

Reports of Moral Violation and an Eyewitness Account

I recently (2001) phoned a brother in Redding, CA, Dick Ingraham, about a certain matter and we got into a discussion about the problems of misconduct at the Living Stream Ministry office in the late eighties. This brother, an elder, stated that he thought that all the talk back then about the business manager's immoral behavior was just hearsay. Since I heard from others that it was definitely not hearsay, but true, I sought to talk to an eye-witness. This whole matter of Philip Lee's serious misconduct and his being allowed to continue on in the capacity as manager of the LSM operations, working with sisters, without discipline from Brother Lee or the elders over a long period of time was a primary *driving wedge* between the saints and a major contributing factor to the turmoil and division in the recovery. John Ingalls shares the following:

Early Stages (John Ingalls)

In the summer of 1987 I began to be concerned for the first time about some of the things taking place under the direction of the Living Stream Ministry Office. The things that were done and promoted in the high school training in Irving, Texas, in August 1987 greatly disturbed me, especially knowing that Philip Lee, the manager of the LSM office, was giving direct instructions and "fellowship" for the training's execution. The despising attitude that was instilled in the young people towards the elders of their churches was appalling. This was manifested in the arrogance and rudeness with which they addressed a good number of elders who were present, exhorting them to be baptized again. I was there and saw it. But then, learning afterwards there was some amount of repentance for this accompanied with an apology to the elders, I was somewhat comforted. However, many young people who attended were afterward very disappointed and discouraged in their Christian life, and some were seriously damaged in their attitude toward the Lord and the church as a result of that training, some of them it seems irreparably. The young people in Anaheim suffered a severe blow.

Talks With Bill Mallon

In the following month, September 1987, due to my health, and also due to a burden to fellowship with Bill Mallon, a co-worker with whom I had an intimate relationship for twenty-four years, I decided to go to Atlanta, Georgia, for a two-week period of rest and fellowship. Bill had recently passed through sore trials and sufferings, and I hoped that our fellowship could render comfort and encouragement to him. We drove up to the nearby mountains and had a number of days opening to one another.

At that time I was entirely supportive to Brother Witness Lee and his ministry and work related to the "new way" that was being promoted. I therefore did my utmost to persuade Bill to visit Taiwan and participate in the full-time training. I felt that this might be the answer to his need. On four separate occasions during those days I attempted to convince Bill to take this step, but he steadfastly refused, affirming that he was not free or clear to do that.

During that time Bill explained to me how he had suffered in various ways by events that had transpired in recent months in the churches and in the work in the Southeast. I came away from our talks with one deep impression: Philip Lee was becoming increasingly involved in spiritual things concerning the Lord's work, the churches, the elders, and the co-workers. I had already noticed this in Irving, Texas the preceding month. This, I felt, was completely untenable, incompatible with his position and person, and intolerable. Philip Lee was employed by his father, Witness Lee, to be the business manager of his office and was reportedly instructed to deal only with business affairs. He was totally unqualified both in position and character to touch spiritual matters related to the work of the Lord and the churches. I became alarmed and began to fear for the Lord's testimony. With this burden I determined upon my return to Anaheim to fellowship with Godfrey Otuteye, who then was involved in coordinating with Philip Lee in the Living Stream Office. I wanted to frankly ask him about Philip's roll, expressing my alarm and concern.

Discussion Concerning LSM Manager

Godfred had been an elder in the church in Irvine, California for close to ten years, and had recently been appointed as an elder in Anaheim by Brother Witness Lee. Thus we had been put into a position of more intimate fellowship and coordination. I had known Godfred since 1972 and over the years had numerous occasions of fellowship with him. I respected him for his genuineness, wisdom, and devotion to the Lord. Hence, upon returning from Atlanta on Sept. 22, 1987, I made an appointment for dinner with Godfred on September 25, Friday evening.

We sat together in the restaurant, and after some general conversation, I said to him in a serious tone, "Godfred, I would like to ask you a question. Would you please tell me who Philip Lee is? It seems that he is being promoted and is going altogether too far in his involvement in the spiritual side of the work, greatly overstepping his position as a business manager. Have you noticed this? I myself could never agree with this."

It seemed that my question took him by surprise. We had never discussed these matters before. He hesitated a few moments. Then, in a very grave tone, he replied, "John, the situation is very serious." If he was surprised by my question, I was somewhat taken aback by his answer. Godfred continued, "I have seen and heard many things in the Living Stream Office in recent months. I cannot go into detail, but I can tell you there is much that is very serious and very wrong." Then I began to be more alarmed and concerned. Godfred fully agreed that Philip Lee's involvement in the work was way out of line, but he indicated that there were more serious things than that.

Two days later, on Sept. 27, the Lord's Day, as we met in the Elders' Room before the morning meeting on Ball Road, Godfred had a few moments alone with me, and he said, "John, it is very timely that you opened up to me the other night. Let me tell you that the whole situation is sick and corrupt. I have seen and heard too much." Then I knew that we were really in trouble, though he did not mention any details or any names.

A Shocking Development - September 1987

On the following Tuesday, Sept. 29th, Godfred left for a business trip to Europe. On the next day, Wednesday, Sept. 30th, I received a telephone call from a sister who had a prominent position in the Living Stream Ministry Office, asking if she could see me that night. I consented. That evening she sat in my living room and with tears opened her heart to me. She had served sacrificially and faithfully for many years in the LSM office, and now she said she could not tolerate anymore the gross misconduct that was being perpetrated upon some and especially upon her. I had been acquainted with this sister for many years and knew her to be faithful, upright, and trustworthy; therefore, I took her word very seriously. I was amazed that she could put up with such conduct for so long. She stated that she tolerated it only for the sake of Brother Lee and his ministry. She said that she had no other recourse but to resign. I confirmed her intention.

That conversation utterly shocked me. I deeply felt that something must be done to acquaint Brother Lee with the situation and to let him know that we would not tolerate it. I obtained Godfred's telephone number in Europe and called him as soon as the difference in time zones permitted, telling him the things that had come to my ears. Godfred listened and said that he already knew it. I was amazed. That night I considered what could be done. That we had to go to Brother Lee I was certain.

Considering How to Bring the Problems Before Brother Lee

October – November 1987

The grievous conduct reported by the sister from the LSM office had a precedent that we were well aware of. Ten years previously there had been reports of similar incidents in the LSM office confirmed by several eye-witnesses. This compounded the serious nature of the case. I felt that it was more than a local matter, since the LSM was part of the work of Brother Lee, and the ministry of the office affected churches everywhere. Therefore, I believed it to be reasonable and advisable for a few prominent co-workers who were aware of the history of the case and who were respected by Brother Lee to approach him and inform him of the matter. (Actually, the principle of a group of brothers conferring with Brother Lee about a serious problem, a crisis, in the local churches had already been practiced on March 30, 1978, when a group of brothers – four from Texas, one from Los Angeles, and Gene Gruhler and I from Anaheim – went to see him in his home.) The next day I called Godfred again in Europe and presented my thoughts to him. He agreed.

During the next few days I telephoned several brothers, co-workers whom I respected and trusted and with whom I had served for many years. They were aware of the incidents ten years previously. I informed them in a general way of the current situation and proposed to them that we go together to Brother Lee in an effort to impress him with the gravity of the case and to clear it up. It was the first week of October 1987. We felt we should pray more and consider further what to do, since at that time Brother Lee was out of the country, in Taiwan.

I asked John Ingalls recently (2001) about reports that came to him concerning the misconduct of Philip Lee at LSM in the late eighties. He avoided telling me exactly what he heard directly from the sisters involved, but assured me in gravest tones, they were “violated.” He also told me why he and the elders didn’t deal with it. The LSM operation was separate from the church and under brother Lee’s oversight and care, distinctly apart from the church and John’s jurisdiction. The elders did, of course, bring the matter to Brother Lee in December of 1987 and Brother Lee was greatly saddened and affected and was most concerned about the news and also sought fellowship with the brothers as to what should be done. He ended up doing nothing for six months when the tense situation in the church in Anaheim was worsening. And the elders knew for three months prior to Brother Lee finding out, nine months total. So trouble was brewing in the hearts of many of the saints due to this leavening situation, and word was spreading.

Philip Finally Discharged

After much pressing from the brothers and troubles in the church in Anaheim, Brother Lee relented in June 1988. Perhaps this was helped by the prospect set forth about that time by Godfred and Al for a counsel of brothers to come together from the U.S. and Europe to “deal with the issues”. John shares, *“This was now the twelfth session that I had with Brother Lee since December 12, 1987, either individually or with others. It was about this time that Brother Lee notified us that he had discharged Philip Lee from the management of the Living Stream Office, stating that it was a very hard step for him to take”* (from *Speaking the Truth in Love*).

Just three months! before his discharge additional news came to Brother Lee about the immoral activity of his son, one couple reporting to him their grief directly:

A Very Threatening Incident - December 1987 - March 1988

“In late December a brother in the church in Anaheim who had been severely damaged through the misconduct in LSM office was so traumatized psychologically that he sought revenge and took definite steps to execute a very grave act. (Thank God it never happened.) This came to the ears of one of the elders in Anaheim, who without any delay met with him to calm and divert him. Some time later two of us met with him. The dear brother was greatly disturbed emotionally, with good cause humanly speaking. But, he was very open to us, and the Lord was merciful to him. Actually, he had already halted in his course – the Lord would not let him proceed – but his feelings were still very raw, and he desperately needed help. We loved him and did our best to comfort him. This incident illustrates the gravity of the situation.

In March 1988 this affair also came to the ears of Dan Towle, who was an elder in Fullerton, and who with great alarm took upon himself to call Brother Lee and divulge all the details to him. He did not know that the brothers in Anaheim were already caring for the brother, since he did not take pains to call them. Brother Lee told him to contact us. So he called, telling us what he had done and asking for fellowship. We got together – Dan, Godfred, and I. We were very annoyed with Dan for taking matters into his own hands and calling brother Lee without contacting the brothers in Anaheim and we told

him so. The course he had taken totally neglected the proper fellowship among the churches we should have. Of course, he was relieved to hear that the problem was resolved” (from *Speaking the Truth In Love*).

Special Fellowship With Brother Lee - March 24, 26, 1988

There was a couple in Anaheim who were seriously injured by the misconduct related to the LSM office, and they were deeply offended with Brother Lee for tolerating such a situation to exist and also for not giving them an ear to relate the problems they had experienced when they went to him. Earlier in the year, we felt that Brother Lee should be made aware of the great offense on his part suffered by this couple, therefore we requested a time to speak with him. It was granted and on March 24, Godfred, Al, and I met with Brother Lee in his home. We explained the feeling of the couple toward him and appealed to him to give them a hearing. He agreed to do this, and a date was set for the following Saturday.

While we were with Brother Lee he remarked that it had been one hundred days since we had come to him on December 12th 1987, and opened our hearts regarding our concerns. He said that not one day had passed that he did not consider what to do. Moreover, he felt that he should not do anything and not succumb to any pressure exercised upon him.

On Saturday evening, March 26th, Godfred, myself, and the husband of this couple met with Brother Lee. (Brother Lee felt it would be too awkward for the wife to be there as well.) The husband opened up with a very good attitude and related in some detail the mistreatment his wife had experienced in serving with the LSM office in the full-time training in Taipei. Brother Lee listened attentively with a most serious demeanor, and then expressed his feeling of sorrow for the whole affair, saying, “My heart is broken!” He explained why he did not feel free to listen to them previously, and then spoke of his appreciation for the faithful service of the wife over many years. At the end of the time Brother Lee pronounced the Lord’s blessing on this brother and his wife. We prayed and then departed, the brother feeling somewhat relieved that he was able to discharge his grief and burden to Brother Lee, but still not at all happy about the whole affair. This was the settlement rendered on one side to deal with a very serious offense stemming from the service in the LSM office” (from *Speaking the Truth In Love*).

Eyewitness Account

Brother Warren Peterson was an eyewitness to a sinful act by Philip Lee and a sister at Living Stream in the late 1970s that all the elders came to know about as did brother Lee. The matter was denied by Philip vehemently when he was confronted by an elder, but the sister confessed with many tears and with much repentance of heart when elders came to her. At least one current elder in Anaheim knows this and former elders in Anaheim also know this, along with other saints, and they know the following account as well of what happened:

Warren said that he was working at the Anaheim meeting hall one night when brothers were putting time in on the Living Stream part of the building to get certain things done. He had been there all day and it was getting close to 10:00 P.M. when brother Lee and Philip Lee approached him and Nolis Miller to ask if they could work longer. Neither brother wanted to stay but Warren did stay and was painting in a room adjoining the office where Philip and a sister were working. They obviously did not realize he was there, only 50 or 60 feet away, when they began to engage in mutually compromising immoral physical contact. Warren was dumbfounded as he continued to work and the activity he witnessed continued also for about ten to fifteen minutes at which time he finished what he was doing and went home, not knowing what to do about what he saw.

The next day, a Saturday morning, he was determined to report the incident to an elder and did so. He reported the matter to Francis Ball who acknowledged that this was serious and informed Warren that he would bring it up with the elders that morning. Francis did that and then immediately got back to Warren who was in the hall working with the maintenance bothers. The elders wanted to see him. He went to them, sat down, and opened to them about what he saw. They, of course, felt this was a very serious matter, one of them stating, “we will get this cleared up, Warren. We can’t have this going on down there in the Living Stream; this will corrupt the church life.”

This same elder then did go to brother Lee, and upon hearing the report Brother Lee bowed his head and called on the Lord and said, “What shall we do?” The brother said they had to do something and suggested that Philip leave Anaheim and go back to Taipei. Brother Lee did not think so. From that point, his word to the elders was that he would take care of his son. When the question was asked how he could take care of his son when he, Brother Lee, was at home sleeping while his son was working late with a sister, the answer was the same, he would take care of his son. Some time went by and Bill Freeman moved to Anaheim, and the elders wanted Warren to share with him what happened. Although leading brothers and Brother Lee knew about the situation, “nothing was really happening” and the sister continued working with Philip at the Living Stream office.

One of those former elders, Max Rapaport, wanting to get to the bottom of the story, took Philip to lunch and confronted Philip on the matter. Philip denied everything, nearly causing a fight in what was described by Max as a terrible scene in the restaurant. The elders then went to the sister to confront her on the matter and she immediately confessed that the story was true and broke down. She was very sorry and expressed her remorse and repentance to the elders. It was not long after this that the sister, not Philip, was sent out of Anaheim, she, along with her husband and family, moving away to Texas.

Final Word

Philip was allowed to continue in his position as manager at LSM for ten years when reports of his immoral behavior again came forth in the late 1980s and the pattern of non-discipline was repeated. Don Hardy was an eyewitness this time, as he opened the door of Philip’s office and walked in unannounced. His report is found in the book, *Deviating from the Path in the Lord’s Recovery*. Philip Lee also was reported as having touched sisters inappropriately, as he took it upon himself to take the measurements of sisters for

LSM uniforms worn in the late 1980s. One sister reported her experience to her mother. When she told her husband, he chose not to believe the report. The matter festered between them for 15 years till after the couple moved to Seattle and I shared with the husband Philip's history, not knowing about his daughter. He then realized his daughter's report was probably true and acknowledged this to his wife. He expressed to me later how much that meant to him and his wife to have this issue in their hearts resolved. He had stood up in one of Anaheim's chaotic meetings in the late 1980s, defending Philip, while his wife and daughter groaned, sitting behind him.