, 1939

TELEGRAPH ADDRESS
"YENTA"

Miss Elvena Van Sciver
150 Fifth Avenue
New York, N.Y.

My dear Miss Van Sciver:

After vacillating over this matter and forgetting it in the pressure of other more immediate problems, I finally decided to send you the enclosed Christmas message to be used as you and others in the office may think best. It is late, and anything you do of course will have to be done hurriedly, but you might think it worthwhile to have this printed on an imitation of Chinese stationery with a University scene in the paper, and send it to such of our mailing list as would seem worthwhile. You have, I think, a stamp for my signature to use if you wish, or you may prefer to have it go out in the name of the University as a whole. In any case, I leave the whole problem in your good care. The message will apply to you and the other people in the office, as very real and personal from me whatever may be done with it otherwise.

Very sincerely yours,

Lighton Stuart

jls c

To the American Friends of Yenching University:

In previous years we have sent you at this season some message or token of the bond between us. Because, however, of what has been happening around us and the anxieties which keep us in harrowing suspense, intensified now for you even more than for us by the similar tragedy in Europe, such greetings might seem to have a touch of travesty or at least to be in questionable taste. But we are not so sure after all. This is not only because there is discernible progress toward the realization of our concrete and immediate hopes. The first Christmas occurred when the outlook for peace and goodwill among men seemed vastly more visionary. Can we not also sense a resurgence of those spiritual ideals and energies which then ~~became~~ incarnate in one human life of ineffable beauty, springing out of these very perversions of an equitable international order and the agonies they are causing? If so, we can feel more confident than ever of the truth of the principles Jesus revealed and of the dynamic they still retain. Our University gains fresh meaning and value from the new incentive to work for the building of a better world freed from at least the major horrors of contemporary life and determined to discover and destroy their causes. In the creation of this new and nobler international society we have our special function and with this awareness we can with all heartiness and hopefulness exchange our hopes for Christmas as well as for all that may come to pass within the New Year.

Dec 11-1939

學大京燕
YENCHING UNIVERSITY
PEKING, CHINA



November 13, 1939

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS
"YENTA"

ack 12/1/39

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

My dear Mr. Evans:

It happens that your letter about my investment came in the same mail with one from Mr. Wm. H. Danforth, Purina Mills, St. Louis, Mo., in which he seems to suggest that he might help in investment of personal funds. I am not quite sure if this is correct, but if so, would like to place my little sum of money in his care. Perhaps, however, it would be safer to reduce this to \$1200. You might correspond with him on the subject to be sure that I have not misunderstood his offer. Otherwise will you use your discretion about this investment. Thanks again.

He sent me a clipping from some of the A B CCC publicity under the title Faculty Furlough Study for 1939-40. There are two names from here which should be included. They are as follows:

University of Minnesota
University of California

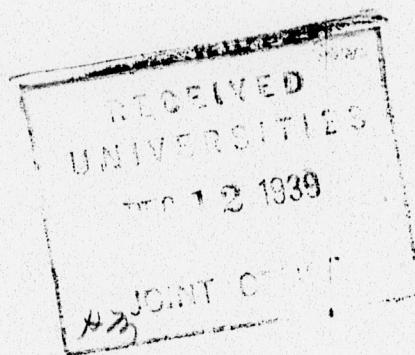
C. L. Han, Education
Chou Shun-hsin, Economics

jls c

Very sincerely yours,

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November 17, 1939

Ack
12/22/39

President J. Leighton Stuart
Yenching University
Peiping, China

Dear Dr. Stuart:

I do not believe we have called special attention to an item which was included in the allocations of the emergency fund for 1939-40, which will be of particular interest to you.

In the special fund we are raising this year, we have placed a small amount for scholarships to be used by faculty members of the China Colleges in America. This amounts to \$5,000 and contains two items. \$2,500 is to be secured in the form of scholarships to be granted by certain colleges in America. These will not be in cash, but will be in the form of tuition scholarships, etc. The other amount of \$2,500 we hope to have available as cash grants, which can be made to faculty members coming to America, to assist them in their expenses while they are here.

The amounts placed in the fund this year are, of course, not large and will not be sufficient to cover nearly all the requests that will probably be made. However, we felt that a beginning in a small way needs to be made, with the hope that this service can be increased as time goes on.

In using these funds for next year, the Associated Boards will be glad to consider applications from the various Colleges in China for the placing of any members of their faculties who are trying to come to America in the school year 1940-41. We, of course, cannot guarantee that we can give all the help required, and we cannot make any assignments until applications have been received.

This letter is being written to you so that you may take advantage of the placing of applications for any of the faculty members who may be in need of assistance next year.

Sincerely yours,

Secretary

JIP:VW

1005

COPY

77 Franklin Street
Boston, Mass.
November 20, 1939

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

Dear Mr. Carside:

I have read with much interest and pleasure the copy of Doctor Stuart's circular letter of October 9, and am particularly pleased to note the increasing number of Christian students. It seems to me that the transition from the other religions that the Chinese profess to the Christian religion is less than in the case of most non-Christian religions.

The first chief difference between the teachings of Christ and Buddha and Confucius is that Christ, by his teachings and his life and his example encouraged his followers to fight with the utmost vigor and positive action against evil and not always content themselves with passive resistance.

He probably wouldn't have been crucified had it not been for his attack on the priests by entering the temple and driving out the vendors of doves and exchangers of money.

Is it not also true that the dignity and importance of service is better exemplified by the teachings of Christ than by any other religious teachings?

The same general idea is expressed in President Theodore Roosevelt's doctrine -- that the chief importance in distinguishing between the worthy and the unworthy human being was whether or not the individual pulled his weight in the general boat of humanity.

I wonder if it would be possible to inaugurate a course of free lectures open to all students and possibly to select outsiders in which brief biographies of particularly interesting and fruitful human lives would be the chief feature. I think these should not all of them be Christian lives but they should all of them be exceptionally unselfish lives in which the service rendered will be easily appreciated by the audience. If you think there is anything in this idea, please pass it on to Doctor Stuart to whom I wish to be warmly and affectionately remembered.

Yours sincerely,

GLC:A

Godfrey L. Cabot

1006

November 22, 1939

President J. Leighton Stuart
Yenching University
Peiping, China

Dear Dr. Stuart:

Attached hereto are the minutes of a joint meeting of the Executive Committee, the Committee on Finance, and the Committee on Promotion, of the Associated Boards, held on November 10, 1939. Attached to the minutes is a copy of the Treasurer's Report as of June 30, 1939.

The considerations of the Committees at this meeting largely concern matters of current interest in America, and the actions are clear in themselves without further explanation. The report of the Committee for Consideration of Greater Unity occupied an important position in this meeting. However, you will note that it is not the final report of the Committee, and their work is being continued in accordance with the action of the Executive Committee.

We have recently had application from two members of the student body at Colgate Rochester Divinity School for graduate fellowship work in some of the China Colleges. These two men are interested in spending two or three years in China, either as graduate students or teaching fellows. They suggest that graduate scholarships may be awarded to them by the Divinity School, which would cover cost of transportation in case anything should be available in any of the Colleges, in which they could do some teaching for their maintenance while there.

If you are interested in using such persons, we will be glad to give you the details regarding them.

Sincerely yours,

Secretary

JLP:VW
Enclosures

Copy to: Mr. Stephen Tsai

Via S.S. "President Harrison"
from San Francisco, Calif.

1007

November 27, 1939

President J. Leighton Stuart
Yenching University
Peking
China

ACK 12/1/39

ACK. 1/4/40

Dear Dr. Stuart,

Let me acknowledge receipt of your letters of October 17 and October 18.

Hartford Seminary Fellowship. In accordance with your request we are taking up with Hartford Seminary in a definite way an application that the fellowship promised Mr. C. S. Hatch for 1939-40 be renewed in 1940-41. We will keep you informed of the response we receive to this application. Since decisions are not usually made until early in the new calendar year, it may be a couple of months before we can get final word to you.

Letter to Donald G. Tewkesbury. We are taking the initiative toward getting in touch with Dr. Tewkesbury to ascertain the possibilities of his spending next year in China, and of working out some arrangements that would enable him to be in Yenching University, and possibly some of the other Colleges. We will let you know what success we have.

In this connection you mention also the possibility of Harry P. getting back to Yenching for teaching or administrative work. Harry has, as you know, been doing a very important service during the last two years, though it has been in such a field as to reduce the possibility of his getting back to Peking under present conditions. We hope that within the next few months Harry and Betty will be able to finish up the specific task on which they are now engaged. There are, however, at least three other important tasks which are bidding for their services here in America, whenever they are able to complete their present work. One of these tasks is that of helping out with our American activities on behalf of the China Colleges. The other two are in fields of direct helpfulness to China. Within the last fortnight Harry and I have had a long and frank discussion of the prospects for the future, both in these immediate calls and in a possible return to China. We certainly want to keep him in close touch with China, and to get him back on the field whenever it is possible for him to go.

While we all hope that the necessity of calling anyone else to the administrative leadership of Yenching is still a very remote contingency, we do realize that we must in justice to the future of Yenching be thinking a long way ahead in order to be prepared for such an event whenever it does arrive. Whether

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either Donald or Harry is the answer is a question that would have to be left almost entirely to the field. Certainly both of them should be kept in very close touch with China, and if at all possible should be spending much of their time actually on the job. Even a short absence gets one very quickly out of touch with events and personalities there.

Mission Board Vacancies. We recognize at once the great importance of seeing to it that the quota of each mission board on the University staff is maintained always at the full, and that any vacancies which occur be promptly filled by men and women who can most effectively carry their share of the educational and religious duties of the University.

In order that this important matter may not be overlooked, or handled unwisely, we would request that you on the field who are in a far better position than we to know what is needed, will take the initiative in preparing a statement for us covering the following points: -

(1) List the quotas of each of the mission boards participating in Yenching University and Yenching College for Women, showing the names of the present appointees and the dates when these appointees will normally reach retirement age.

(2) If any vacancies now exist, indicate the types of appointees that are desired, and if any specific individuals are in sight, name them.

(3) Where retirements are due within the next few years, give as concrete suggestions as possible as to the types of appointees who should be sought to fill these places, mentioning qualified individuals wherever any are known.

We would hope that at least once every two or three years, such a list as this would be re-studied and revised so that it would always be up to date, and would be available to take up with mission boards and others at any time.

American Activities on Behalf of Yenching. Arthur Rugh has now arrived on the Pacific Coast, and has made some very effective speeches and radio addresses on behalf of the China Colleges in general and Yenching in particular. Unfortunately he had commitments to a church in Tacoma that will prevent his giving full time service to the Colleges until after January 1, thus losing some of the most valuable weeks in the whole year. But we hope that after the new year he will be able to make a very constructive contribution to our activities on behalf of the whole group of Colleges, and particularly of Yenching. Arthur makes a very fine public presentation, and is also valuable in approaching individual contributors. As you know, he likes to move about over the country, rather than to settle down to a thoroughgoing job in any one locality. If we had a larger staff of field men and women who could prepare for Arthur's coming, and could then remain on the job to follow up after he has gone, he would be even more valuable than he is likely to be with our present limited personnel. We

Dr. Stuart

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had hoped that he might take major responsibility for our work in the Pacific Coast area, where there seems to be almost unlimited opportunities for arousing interest, building committees, and getting both immediate and long-range support. But apparently Arthur would prefer to move here and there over the United States, rather than to stay in any one area. He is planning to come East in January, and at that time we will try to work out definite plans for him.

We all appreciate that it would have been extremely difficult for you to get away from the University just now, but we are counting on your coming to America as soon as the situation in China permits your absence from the field. I have already written you at great length with regard to both the immediate and the long-range promotional plans of the Yenching trustees, so I need not go over them again now. Suffice it to say that your presence here would be of tremendous value in the carrying on of all these plans.

This letter should be reaching Peking at about the beginning of the holiday season. We therefore extend to you, and to all of the friends on the Yenching campus, our heartiest good wishes for a pleasant holiday season, and for a peaceful and prosperous new year.

Very cordially yours,

BAG:ms

10 10

November 28, 1939

President J. Leighton Stuart
Yenching University
Peking, China

Dear Dr. Stuart,

Let me acknowledge receipt of your letter of October 17, with its communication from Mr. Fulton, and your report to the Trustees.

This report arrives at a most opportune time. Today a meeting is being held in New York, attended by representatives of the Mission Boards of most of the Protestant denominations in North America, at which the matters discussed in your report are being given very serious study. The information you give, together with the comments in the second paragraph of your letter, will be of the greatest value and inspiration to us.

Mr. Fulton's letter is of special interest to the members of the McBrier Foundation Committee, but should also be of interest to a number of other friends. We are having it mimeographed, and distributed as widely as it is likely to be of special interest.

Always as we read these letters from you we are impressed both by the seriousness of the problems by which you and your colleagues are confronted, and also by the wise and effective way in which you are dealing with these difficulties.

With every good wish, I am

Very cordially yours,

BAG:ms

Confidential

Ack. 2/5/40
November 29, 1939

forwarded 1/12/40

To the Board of Trustees:

Transpacific mails are now somewhat irregular but this should reach you close enough to New Year Day to let it take the form of my hopes for the coming year. These are naturally very much engrossed with the prospects for the maintenance of China's national independence and for relief from the fear of Japanese military domination especially over this region. Whether or not the new year will in this part of the world be a happier one than those preceeding depends more than any other single factor upon American policy. If, as would be a reasonable inference from indications of the Government's intentions and as Senator Pittman seems to feel confident, an embargo will be imposed against Japan by Congress, we may expect that Japan will be forced to abandon her dreams of imperialistic subjugation even of North China, perhaps before next summer. Even a refusal to renew or revise the commercial treaty with Japan until our Government is satisfied with her change of policy regarding China would have a determinative influence on the outcome, possibly within the year.

It thrills the imagination to reflect upon the surpassing opportunity before our country to render so beneficent a service with so little risk or loss to ourselves and on such genuinely altruistic and moral grounds. The spiritual reassurance and the material blessings it would bring to the entire Chinese nation are sufficiently obvious. But it would quite possibly prove an even greater kindness to the people of Japan by shocking them as could almost nothing else into a realization of what their military rulers have been letting them in for and by bringing more speedily to an end a senseless conflict from which Japan will emerge the weaker the longer it drags on. More broadly conceived America can also set a higher standard in regard to international responsibilities and demonstrate the effectiveness of a new technique as a substitute for war. The ending of this war in the Orient might also prove to be the beginning of a similar happy result in Europe.

We who live in the occupied areas are well aware that any such economic measures against Japan may lead to reprisals against us or the enterprises with which we are connected. This is more likely to take violent form in small cities in the interior or wherever petty military officers have a free hand than in centres like Peking where more intelligent authorities would seek to avoid any unfavorable publicity in America. We are, however, preparing ourselves for any eventualities, and have had ample evidence in the anti-British proceedings of how unbelievably barbarous the behavior of the Japanese military and their minions can become against the nationals of those countries which they regard as interfering with their monopolistic aims in China. But any danger to American life or property in these areas is insignificant in comparison with the vastly greater benefits

to the Chinese people in their heroic struggle for freedom. Many of us are here in order to work in one way or another for their welfare and if this can be attained by passive suffering or by the destruction of our various institutions we shall have the satisfaction of serving thus the cause to which we have already given our lives. A more grimly realistic consideration is that if the Japanese military are not forced to release their grip on these areas we shall all be incessantly thwarted, humiliated, restricted and ultimately excluded, so that it is much more to our interest and to that of all we represent to have this issue settled finally now than to be subjected to the consequences of any compromises or half-way measures which might seem to provide a solution.

The larger interests of the United States will also be best conserved by allowing no further postponements or evasions. Whatever loss there might be to trade would probably be very temporary, whereas in so far as the Japanese succeed they will endeavor to make themselves independent of us alike in raw materials and manufactured products. There would also be long-continued warfare on this side of the Pacific, producing turmoil and restless despair, most probably drawing us into naval conflict against a foe far stronger later on than now.

Between the date of this letter and the time when you will read it the Japanese will be trying by every device to prevent the American legislation which they genuinely fear. They are making publicity over possible negotiations with Russia by which they can get the supplies we may refuse to sell them. This threat gives a plausible argument to our intransigent isolationists and may deceive some others who are not familiar with this phase of international politics. They will appear to be settling the over six hundred complaints against them for interfering with specific American rights in China, whereas these should be regarded - even if all are satisfactorily disposed of - as a disclosure of their aims and methods as rapidly as they dare to put these into effect. The real significance of these occurrences is that there were so many of them in so brief a period and with only partial control by the Japanese army of the localities where they happened. They are only a foretaste of what would be experienced in aggravated attacks upon American interests wherever they have the power.

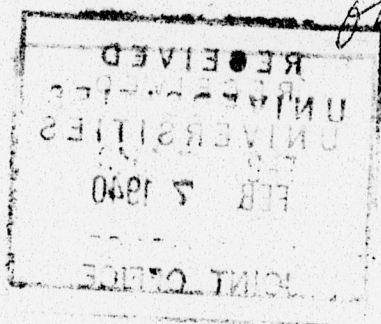
A more specious appeal to American sentiment will probably take the form of claiming that a new Chinese government spontaneously emerging, or negotiations with national leaders, will soon lead to the withdrawal of their troops and restoration of Chinese sovereignty. No such plausible assertions should be given any credence until indeed our State Department is convinced that an honorable peace has been agreed upon between responsible officials in the two governments. But this is very unlikely until after the full force of the American economic measures will have been felt. Wide-spread as is the distress and discontent within in Japan, eager as their business groups are to take advantage of the European war for resuming their export trade which is being held up by the fighting in China, futile as have been the recent attempts to compel a settlement by military advances or

an intensification of the horrors of aerial bombing, their desperate military commanders will not relax their control over the five provinces of North China and Inner Mongolia until they absolutely cannot do otherwise. The prestige of their military caste, their long-cherished dreams of a vast continental empire, the personal fortunes they are accumulating, the vast expenditure of national resources for which they must face a reckoning, all combine to drive them to keep up the struggle as long as they possibly can. And it is to reinforce the better understanding and aspirations within Japan, as well as for the sake of the Chinese people and to ensure a stable and righteous peace around the shores of the Pacific, that our proposed American legislation can at this crucial time render so superlatively valuable a contribution.

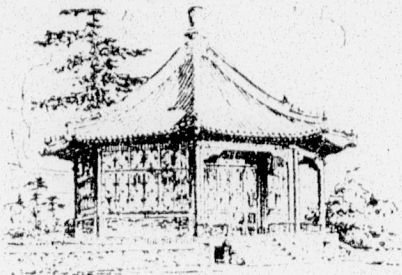
Forgive me, if I seem in this and earlier communications to reiterate harshly and with wearisome insistence what is already familiar to you. I hope it may never be necessary to do so again. You will at least be able to sense the eager expectancy with which all of us here are waiting for the fateful actions on this matter by Congress when it next assembles. You will also be able to have this latest word from us who are so vitally involved as to how intensely we are hoping for positive help at last from the United States. That you individually and through various agencies will be exerting influence to this end I feel happily confident. In this further bond of fellowship, I am,

Very sincerely yours,

Freighton Stuart



Dr. Stuart's Christmas letter, sent to friends of his
and large donors.



Peiping, China
November 30, 1939

To the American Friends of Yenching University:

In previous years we have sent you at this season some message or token of the bond between us. Because, however, of what has been happening around us and the anxieties which keep us in harrowing suspense, intensified now for you even more than for us by the similar tragedy in Europe, such greetings might seem to have a touch of travesty or at least to be in questionable taste.

But we are not so sure after all. This is not only because there is discernible progress toward the realization of our concrete and immediate hopes. The first Christmas occurred when the outlook for peace and good will among men seemed vastly more visionary. Can we not also sense a resurgence of those spiritual ideals and energies which then became incarnate in one human life of ineffable beauty, springing out of these very perversions of an equitable international order and the agonies they are causing? If so, we can feel more confident than ever of the truth of the principles Jesus revealed and of the dynamic they still retain.

Our University gains fresh meaning and value from the new incentive to work for the building of a better world freed from at least the major horrors of contemporary life and determined to discover and destroy their causes. In the creation of this new and nobler international society we have our special function and with this awareness we can with all heartiness and hopefulness exchange our hopes for Christmas as well as for all that may come to pass within the New Year.

Sincerely yours,

Leig Stuart

INDEXED

December 2, 1939

President J. Leighton Stuart
Yenching University
Peking, China

Dear Dr. Stuart:

I am enclosing herewith the minutes of the meeting of the Committee on Promotion of Yenching University held on November 15. You have already received Mr. Garside's letter of November 8, in which he discusses most of the items which came up at this meeting.

The items discussed at the meeting were all of importance. The Committee definitely faced the responsibility of the Yenching Board of Trustees to cooperate with the Women's Committee in raising endowment funds for the Women's College. The participation of the Trustees in the special fund campaign of the Associated Boards was also discussed at length. The actions taken are on the background of a thorough discussion of both of these projects.

The consideration of the Department of Journalism was a result of considerable correspondence with Dr. Nash about his future relationship to the work of the University. The Committee agreed with Dr. Nash's opinion that the present emergency situation made impossible the securing of additional funds at this time for the Department of Journalism, particularly in any special effort. Dr. Nash felt that under the circumstances he ought not to attempt to continue his relationship to the University, and he asked that his resignation be presented. You will note under minute P-3658 that the Committee on Promotion has proposed that the Executive Committee transmit this action to the Board of Managers, with the recommendation that Dr. Nash's resignation be received and accepted. It was the thought of the Committee that at some later time special consideration can be given to the Department of Journalism, and perhaps to a renewed arrangement with Dr. Nash.

Under minute P-3659 you will note that the action calls for a letter to you, discussing our present plans, and requesting the preparation of a new long-range program. Mr. Garside is writing this letter, and you will be receiving from him details concerning this matter.

Sincerely yours,

Assistant Secretary

JIP:VN
Enc.

Copy to: Mr. Stephen Tsai

*Via S.S. "Pres. Hayes"
from San Francisco, Calif.*

10 16

In Commemoration of the Arrival of Dr. and Mrs. Galt
in China Forty Years Ago

December 8, 1939

The gathering this evening to commemorate the arrival of Dr. and Mrs. Galt in China forty years ago gives me the opportunity to say a few words more by way of personal tribute than in the nature of general comment. I have often wished for a suitable occasion to say these things. The record of these forty years is well known to those present, and this spontaneous celebration is a more eloquent testimony to the affectionate esteem in which our friends are held than all that is being printed or spoken about them. Of the former half of these forty years I can add nothing from personal knowledge except in so far as they form part of the harmonious pattern with and preparation for the latter half. But of the second twenty years I can speak from close and constant association. They represent in effect the first twenty years of our University history. Dr. Galt has written a history of Yenching University and a brief history of the history. I should like to add as an appendix a sort of history of the historian - not the well-balanced, carefully documented, genuinely objective and tersely comprehensive type of history which we would expect any manuscript of his to be, but one colored and circumscribed by personal relationships. And if this requires talking about myself as well this may be permissible in the intimacy of our fellowship. It will at any rate have a sincerity and an emotional emphasis which would not otherwise be possible.

Twenty years and a few months ago I accepted with many misgivings the invitation to come to the university newly formed from the union of two old mission colleges. I had never had any connection with college administration. My interests had been of a very different nature. No one could have been more amateurish and inexperienced. Not only so, but everything in the situation seemed to summon to new and untried ventures, to making progress away from what already existed. This probably affected one who came into it for the first time, as did I, more than those who had long been familiar with it. Only to such a one could the old site at Kwei Chia Chang have seemed as dusty, dreary, and dilapidated as it did to me. To get away from that location was my first overpowering reaction.

But this and all else that had to do with looking forward - once the previously inherited controversial issues could be forgotten - involved the use of money, and of this there was none. The obligations of the four constituent mission boards for capital outlay had been entirely discharged by the purchase and improvised equipment of that city site. And the whole annual budget for that first year was, as I recall, about fifty thousand dollars local currency, with an income of twenty-five thousand. The teachers, with two valued exceptions who are fortunately still with us, were all westerners, selected largely from the convenience of their mission boards rather than the requirements of a university faculty. The dearth of Chinese was as glaring as the lack of an attractive campus and of funds. As to students, I asked Dr. Lowry, the retiring president of one of the original institutions, how many were on mission scholarships and his

answer was perhaps about 102%. In other words, they had come up through mission middle schools and were studying there as their only chance.

The new university did not even have a Chinese name and its English name of "Peking University" not only caused practical confusion with the flourishing National University of that name but was properly resented by its constituency and made ours ridiculous in comparison. Incidentally, it was Dr. Ch'eng Ching-yi, whose death last month caused a painful shock to his many friends, who first suggested the name of "Yenching" as at once avoiding all conflict with the government university and retaining the local meaning with the glamour and romance of ancient history. Incidentally again, one of the most pathetic ironies of what has been happening around us is the contrast between the old red building that housed Peita in those days, as it was then and is now. Then it was the famous centre of the Intellectual Awakening, the Literary Revolution, and all that was most brilliant and progressive in Chinese scholarship, the fountain head of the Hsin Ssu Ch'ao and of patriotic enthusiasm. Now its basements are the dungeons in which those guilty of thinking at all, Ssu hsiang fan, and of patriotic activity, are being cruelly tortured.

You may be wondering what all of this has to do with Dr. Galt. It is only the foil against which his excellencies stand out the more vividly, the outline of a president who because of ignorance and temperament and the real of fancied need of getting things going was restlessly promoting any wild, visionary scheme that he or some one else conceived, only to be restrained or kept from more serious blundering by the ripened wisdom and mellowed experience of his senior colleague. Even then I had some dim awareness of how harassing it must have been to him to be forced to attend incessant committee meetings to listen to some latest fantastic proposal and quietly point out its folly or futility. But even then I at least had enough intelligence to appreciate the value of his judgment and how indispensable it was to one with my special deficiencies and the urge to adventurous plunges which our modest beginnings compelled.

It is out of those early years of struggle that I learned to respect his unruffled patience, his blend of caution and creative instinct, his careful examination of each problem, his whole-hearted support of any project once he had been convinced of its worth or it had been approved by the proper constitutional procedure. Long since I have come to feel that if Dr. Galt and I both agreed on any proposal it was pretty sure to be sound, and - believe it or not - we usually have through all these years agreed together in the end. The two of us have been somewhat like oxygen and nitrogen in the atmosphere, the one which quickens life and action and the other which tends to neutralize and conserve. It is well for all restive reformers to remember that in the atmosphere the more active element exists only in the proportion of one to five.

But Dr. Galt's function has far exceeded that of merely steadying a too rashly impetuous colleague. There is scarcely any phase of university life in which he has not made a needed or distinctive contribution. He was tireless in exploring the environs of Peking on all four sides during the year and a half when we were hunting for a new site and were thwarted

in all directions by the ubiquitous cemeteries which made it an increasingly grave problem. He was usually titular and always actually chairman of a Grounds and Buildings Committee, the extent of whose labors and whose efficiency are revealed in the present campus. So with the changing or constantly recurrent academic and administrative, social and religious, hopeful or harassing, aspects of our affairs. It is not easy to think of any one of these in which he has not been actively and invariably helpfully associated. I have referred to myself because no one else has been better able to appreciate all of this, the more so in that the University has been so very fortunate to have him to complement or correct one who peculiarly needed just the help that he could give.

In all this the impression might be given that Dr. Galt's part has been one of restraint or of being negatively conservative. Not at all. That only applies to unwise or immature proposals that were forced upon his attention. Left to himself he has always been forward-looking, dynamic, often radical. Even I still feel appalled by his calm advocacy of such revolutionary ideas as joint faculty and student management of university affairs. He sometimes seems to be the most progressive person in our group.

Conscious as I am of my personal debt to Dr. Galt through the twenty years or more of our association, there is something far more precious and significant than the work he has achieved and the reasoned judgment he has invariably revealed. This is the affection one unconsciously comes to feel for him, in which I am sure that I am speaking for all who have worked closely with him. It is the deeper because it rarely finds visible expression.

What I have tried very imperfectly to describe of our mutual relations has wider implications. It suggests the way in which those of differing qualifications or emphases can supplement one another in the smoothly efficient functioning of a team the corporate achievements of which are the greater because of their variations and their mutual recognition of one another's strength or weakness. In the years to come those who trace back the Yenching tradition of happy harmony to its earlier sources will doubtless see in the record of these twenty years and the twenty that preceded one of the most potent causes.

Not much has been said of Mrs. Galt's share in her husband's record, but it has been by no means slight, even though so gently unobtrusive. She should be tacitly included throughout the comments made in this commemoration as she emphatically is in the hearts of those who are attending it.

The reality the testimony I have tried to give to my sense of the benefit and the joy it has brought to have Dr. and Mrs. Galt as comrades in this exhilarating adventure that Yenching spells for all of us is the hope with which I conclude these remarks that the bond which has deepened through these twenty years will continue as long as possible into those that lie ahead and that December 8, 1939, is only a halt to take a look backward on a road that runs far into the future.

學大京燕
YENCHING UNIVERSITY
PEKING, CHINA

December 9, 1939

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS
"YENTA"

Miss Elvena Van Sciver
150 Fifth Avenue
New York, N.Y.

My dear Miss Van Sciver:

I am sending you herewith a skit which may be of interest to a few of the more actively interested of our Trustees and friends as well as those on my personal list. Apart from the fact that it has chiefly to do with myself, there ought not to be the slightest chance of any publicity regarding Japanese negotiations referred to.

As to the Galt's celebration itself, Miss Boynton has been asked to describe this. As you are doubtless getting the Yenching News which has played it up considerably, I shall not write more now. Please tell Dr. Garside that his letter by Clipper mail arrived about a week in advance, showing that mail by that route to us does occasionally really come more quickly. The copy through ordinary mail has not yet arrived. This letter was read by Mrs. Frame as secretary of the Board of Managers. It was to have been read by Mr. James Chuan, who in view of the political situation is acting now as chairman of the Board. One rather sinister shadow upon the joy of the celebration, known fortunately to a very few of those primarily concerned, was the absence of Mr. and Mrs. Chuan. He had been threatened several times by the Japanese army police, and as it happens, yesterday morning was carried off to their headquarters and questioned for three hours. This inquisition included asking prying questions about the Rotary Club, Western Returned Students Club, and various religious, philanthropic and similar organizations which are more or less connected with foreign interests. Mr. Chuan is one of the most prominent Chinese in such activities, as well as one of the leading independent Chinese bankers left here. He was exhorted to join "The New Order in East Asia" and cease to identify himself with these doomed enterprises from the west. In view of this disturbing experience, he and his wife reluctantly decided that they had best forego the pleasure of being present on this occasion. It gives one more sidelight on methods of Japanese penetration. I venture also to enclose a copy of my talk last night which will enable me to share with you in America the sentiments I tried to express to those here.

Very sincerely yours,

Frederick H. Stewart

jls c

1020

Memorandum from Dr. R. Lowenthal

Four groups of Jews have come to China as far as can be historically ascertained:-

- (1) The Persian Jews of Kaifeng, who arrived during the 12th century and have almost died out;
- (2) The Bagdad and Irak Jews, a small, but comparatively wealthy group of some 500 people who reside in Hongkong and Shanghai;
- (3) The Russian Jews who came here before the Great War and particularly after the Russian Revolution of 1918. A large group of them came also from Harbin and went to Tientsin and Shanghai after the Japanese occupation of Manchuria in 1932; a total of about 14,000;
- (4) European and American Jews, who before 1933 numbered about 1,000. After that period some 15,000 refugees have landed in Shanghai. Most of these arrived there less than a year ago. They have taken refuge in China from Germany, Austria and - to a lesser degree - from Italy.

These four groups are quite different in education, language and general outlook. It is only during the recent persecutions in Europe that they have been brought into closer contact with each other.

Most of the 15,000 refugees, who arrived here recently from Europe, have stayed in Shanghai. Only a small number of specialists have had the opportunity of going to Tientsin, Peking and to places in the interior of the country.

China has willingly received these people in distress, in spite of her own struggle for existence by which uncounted millions of people are affected. It is suggested, therefore, that China be helped in her task of adjusting these people and safe-guarding the education of their children, many of whom represent a potentially highly valuable part of society. These may later on become an important link between China and the West. For this purpose funds should be raised among interested Jewish circles in America, to be used for the following purposes:-

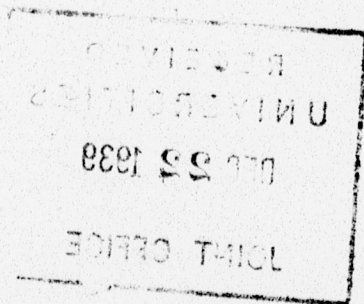
- (1) For the permanent establishment of a number of scholarships, with the understanding that these be used for the training of deserving, preferably eligible Jewish students of refugee parents;
- (2) for scientific work:
 - (a) for teachers, either in connection with a School of Religion, such as that of Yenching University where there is already a Chinese professor, experienced in classical Hebrew and Palestinensian archeology; or in any other field. A permanent chair should be occupied by a qualified person or persons from among the refugees.

- (b) research work on the Jews in China as well as on their present conditions should be made. Preparatory work in this line has been done (see enclosed two pamphlets). In order to make this work a success it should now be continued by a group of experts in various fields (historians, anthropologists, orientalists, etc.).
- (c) a library on Judaica Sinica: a collection of literature on the Jews in China should be established, to which Mr. Lowenthal will gladly contribute the materials which he has been able to collect during the past years.

- (3) co-operation with interested academic and social institutions of varied character.

For the following reasons Yenching University may be considered a particularly favourable place to materialize these plans:-

- (1) Yenching University has placed during the past years two Jewish refugees on its faculty and one on its administrative staff. In addition, some ten students have studied or taken their B.A. degrees here.
- (2) There exists no Jewish academic institution in the Far East for education and research work. Because of the comparatively small number and precarious financial situation of the Jews this would be unwarranted. On the other hand, with the favourable attitude of a missionary university, both sides could be benefited from the scientific and material standpoint with comparatively small means. All the facilities of a highly organized and well-equipped institution would then be at the disposal of prospective students and scientific workers.
- (3) It has been the traditional ideal and practice of Yenching University to foster an international and inter-racial policy, so that also from this view-point a happy and successful co-operation is guaranteed.



Confidential

December 9, 1939

A footnote to the celebration of the arrival
of Dr. & Mrs. H.S. Galt in China forty years ago

This long-planned-for event was carried through last evening with notable success. But it may be of interest to describe what I was doing yesterday morning while others were busy with these preparations.

It happens that an elderly Japanese statesman had come to the city more or less unofficially representing government leaders to explore the possibilities of peace and the procedure to be followed. Seventy years of age he has been a member of Parliament for exactly one-half of that period, one of the only two independent members, highly respected for his character and learning, an outstanding Christian. He had been out to see me and I had undertaken to interpret the position of General Chiang Kai-shek, not of course as formally representing him but indicating as objectively as possible what I knew of his views on this matter. It was fortunate that this old gentleman had befriended Hsiao Cheng-yi, when after receiving his Master's degree from Yenching he had spent three years of further graduate study in the Imperial University of Tokyo. Since the outbreak of hostilities Mr. Hsiao has been my very capable secretary for all sorts of dealings with Japanese, and has been much more than a mere interpreter or representative on matters of university business. He had been spending long sessions with this visitor exchanging memoranda from one of us to the other and it had been arranged to continue this in my home, the visitor to stay overnight and go on with the conference the next morning if necessary. A fourth member was another former student who has for years helped me with my Chinese official relationships and is unique in having the full confidence at once of General Chiang and of the Chinese in the local puppet government. We had dinner together night before last and talked until bed-time, going on with this through all of yesterday morning. It is amazing how frank it is possible to be when all are willing to face the facts and are honestly trying to find a solution as nearly satisfactory to both sides as would be possible. We made considerable progress toward proposals that all of us at least would accept and this may lead to a realistic agreement later as to the more apparently irreconcilable issues.

Meanwhile I had to give attention to a no less inflammatory internal controversy between our men students and those in charge of their dining-rooms. These latter had convinced me that it was necessary still further to increase the price for board next month it being already about double the normal charge. We have always insisted that the students should pay the full cost of board, and in these abnormal times when a proper Student Self-government Association cannot function we have selected a consultant committee with whom to discuss the problems and policies affecting them. These representatives of the men students had been arguing strenuously against this increase, quoting price-lists and

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other figures, pointing out that further economies might be effected, etc. Flour, rice, coal and other staples are under the control of the Japanese military and part of their acquisitive racketeering. Prices announced in the local subsidized press are available only to Japanese buyers or such as win the favor of those in power. It is also very difficult at any price to get supplies as needed. While we cannot speak of it yet we are laying in stores against possible anti-American reprisals next month. Some of those in the Controller's Office had become quite impatient with the students, and wanted them to be summarily dealt with. A notice had been drafted explaining why the increase must be \$15.00 instead of \$14.50 as requested by the students but I wanted their representatives to see and approve before posting it. This may seem a very trivial matter, especially in terms of American exchange, but it means a great deal to most of our students in the present distress. Not only so but nerves suffer from the continuing tensions in the midst of which we are living. My notice had to be posted before the day was over. The educative and moral value of an agreement which both sides accepted seemed to be worth any amount of time spent in conference. Shortly after lunch I had a letter from the student committee which I shall always treasure. They accepted our ruling wholeheartedly and expressed their appreciation of all that had been done on their behalf and to make possible their willing cooperation hereafter. After this the notice was promptly posted.

This gives a picture of me going back and forth between home and office all of yesterday morning, shifting my thought from how the Chinese and Japanese could both agree on a basis for peace to how irate members of our own Controller's Office and highly excitable students could reconcile their differing opinions as to the probable cost of food during the month beginning two days from now with all the uncertainties and protected profiteering which affect us now.

But this is more than a somewhat whimsical description of the episodes that may occupy my days. It gives a glimpse of the confusion of thought and of physical existence caused by this Japanese military invasion, as well as of the efforts which are being made by many to find a practicable solution. My elderly Japanese visitor would be in very real danger of assassination if any of his extremist compatriots suspected him of accepting as true much of what he has been learning of the behavior of their troops or of recognising as just the conditions for peace upon which any responsible Chinese government would have to insist. Yet he is courageously proceeding with his task. And by the way in which we try to bring them into consultation over matters of practical concern to them we hope that our students are being trained in the principles of democracy and fitted for leading in the many reforms which China must undertake for her own national welfare once this external menace has been successfully resisted. Finally, this transcript from my activities earlier in the day may add a bit of atmosphere as you read of the celebration last evening in honor of the senior American member of our faculty.

J. Leighton Stuart

學大京燕
YENCHING UNIVERSITY

PEKING, CHINA

December 13, 1939

OFFICE OF THE PRESIDENT

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

My dear Mr. Evans:

Our College of Public Affairs very acutely feels the need of another adding machine, and would be willing to spend U S \$400-500 if necessary for a machine worked by hand. Is there any possibility of the manufacturers giving a reduced rate as a sort of philanthropic contribution with the added possibility of introducing their machines into this country? Or would friends of the University, especially those also connected with Princeton, know of any usable second-hand machine which would be a further economy for us to purchase? The budget problem in this matter requires formal approval by our administrative committee, and I shall write again after that action has been taken. Meanwhile let me add to your many smaller worries in this form.

Very gratefully yours,

J. H. Stewart

jls c

ack 11/16/40

TELEGRAPH ADDRESS
"YENTA"

*Wrote to Walter Adding Machine
requesting information
11/12/40*

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INDEXED

December 15, 1939

Dr. J. Leighton Stuart
Yenching University
Peking, CHINA

Dear Dr. Stuart:

We have been going through the process of finding suitable depositories or investment media for Yenching field funds.

We were just about to buy some Governments in September when the market broke and carried them down eight to ten points. We began a very detailed study of the Government Bond situation and found that there is a consensus of opinion that they will go still lower, although they have recovered some of their losses. As a result, the Committee has felt it is best to put as much money as possible into savings banks, as the yield will be approximately the same as Government Bonds, but the principal will be intact.

In the process of our study we uncovered a half dozen Boston banks, approved by the Federal Reserve Bank in New York City, all paying 2 $\frac{1}{2}$ % interest.

While awaiting a reply to our personal letter regarding the \$1,500.00 which you authorized to be invested, I am taking occasion to make a deposit of at least \$1,000.00 and charging same to the field account to be adjusted in China. Possibly, we have not done the right thing, but hope it turns out satisfactorily. The account is opened in your name and/or Carl A. Evans. The entire principal and interest is to be paid to you in any event.

Upon receipt of the signature card, we will forward it immediately to the bank.

I have discussed the situation with Mr. Rounds, and he seems to think it is the best possible way it can be handled.

Very truly yours,

C. A. EVANS

CAB/B
ENC.

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INDEXED
December 18, 1939

Dr. J. Leighton Stuart
Yenching University
Peking, CHINA

Dear Dr. Stuart:

I have received your letter of November 13th and apparently I was too hasty in making the deposit of \$1,000.00 in the Melrose Savings Bank. However, in view of the fact that we have opened the account and that we are getting 2½% interest thereon, I am depositing another \$200.00.

Under the circumstances, I am wondering if I should communicate with Mr. Danforth. I understand that he is in New York at intervals to attend the meetings of an insurance company. I also find that he was here in New York a week ago but was so completely tied up with personal affairs that he did not wish to communicate with our office. I am also wondering how much responsibility he would take in the investment of personal funds, and whether his recommendations would be satisfactory to you.

I raise these questions as frequently I confer with Investment Counsel, as well as our Investment Committee regarding personal accounts which we have on all of our university books. Some of these accounts are of long standing and others have come to hand within the last two years. In every case, of course, counsel is especially careful in making recommendations as often individuals desires have been expressed, and these are always taken into consideration.

We have added the two names on the Faculty Furlough Study list for 1939-40 and thank you for calling this to our attention.

Very truly yours,

C. A. EVANS

CAE/B

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December 18, 1939

President J. Leighton Stuart
Yenching University
Peking, China

Dear Dr. Stuart,

Let me acknowledge receipt of your letters of October 28 and November 8.

Your letter of October 28 suggests the possibility of an approach to Mr. Max Loewenthal and perhaps others with a view to securing funds for Jewish scholarships at Yenching. We will take the matter up with the members of the Yenching promotional committee, and if they are favorably disposed will try to get in touch with Mr. Loewenthal, Mr. Loeb - whom you met previously - and possibly others. Such a development as you suggest would certainly offer opportunities of wider service, and contacts with a new field. But since the establishment of a series of permanent scholarships for Jewish students at Yenching would involve certain questions of general policy, it would obviously be wise for us to keep the trustees informed and to secure their approval before we actually seek funds for this purpose.

In your letter of November 8 you enclose a very interesting tabulation showing fluctuations in living costs in Peking, and also a report of recent activities on the campus. We are sharing this report with Yenching trustees and friends.

The trustees are planning to get off next week a cablegram of Christmas greetings and good wishes. I am afraid that Christmas, 1939, will not be particularly conspicuous because of the amount of "peace on earth and good will among men" manifest throughout the world.

Very sincerely yours,

BAG:ms

1029

December 18, 1939

Dear Dr. Stuart

I am sure that you know Dr. Ed Hume's daughter, Joy. She was born in *Chongqing, March 1* in 1917, and has spent in all years in China. She has a keen mind, an attractive personality, and unusual abilities in many lines. She is now giving most of her time on a voluntary basis to various types of service to China, chiefly in connection with the Institute of Pacific Relations. Attached is a brief biographical statement which summarizes the main facts with regard to her educational training.

For some time I have been thinking that Miss Hume would be a splendid addition to the staff of ~~any~~ ^{one} of our Colleges in China if she were available and a position for her could be found. Now I believe that if a call came for her, she would be available and could even go out in time to take up teaching work for the second semester of this academic year. Knowing that your budget for this year probably has no room for any additional appointee, we could probably secure special funds which would cover her travel to China and her support to June 30th. From that point on, it would be expected that the University would provide for her support as a regular member of the staff.

Miss Hume's qualifications would seem to fit her best for an appointment in the field of English. You will note in the enclosed statement the other lines of her special interests.

Since time is short if Miss Hume is to arrive in time for the second semester, a reply by cablegram would be desirable. Any invitation to her should indicate the position for which she is invited, the length of appointment contemplated, and the date she should arrive.

Sincerely yours,

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INDEXED

December 18, 1939

*Ack 1/31/40
by Stuart to Cabot*

President J. Leighton Stuart
Yenching University
Peking, China

Dear Dr. Stuart,

I enclose herewith a copy of a letter from Dr. Godfrey L. Cabot. You will note it is written as a commentary on your letter of October 9.

Dr. Cabot has also written us another letter making certain suggestions as to possible developments in the natural resources of China. As you know, he has been actively interested in the natural gas and petroleum oil business for the last fifty-seven years, so he is an authority in that field here in America and would like to know what is the situation and what are the prospects in China. I will institute various inquiries here and possibly in other directions also.

I have of course acknowledged this November 20 letter from Dr. Cabot, and have told him that either you or we will write him further after you have seen his letter and have had an opportunity to send information and comments. We would be grateful if you would let us know in a general way what Yenching is already doing along the lines suggested in the last paragraph of Dr. Cabot's letter, and also what further steps might productively be taken in this same field. I would assume that any lecture-ships in this field not already provided for within the University budget might be met as a part of the program under the McBrier Foundation, and that therefore we would not need to seek for further support just at this point. As you know, Dr. Cabot has not been giving very generously to Yenching in recent years, perhaps because we have not succeeded in finding any specific need in which he has a keen interest. If we could present to him some practical and challenging proposal that aroused his interest, he should be able to make an annual gift to Yenching of several thousand dollars, or even to make a capital grant of more than that sum. But thus far in my recent exchanges of correspondence with him, I have not touched on the financial angle, for I have not had anything concrete to propose, and any generalized appeal would probably succeed only in cooling down the warm friendliness which his letters show. Of course during the current academic year we will ask him for

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Dr. Stuart

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December 18, 1939

the continuation of his annual gift to the University, but if we had something special to propose to him, the results might be much larger.

Very cordially yours,

BAG:ms
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學大京燕
YENCHING UNIVERSITY
PEKING, CHINA

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for Boston Com.
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December 22, 1939

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS
"YENTA"

Mr. Joseph I. Parker
Yenching University
150 Fifth Avenue
New York, N.Y.

My dear Mr. Parker:

I have your letter of November 17 and note with much interest the possibility that there will be a limited fund available next session for financial aid to members of China College faculties studying in the States. I should like at once to call attention to certain cases very much in need of such assistance.

One is Hsia Yün (Y. Hsia) now at Columbia. Dr. Garside is quite familiar with his case, and Professor Goodrich of the Chinese Department there has been taking a personal interest in him. If he could stay one more year and finish his doctorate it would be a very great advantage. On the other hand, there are no resources that we can provide from here other than caring for his indigent mother and her younger children. Our only suggestion has been that he work his way, which even though he gets employment, delays the period of his return. I suggest that you consult with those primarily concerned and put his name on the list for consideration.

Another name I should like to have considered is Mr. Chou Shun-hsin who is now on an exchange fellowship at the University of California, staying at International House. This expires next summer. It is most likely that he can secure his master's degree by working through the summer. If so, he would only need his travel back to China by the cheapest rate from San Francisco. It may become necessary for him to stay longer than the summer in order to finish the work for his degree, but even so, this ought not to be for long.

A third case is Mr. C. S. Hsieh whom we hope to have studying in religious education at Hartford Seminary. Dr. Garside is acting on his behalf also. I have some funds that I can reserve for him, but it would enable me to help others more and relieve a pressure elsewhere if a partial grant could be made for Mr. Hsieh. All of these men are definitely to continue on the Yenching faculty and are well worthy of anything that can be done for them.

Very sincerely yours,

Freighton Stuart

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C O P Y

at Christmas, 1939

Dear Mr. and Mrs. Luce,

This little Christmas gift comes to you from Yenching with the affectionate greetings of Dr. Stuart, who sent these things to America with the request that they be presented to you.

The information Dr. Stuart gives as to the history of the painting and the brocades is this:-

Until recently these were among the art treasures of the family of a Yenching graduate and protégé of Dr. Stuart (Philip Fugh) who is the descendant of a long line of wealthy and powerful Manchu dukes. Following the Chinese Revolution the family fortunes began to decline - and as a result these things came into the possession of Yenching University.

The painting is from the brush of a well-known woman artist, the daughter of the courtier Chiu Shih Chou, who did her work about two hundred years ago.

The gold brocades were presented to Philip by the Empress Dowager herself when, as a small boy, he was taken to pay his respects to her.

We join with Dr. Stuart and his colleagues in extending to you both the heartiest of good wishes for this holiday season and for the coming years.

Very cordially yours,

B. A. Carside

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學大京燕
YENCHING UNIVERSITY
PEKING, CHINA

December 27, 1939

Ack. 2/29/40

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS
"YENTA"

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

My dear Dr. Garside:

We were all very much gratified by the cabled Christmas greetings with the encouraging sentiments, as well as the assurances of successful promotional efforts. The Administrative Committee passed the following action:

"VOTED: to record in the minutes of this committee the warmest appreciation to the Trustees for their kind message and continued loyalty. The committee is particularly gratified to know the good progress in raising funds for both current and endowment purposes at this time."

This leads to one special item in your letter of November 8. The Administrative Committee had passed an action reported to you regarding the transfer of \$47,000 of ours to the Women's College Endowment to liquidate the loan to the College of Natural Sciences. In view of the plans of the Trustees to raise additional funds for the Women's College Endowment and thus liquidate this old obligation, we have rescinded our action. This leaves the Trustees free, therefore, to carry out their original intention unhampered by our action. The whole of this letter of yours is full of interesting and heartening information. Please assure the Trustees of our deep appreciation, not only of their efforts on our behalf in these various phases of our need, but of their intelligent understanding of these details. I have had in mind writing along these lines, but your summary shows such a grasp of the whole problem that all I need to add is my personal gratitude and my approval of the program as it seems to be taking shape.

Very sincerely yours,

Leighton Stuart

jls:c

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學大京燕
YENCHING UNIVERSITY
PEKING, CHINA

December 27, 1939

OFFICE OF THE PRESIDENT

TELEGRAPH ADDRESS
"YENTA"

Oct 2/14/40

*dues f.d.
three June '40*

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

My dear Mr. Evans:

Referring to my previous letter regarding an adding machine, do not go to any further trouble over this, as it seems possible for us to get along here without purchasing another one of these.

Do not renew my subscription to the Asiatic Association unless I yield after further pressure from them direct. For the present I scarcely see the value in this after having subscribed for a number of years. Will you, however, renew my subscription to Christendom. An envelope is enclosed herewith. I am also sending a bill from the Post Box Book Service. You have doubtless sent them a check. Will you continue as needed to supply them with such advances against my orders.

*Note
Amer.
News
2/8*

*Paid
12/11/39
209368*

Stephen has shown me his letter to you regarding Hsia Yün. I see the problem in both aspects, and in this special case am quite willing to do whatever is necessary to see him through this year. I have written Mr. Parter regarding the possibility of help from the A B C C C for him next year.

Thanks again for all your personal trouble on my account.

Very sincerely yours,

Stephen Stewart

jls c

Jan. Dec. 1939 (last)

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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

December 28, 1939

ack 12/29/39

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

Dear Sir:

We acknowledge receipt of your letter of December 26th and also the one dated December 27th enclosing distribution check No. 7957, issued to John Leighton Stuart, for \$45.00, in payment of the distribution of 50 cents per share payable December 23rd. I regret that we inadvertently deducted 10% from this check and trust you will pardon the inconvenience this has caused you.

We enclose herewith a new check for \$50.00, ✓
the full amount of the distribution payable to Dr.
Stuart.

Very truly yours,

H. F. Smith
H. F. Smith

s-d
encl.

*check - 50⁰⁰
Dep. 12/29/39*

1040

December 23, 1939

President J. Leighton Stuart
Yenching University
Peking, China

Dear Dr. Stuart,

This letter is to report on the disposition we have now made of the gold brocades and painting which you brought over with you the last time you were here.

In line with the correspondence you and Miss Van Seiver have exchanged during recent months, we explored the possibilities that various members of our Yenching Board of Trustees and other prominent Yenching friends would sufficiently appreciate these art treasures to justify our presenting them. The general consensus of opinion was that Mr. and Mrs. Henry R. Luce are the ones who would appreciate them most, and are most deserving of this special mark of friendship.

We therefore presented the gold brocades and the painting to Mr. and Mrs. Luce at the Christmas season, accompanied by the letter of which a copy is attached.

In accordance with the appraisal described in Miss Van Seiver's letter of May 12, 1939, we are at this time depositing US\$400.00 in the account of the Field Treasurer of Yenching University in the Central Hanover Bank here in New York City. We are asking Mr. Ts'ai to pay over this amount to you, or to anyone you may specify, in accordance with your instructions.

We trust that these arrangements are satisfactory to you and to Mr. Fugh, and that the gift of these treasures will bring real joy and satisfaction to Mr. and Mrs. Luce. If you can send them somewhat fuller information than my letter gives as to the history of these objects, I know they would appreciate it.

It is hardly necessary to add that we have avoided any hint of a financial quid pro quo in connection with this gift to Mr. and Mrs. Luce. We do not want them to think of it as a payment for any gifts they have made in the past or as an obligation to them to make any gifts in the future. Neither do they know that the Trustees are making a payment of \$400 to the field to cover the market value of these art objects. We know that in China gifts are often made and received with a clear recognition on both sides as to just what quid pro quo is involved; but we feel that in this case any such implication would destroy the value of the gift and possibly do definite harm.

Very sincerely yours,

BAG:ms
Enc.

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RECEIVED

December 29, 1939

Mr. H. F. Smith
Great Northern Iron Ore Properties
2 Wall Street
New York, N. Y.

Dear Mr. Smith:

Permit me to thank you for your letter of December
28th enclosing check for \$50.00 payable to J. Leighton Stuart
covering a distribution by your Company.

With many thanks, I am

Very truly yours,

C. A. EVANS

CAE/B

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