

THE FOUNDATION AND HERITAGE OF DUKE UNIVERSITY

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We are all so glad to be here, together, to honor Dr Johnson and to celebrate his election to the Presidency of the National Medical Association. We are mindful of this extraordinary honor, and wish him Godspeed as he undertakes his new responsibilities.

I am asked to talk to you about the Foundation and Heritage of Duke University. This is an enormous task, and one which could keep us here all afternoon. I promise I won't do that. But what I would like to do is give you, just briefly, the bare outline of the beginnings of this institution, and then explore, for a few minutes, some of the implications, the *meanings* behind those facts—for I think it is in exploring those implications and meanings that we discover true history—not just names and dates—but the people and their lives. . . the beliefs and motivations that caused the events to unfold as they did.

So, briefly, the facts are these. Washington Duke, who was my great-grandfather, had a small tobacco farm here in Durham. This was not a great plantation, nor was he a wealthy planter. He and his family struggled to make a living. After the Civil War, Washington Duke's meager resources were said to have been as follows: 50 cents, two blind mules, and some tobacco which had been stored in a shed on the farm.

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Not a likely prospect for the production of wealth or success. But Washington Duke had more important resources than those listed on paper. He had three fine sons. He had a deep and abiding faith in God. He was a devout Methodist who took the church's teachings about stewardship to heart.

These were the resources that, I think, sustained and guided him—that, ultimately, were responsible for this University.

Washington Duke's three sons were named Brodie, Benjamin Newton (who was called Ben), and James Buchanan (called Buck). Buck Duke is the name best known to most people. Buck Duke created the tobacco and electric power empire. He went to New York and made *good*. These statements are factual, but then fictional stories take over. Some people say, he "bought himself a university" to establish his name forever.

This is where popular legends can be misleading. There is no question about the fact that James Buchanan Duke was a man of great vision and remarkable business acumen. But the real story is much broader. It is the story of a family.

The Duke sons did indeed help their father with the tobacco business. Buck had a great talent as a salesman and promoter. He was always willing to try something new—to take a risk—and what the family risked was their moderately successful small business, in the enormous gamble on a new phenomenon called automation. Cigarettes could be made by machines—faster, better, safer. And they could be promoted by the family's star salesman, Buck Duke.

I hesitate a bit to talk at any length about cigarettes here in the company of this medical gathering. But that is another part of the history that is so often in error. It is so frequently reported that all the Duke money was tobacco money. Duke University has even been called “Tobacco U,” and so it goes. But I have to tell you that that is a very fragmentary interpretation. As the family prospered from tobacco, they began to develop many other interests—textiles and hydroelectric power, just to name two.

This brings us to a little history on my own grandfather, Benjamin Newton Duke. While James Buchanan guided the family’s industrial interests, largely from his New York offices, Ben remained in Durham. I suppose today we’d call him Vice President of Research and Development and Vice President of Corporate Responsibility. But there were none of those titles back then. Ben was a man who combined an active intellectual curiosity with a deep sense of caring. He liked to think about the “what-ifs” and the “maybes,” the “why can’t we” questions.

As the history tells us, the giant American Tobacco Company fell victim to the trust-busting rulings of 1911. The history also tells us that the company was so complex that the lawyers. . . ironically. . . had to ask James B. Duke’s help in untangling his own closely-knit holdings. Some have even projected the great loss the family must have felt at the demolition of this empire.

But what you may not know is that long before 1911, Ben Duke had been exploring a new business—another risky venture called hydroelectric power. Originally seen as a power source for textile mills, the generation of water power (going back to 1905) was well on its way by 1911. James B. Duke led the Southern Power Company which is today known as Duke Power Company. And, without taking away a single ounce of his success, we must also bring into the history the fact that it was Ben who turned the family’s interest to this new, productive, and beneficial resource.

And what about this University? Well, it was founded primarily with funds from that very power company. And it was founded by James B. Duke as a tribute and memorial to his father, Washington Duke. Mr Duke did not “buy himself a university.” What he did was to *continue* assistance to a college which the family had helped for many decades past. Duke University didn’t spring up as something brand new. It evolved.

This “evolving” is important, because it is a key word in the family’s philanthropy and in the establish-

ment of The Duke Endowment.

To go back to the beginning of this evolution, I should remind you that Washington Duke was a devout Methodist. Living out in the country, he saw, at first hand, how the country preachers travelled over dirt roads, ministering to four or five tiny congregations. Seldom paid in cash, often leaving wife and children behind, these ministers were really the only form of assistance to many rural families. There were no organized agencies then—and if there were, it is doubtful if the farmers would have gone into town to seek help.

The Methodists had a college in North Carolina—a small, struggling institution called Trinity College, located in Randolph County—some 70 miles west of Durham. As early as 1887, Ben Duke gave \$1000 to the College to help keep it from bankruptcy. That was the beginning.

Soon after that, Trinity’s President John F. Crowell determined that if the college were to succeed it would have to move from its country location to a city. He had Raleigh, the state capitol, in mind. Raleigh offered the college \$35 000 to move there. Washington Duke conferred with Ben and with Durham business leader Julian Carr. Together they offered to match Raleigh’s \$35 000, to add \$50 000 in endowment, *and* 50 acres of land in West Durham. Those 50 acres are now the East Campus of Duke University.

So Trinity College moved to Durham in 1892, and the family worked for its growth and development from then on. It did not become Duke University for another 30 years—until 1924, when James B. Duke created The Duke Endowment, a foundation with \$40 million in assets to benefit the Carolinas. The creation of Duke University was only a part of a much bigger plan for the Endowment to help with medical care, orphans, and the Methodist church.

These, too, did not suddenly spring to life in 1924. They were all a part of long-standing family interests in these areas.

Let me read to you from a letter my grandfather wrote to James B. Duke in 1893: “I am much disappointed at not seeing you here [in Durham] this Christmas, but I suppose your business would not allow you to leave New York. I want to talk to you about money matters. During the past year, I have paid out as follows. Trinity College \$7500, other church and charity \$4016. . . as follows: contributions to the Poor Fund of the town during the severe weather last winter, amounts given to the pastor of our church for the poor during the year which he used in doctoring the sick, burying the dead

and so forth. Oxford Orphans Asylum, current expenses of our church, the Colored School of Kittrell, NC \$500. . . What I mention is in addition to what Pa gave. The total. . . looks large but \$7500 of it went in one place and I do not see how I could have made the other items less, as the pressure from the poor has been urgent. And as for myself, I feel better for having given it than if I had not done so.”

“I feel better for having given it than if I had not done so.” That is part of what philanthropy is all about. Not charity. Not noblesse oblige. But the joy of giving. The good feeling of sharing. The giving that benefits the giver as well as the recipient.

You will note that my grandfather mentioned a gift to the “Colored School of Kittrell, NC.” This was not a strange or isolated instance—though in the Jim Crow South of that time, you might think it was.

I should tell you that Washington Duke was a republican after the Civil War—at a time when it was almost traitorous to be anything but a Democrat in a white southern town. The family was criticized and attacked for their beliefs, but they held firm.

Washington Duke contributed money to help black people print a campaign newspaper for the 1896 election in Durham. Regular contributions were made to black churches and schools. In 1895, Dr Aaron Moore, one of the early black physicians in Durham, appealed to Ben and Buck to help establish a black hospital in Durham. They gave \$8000 and Lincoln Hospital was begun. There were always strong ties to North Carolina Central University (North Carolina College formerly). The family was close to President Shepherd.

So you see, when the Duke Endowment was created in 1924, these patterns of giving had already been established. Now, \$40 million was an enormous sum in 1924, and it received a great deal of attention. It came as sort of a surprise. And there was speculation as to why Mr Duke singled out the beneficiaries he did. But when you go back into the real history, it becomes clear.

There were four kinds of beneficiaries: education, health care, orphans, and the rural Methodist Church. In all these areas there were long-standing ties and close, personal family involvement. There were really no surprises. There should be no surprise, either, that in the legal document which created the terms of the Duke Endowment, Mr Duke specified that hospitals could receive funds—both white and colored—so long as they were not operated for private gain. Similarly, when he considered giving to orphanages, we find the same stipulation—both white and colored. And again, in the

same document Mr Duke specified only four educational institutions eligible to receive funds in perpetuity. Trinity College (to become Duke University as a memorial to Washington Duke), Davidson College, Furman University and Johnson C. Smith University, a black institution located in Charlotte.

Mr Duke also specified that the new Duke University should include a medical school. I cannot imagine that he could have foreseen the Duke Medical Center in its present depth and dimension. I do not think even my visionary grandfather could have imagined this medical center as a world leader in teaching, care, and research.

But I have watched it happen. Our family ties to this Medical Center are strong and unbroken. My late first husband, Josiah Trent, organized the first thoracic surgical division here before his death at age 34. My husband, Jim, served on the medical staff of this hospital for 34 years, and remains active today in many areas of the Medical Center. All of our children were born in Duke Hospital. Several of our children and grandchildren have come here. One of our daughters received her MD degree at Duke.

I point out these personal ties because they are part of the continuing history I have related to you.

The heritage of this medical center is much, much broader than the Duke family alone. We were blessed in early leaders like Dr Davison and Dr Rankin, by Deryl Hart, Banks Anderson, Barnes Woodhall, Wiley Forbus, Bayard Carter, Frederic Hanes, Julian Ruffin, Edwin Alyea, Bessie Baker—I could go on and on.

I have to say a particular word about the creativity of Dr Hart. He was chairman of surgery and organized a new type of private clinic which arranged for pooled fees for the physicians’ salaries while at the same time reserving funds for a building fund and a research fund. This remarkable plan made possible a large number of the buildings and additions to this hospital. This is the sort of thinking which spun around the hospital in those days. In Dr Hart’s words, “we began trying racial integration well before 1954 when federal government pressures for this were applied.” They wanted to do the *right* thing.

The Duke Endowment and the Duke Medical School also worked out cooperative programs in various disciplines. Dean Davison instituted the first graduate course at a major university to train in hospitals, and assisted by the Duke Endowment, many of the graduates were in turn placed in hospital positions.

One example of how the cooperation between Duke University Medical School and the Duke Endowment worked was a situation involving Lincoln Hospital in

Durham. At that time, Lincoln had the most modern equipment of any hospital for black patients in the area, but by 1932 it was in trouble financially due to poor collection rates—having to build up poorly nourished patients for days prior to surgery, and the fatality rate rising due to surgeons sometimes attempting surgery beyond their training capability. The American College of Surgeons withdrew its accreditation. Dr Rankin of the Endowment suggested a separate board from Duke and Watts Hospital to review all cases. The fear that this would take all responsibility from Lincoln’s hands created opposition to this scheme. Dr Davison’s suggestions were even more stringent, but Dr Shepherd, president of the North Carolina College (now North Carolina Central University) reminded them that Mr Duke was interested in developing black leadership, so Davison sought wide consultation and came up with a compromise suggested by the medical director of Provident Hospital in Chicago. An advisory board was set up and all of its suggestions had to be passed on or rejected by Lincoln’s trustees. The Duke Endowment’s financial assistance never had to be withdrawn and within months the mortality rates dropped and collections improved. Funds were even set aside to purchase

a new heating plant and the Endowment matched them. This was a successful solution created by the two health care institutions.

There was a special spirit about this place. Truly gifted people wanted to come here, to spend their lives here, for the betterment of health care in our state and nation.

It was and is a remarkable institution. But I like to think that its history goes back to that very personal caring of Washington Duke—to that skill of James B. Duke—to that visionary daring of Benjamin N. Duke—to that struggle of a family who took very seriously the teachings of the Master. It is indeed “more blessed to give than to receive.”

Blessed with this rich heritage, I know that our Medical Center will continue to follow its high mission—to give generously of its knowledge and expertise—in teaching, in training, in healing. We have a great faculty and staff, one of whom—Charles Johnson—we honor today. We have deep roots—and strong traditions. We have a great calling. I know, with your help, we will rise to the challenge.