

~~SECRET~~

OPERATIONS COORDINATING BOARD
Washington 25, D. C.

June 9, 1954

MEMORANDUM FOR THE BOARD ASSISTANTS

SUBJECT: Evacuation of Chinese Nationalists from Burma.

The Department of State has prepared the attached memorandum supplementing its paper transmitted under cover of its memorandum of May 6, for consideration by the Board Assistants for use in seeking OCB authorization for contingency funds to evacuate possible further Chinese Nationalist stragglers from Burma. It will be recalled that at the Board Assistants' meeting of May 11, it was decided to suspend action on the proposed contingency fund pending receipt of data on the cost of resettling the evacuees on Taiwan. The requested figures are now available, and ways and means have been explored with respect to possible sources of funds. These data, together with a summary of current political developments connected with evacuation, are included in the attached memorandum.

This item has been placed on the agenda for the Board Assistants for the June 11 meeting. Attention is urgently invited to the request that the OCB accept or reject at an early date the principle of further limited U.S. participation, as all plans for evacuation remain in suspense pending this decision.

Elmer B. Staats
Elmer B. Staats
Executive Officer

Attachment

Memo re current political developments
connected with evacuation from Burma, 6/8/54,
with enclosures as listed.

NSC review(s) completed.

OSD & DOS review(s) completed.

SECRET

SECRET

June 8, 1954

Subject: CURRENT DEVELOPMENTS; Contingency Fund to Evacuate Possible Chinese Nationalist Stragglers from Burma Following Phase III of Regular Evacuation.

Background:

On May 14 the Board Assistants of the OCB withheld action on the above subject pending receipt of information on the costs of resettling the evacuees on Taiwan, which costs could no longer be met out of FOA counterpart. The requested figures have been obtained, and efforts made through FOA to obtain a part of the resettlement funds from the Escapee Program. These and other political and financial factors are discussed below.

Discussion:

I. POLITICAL FACTORS AND DEVELOPMENTS

An estimate from Bangkok dated June 1 sets the probable minimum figure of Chinese irregulars remaining in Burma at about 3200, with the maximum about 4350. The large majority are in the area of the northern Thai-Burma border. It is not now possible to say how many of the forces may be disposed to evacuate, but planning on a minimum of 2,000 appears indicated. Attachment 1 sets forth what is known to date on the strength and disposition of the irregulars.

Political Position of the Governments Concerned

Both the Thai and Burmese Prime Ministers have assured us of their desire to cooperate in a clean-up evacuation; they have indicated their willingness to work both with the U.S. and with each other, as well as with the Chinese representatives in the area. Both Thai and Burmese are disturbed at the prospect of bands of irregulars remaining in the border area, marauding, engaging in illicit activities and, especially, creating border tensions. In talking with the Burmese and Thai our representatives have made the point that if they worked together against this common danger the result would not only insure amity but would facilitate U.S. cooperation: we desired to continue helping but were reluctant to make a further financial commitment pending the formulation of concrete plans. Embassy Bangkok, in comments to the Department, has stressed the value of continued U.S.-Thai-Burmese cooperation as an exercise in "united action" which could be a useful factor in future Southeast Asian developments.

The Thai, in particular, desire to retain the Joint Committee and evacuation facilities for a reasonable period: Thailand "wishes to leave no one an unfortunate victim of circumstances," and is anxious to forestall possible U.N. criticism that the job was left unfinished because there was no one to finish it.

SECRET

SECRET

At the Department's request, and pursuant to discussion at the May 14 Board Assistants' meeting, Ambassador Donovan was also asked to explore with the Thai their willingness to absorb some evacuees. The Thai said they saw no reason why they should absorb such alien dissident elements, and considered evacuation the best solution.

In Bangkok, the Joint Committee is attempting to make contact with such guerrilla leadership as remains. There is also a plan afoot for the Burmese to airdrop leaflets, prepared by the Chinese, explaining the situation to the rank and file.

On May 29 General Li Mi issued a statement on Taiwan, formally announcing completion of the evacuation and liquidation of his organized forces. Asked for a clarification of the Chinese Government position, Foreign Minister Yeh again assured us on June 4 that China will continue to cooperate fully in efforts to remove all possible forces from Burma; Yeh explained that Li Mi's statement had been intended to make it clear to the remaining guerrillas that their organization was liquidated and that they could expect no further support from the Chinese Government. The Foreign Minister did, however, express his doubt that additional irregulars would choose evacuation, and he hoped explorations would not drag on interminably.

The Department of State agrees with the last view, but considers it well worth while to stage a final effort which will insure the satisfaction of everyone concerned that all has been done that can be done. In order that the Department may work effectively toward this objective, minimum authorization should be given for funds to care for 2,000 evacuees. It is hoped that a larger amount may be made available, against the contingency, admittedly remote, that more than 2,000 may come out.

It has now become urgent, regardless of the amounts authorized, that the Department of State be in a position to inform the other interested parties of its willingness to provide some further financial assistance. Until such assurance can be given nothing can be organized beyond the present preliminary explorations. It is therefore urged that the OCB give priority to a decision in principle that the U.S. Government may continue to provide limited financial support for the evacuation.

II. FINANCIAL FACTORS AND DEVELOPMENTS

Cost of Resettlement on Taiwan

According to the estimate of MAAG/FOA the cost of resettlement on Taiwan, on a strict economy basis, is NT\$ 2.4 million (US\$ 153,355 at 15.65) per thousand evacuees, or approximately US\$ 153 a head. A breakdown of the items involved in resettlement, and a statement of New Taiwan

SECRET

rate of expenditure. Thai costs should therefore present no problem, although it is hoped that if funds to handle more than 2,000 are authorized, sufficient flexibility in administration will be permitted to take care of any small Thai deficit which might arise.

Possible Use of Escapee Program Funds for Resettlement

Following receipt of the data on resettlement costs an approach was made through FOA to representatives of the Escapee Program to ascertain whether, in view of FOA's inability to furnish further NT\$ counterpart for resettlement, it would be possible to obtain Escapee Program funds for the purpose. Following an investigation the representatives of the Program reported that up to \$197,500 might be diverted for resettlement, provided: (1) assurances were given that all feasible approaches had been made to other sources of funds, and that sufficient funds were not available from such sources; (2) that clearance could be obtained from the Department of Defense for the use of Escapee Program funds for the stated purpose.

On the basis of this possibility a budget was prepared to care for up to 2,682 evacuees: see the following section, alternative A.

On June 7, however, word was received that the Department of Defense opposed the use of Escapee funds as inconsistent with the concept of the program as laid down by the NSC. Defense moreover questioned whether, if funds were so diverted, FOA would be able to meet its full requirements under the Escapee Program for the coming year. The Department of Defense further took the position that if sufficient funds were not available from special reserves, it would prefer to seek a finding under Section 513 of the Mutual Security Act for the use of funds diverted from end item.

It is requested that the Board Assistants discuss the question of Escapee Funds at an early date, and that on the basis of their conclusions they recommend action on one of the alternatives set forth in the following section.

Suggested Budgeting Alternatives

In presenting the alternatives which follow the Department of State again invites attention to the urgency of an agreement by the OCB that the U.S. Government shall participate financially to some degree in further evacuation. Thus, if the first discussion should be inconclusive as to alternatives, or a decision reached which would require further staff work to obtain a part of the funds, it is hoped that agreement may be reached on the principle of U.S. financial support for the evacuation of some irregulars, the details of funding to be worked out subsequently.

SECRET

- 4 -

SECRET

ALTERNATIVE A

Although its acceptance is now doubtful this plan is presented as worked out on the basis of a possible \$197,500 from Escapee Funds. That amount is matched by Special Funds in the resettlement category, and a further amount allocated from Special Funds for transportation.

Resettlement:

From Escapee Program	\$197,500
From Special Funds	<u>\$197,500</u>
Subtotal	\$395,000
	<u>(2,575 evacuees at \$153,36)</u>

Transportation:

From Special Funds	\$250,000
Savings, Phase III (approximate) ...	<u>\$101,000</u>
Subtotal	\$351,000
	<u>(2,812 evacuees at \$125)</u>

Total, Resettlement and Transportation:

Resettlement	\$395,000
Transportation	<u>\$351,000</u>
Total	\$746,000
	<u>(Average of 2,682 evacuees at \$278)</u>

New Funds Needed for Above:

From Escapee Program	\$197,500
From Special Funds	<u>\$447,500</u>
Total	<u>\$645,000</u>

It will be noted that the numbers of evacuees potentially cared for by the above categories are by nature disparate. If the amounts requested should be authorized it is hoped that sufficient flexibility in administration would be permitted to allow the maximum advantage to be obtained.

SECRET

SECRET

ALTERNATIVE B

On the same lines as "A", with Escapee Program funds replaced by "end item" money obtained through a finding under Section 513 of the Mutual Security Act. If this were contemplated, a minimum advance guarantee of Special Funds should be provided so that plans for evacuation could proceed while negotiations under Section 513 were going on.

ALTERNATIVE C

Failing the availability of either Escapee Program or Section 513 funds, a flat sum of \$455,000 to be authorized in new money from Special Funds. Together with the \$101,000 savings from Phase III, this would make a total of \$556,000 available, or enough for the resettlement and transportation of 2,000 evacuees at \$278 a head.

ALTERNATIVE D

If none of the above alternatives is acceptable it is requested that at least the \$250,000 originally asked for--and if possible, more--be authorized from new Special Funds, to be added to the \$101,000 Phase III savings for handling the transportation and resettlement of as many evacuees as possible.

COMMENT

1. As noted in Attachment 3 Embassy Bangkok is making every effort to obtain Thai agreement to the principle of at least a partial sealift, with no results reported at the time of writing. A further instruction was sent Bangkok on June 8. If a sealift should be possible the numbers potentially handled would be greater in all the above cases, or the cost would be somewhat less. It would, however, probably be necessary to make a further financial concession to the Thai, who would be put to considerably more expense in housing and other maintenance costs; the evacuees could not be moved on to Taiwan immediately, as is the case with an airlift.

At the last minute on June 8 a message was received from Embassy Bangkok giving comparative costs for an airlift and a sealift. While an attempt will not be made at this time to analyze the figures thoroughly, it should be noted that whereas an airlift is estimated at only about \$142 a head including ground expenses, a sealift comes to approximately \$105 a head. The sea passage itself is quoted at only \$8.00 a head but there are many other expenses: for example, some \$32 for tentage, \$23 for construction, and other items such as motor and rail transportation, food, troop payments, et cetera, all in far greater proportion than in the airlift.

SECRET

- 6 -

SECRET

2. It should be pointed out that if a flat sum were authorized from Special Funds it would have to be on the understanding that division might be made as necessary between transportation and resettlement--in the event that funds for the latter were not available elsewhere (alternatives C and D). If such latitude were not permitted, no evacuation could take place at all as resettlement is considered an integral part of the project.

Recommendations:

1. That the OCB concur at an early date in the principle that the Department of State shall provide further limited financial assistance to the evacuation of Chinese irregulars from Burma, with the understanding that it will be made clear to all governments concerned that U.S. support for the project will be terminated with the present effort.

2. That the OCB indicate, on the basis of the alternatives presented, the degree and nature of U.S. support which it will authorize; and that it take steps necessary for the release of funds authorized.

Attachments:

1. Strength Data, June 3, 1954.
2. New Taiwan Dollar Counterpart Costs, June 6, 1954.
3. Direct U.S. Dollar Costs, June 6, 1954.
4. Thai Counterpart Costs, June 3, 1954.

SECRET

- 7 -

SECRET

dollar counterpart expenditures to date, are included as Attachment 2.

It should be noted that the figure of NT\$ 2.4 million is for re-settlement only, full transportation being included in the separate item discussed under "Transportation Costs," below. (Previously a one-third share of the airlift was also paid out of counterpart.)

Transportation Costs

A total of \$918,000 was authorized for the "U.S. share" of expenses in Phases I, II and III. The majority of this was for a 2/3 share of the airlift; the rest was for bonuses and "inducements." With the estimated saving of some \$101,000 in Phase III, about \$817,000 has been spent in direct dollar allotments for evacuating 6,749 persons. More detailed data are furnished in Attachment 3, which also gives information on airlift costs and comments at some length on Ambassador Donovan's efforts to obtain Thai agreement to the principle of a seairlift if this should be required.

As noted in the first paper on this subject, circulated May 10, Embassy Bangkok requested a contingency fund of \$250,000 for the airlift of up to 2,000 stragglers at the round figure of \$125 a head, for full transportation with no extras (bonuses, et cetera). This request would be for transportation only, and in addition to funds needed for resettlement on Taiwan.

Since it now appears not impossible that more than 2,000 might desire evacuation, it is hoped that not only will the \$250,000 in new funds be granted but that the savings from Phase III (approximately \$101,000) may also be held available against the contingency that more than 2,000 may come out. At \$125 a head this total would care for the transportation of 2,812 evacuees.

Thai Counterpart Costs

Early in evacuation planning it was agreed that Thailand's share of expenses should comprise all "ground expenses" in Thailand--housing, security, maintenance, et cetera (see Attachment 4 for sample breakdown). The Thai share was to be met out of FOA counterpart, and a total of 5 million baht (a little over US\$ 243,000) was released for the purpose. Embassy and FOA/Bangkok have furnished the following accounting of Thai counterpart expenditures:

Spent, Phases I, II, III	US\$ 190,039.73
Available for Phase IV	US\$ 53,862.71

While FOA/Thailand is not sanguine as to the prospects of generating further counterpart without dislocating other projects, the Embassy believes the funds available should accommodate 2,000 evacuees at the past

SECRET

SECRET

Attachment No. 1

BURMA-CHINA EVACUATION: STRENGTH DATA

NUMBERS EVACUATED TO DATE

	<u>Troops</u>	<u>Dependents</u>	<u>Totals</u>
Phase I.....	1923	335	2258
Phase II.....	2965	513	3478
Phase III.....	811	25	836
POW's Repatriated from Burma.....	---	---	177
	5699	873	6749

Totals represent those whose passage and expenses were shared by the U.S. There were also 186 "civilian internees" from Burma, turned over by the Burmese, who were airlifted at the sole expense of the Chinese Government.

ESTIMATED NUMBERS REMAINING

On May 22 the U.S. representative on the Joint Committee set forth the estimates of strengths and locations of the irregulars then available to the Committee (see below), and requested China and Thailand to verify these figures; the U.S. member also asked for views as to how contact might be made with the forces and how much time would be necessary for this. China and Thailand promised to study the matter and China has given an estimate (see below). Burma, meanwhile, is also investigating the situation of the irregulars.

Estimates reported by Embassy Bangkok on May 11 (presumably those used by the U.S. member on May 22), gave: 3200 along the northern Thai-Burma border, plus 400 reported near Mae Sariang en route from the south to join them; 600-700 in the area of the "Death Railway" (Anin-Taungzun area, about 80 miles SW of Me Sawt where Phase III was carried out); and some 50 in Thailand near Me Sawt. Total: 4250-4350.

(Embassy Bangkok also had rumors of 3,000 Chinese irregulars in the Papun area of upper Tenasserim, but there has been no confirmation of this and the figure seems highly improbable. Embassy Bangkok believes the group to comprise Karen and Mon insurgents, with possibly a few Chinese among them. There are also residual guerrillas in the northern part of the Shan State, in numbers not determined excepting for the claim of the Chinese representative, below.)

On June 1 the Chinese representative gave the following estimates of Yunnanese(*) guerrilla strength, based on talks with evacuees: 400 near Mae Sariang (**); 300 in Doi Dong, a border area of Burma near Tachilek:

(*) The use of "Yunnanese" was not explained, but is presumably to distinguish the Chinese guerrillas from the indigenous "allies": Shans Kachins, et cetera.

(**) Apparently on Burmese side of border.

SECRET

Attachment No. 1

- 2 -

1500 north of Mong Hang, near the northern Thai-Burma border; and 1000 north of Kengtung (northern Shan State). Total: 3200. The Chinese representative said he had no information on the groups reported near the Death Railway, and doubted the veracity of this report. He made no mention of the 50 allegedly in Thailand. He did, however, give it as his opinion that 1800 was the proper figure for those north of Mong Hang, rather than 1500. This would set his maximum at 3500, including 1000 in the northern Shan State not enumerated elsewhere.

TABULATION OF THE ABOVE

<u>Committee Figures, May 11</u>	<u>Chinese Representative, June 1</u>
3200..... Thai-Burma border area.....	2100
(including Doi Dong)	
400..... Mae Sariang.....	400
50..... In Thailand.....	---
700 (max.).. Death Railway.....	---
<u>unknown</u> Northern Shan State.....	<u>1000</u>
4350..... TOTALS.....	3500

The forces reported in the Papun area have been ignored in the above, as the basis of the report is too flimsy. It should be noted that if the Chinese representative's figure of 1000 is accepted for the northern Shan State, the Committee total would rise to a maximum of 5350. This plus the 5688 operational troops evacuated would give a maximum total strength of 11,038, plus such troops as might be in the Papun area.

Embassy Bangkok has not reported the Committee's reaction to the figures given by the Chinese representative on June 1.

POSSIBLE NUMBER WILLING TO EVACUATE

As already mentioned there is as yet no way of knowing how many of the troops estimated above may wish to evacuate.

Of the 4350 first estimated the 700 near the Death Railway are improbable candidates for evacuation, while a group of 200 on the northern border near Doi Dong is reportedly running an "opium headquarters." The remaining 3450 would appear to be the nucleus from which evacuees might come.

Of the 3500 estimated by the Chinese representative, 300 of the border group are placed at Doi Dong. These and the 1000 in the northern Shan State would probably be counted out, leaving a nucleus of 2200 from which evacuees might come.

SECRET

SECRET

Attachment No. 1

For general planning purposes, therefore, it can only be said that from 2000 to 3000 may come out. The figure might possibly exceed 3000, but it appears from present indications that it would probably be 2000 or less.

June 3, 1954

SECRET

SECRETAttachment No. 2BURMA-CHINA EVACUATION: NEW TAIWAN DOLLAR
COUNTERPART COSTSI. ITEMS INVOLVED IN RESETTLEMENT

According to estimates made in Taipei in October, 1953, the following categories of expenses were involved in resettlement. The costs are given in NT\$ millions and the basis of calculation is for 2400 troops and 600 dependents.

0.756 - Rations for 2400 troops, 45 days
 3.600 - Barracks for one regimental area
 0.180 - Equipment (wash pans, cups, sleeping mats, etc.)
 0.360 - Rations, clothing, utensils, cooking oils for
 600 dependents
 1.500 - Housing for 300 families
 0.150 - Processing expenses, medical and miscellaneous

 TOTAL NT\$ 6.546 For 2400 troops and 600 dependents (ca. US\$ 418,274).

The above figures were, of course, advance estimates for planning purposes and show a cost rate of NT\$ 2.18 million per thousand evacuees. This compares very well with the present figure of NT\$ 2.4, especially when it is considered that in the actual evacuation a greater proportion of troops to dependents was handled (87% troops instead of the 80% of the above estimate).

II. COUNTERPART COSTS FOR PHASES I, II AND III

At present writing exact figures on counterpart expenditures are available for only a major part of the evacuation, complete vouchers not having been submitted for the remainder. The final rate of expenditure furnished by Embassy Taipei was NT\$ 3.3 million, of which NT\$ 2.4 million was for resettlement, the rest for a 1/3 share of transportation.

Figures for the first 5,680 evacuees came to NT\$ 17 million (a little over US\$ 1 million). Since a total of 6749(*) evacuees were handled in the three phases, the remaining 1069 would have cost approximately NT\$ 3.53 million at the rate of 3.3 per thousand. The Taiwan counterpart expenditures for Phases I, II and III, for resettlement and a share of transportation, were thus in the neighborhood of NT\$ 20.53 million, or a little over US\$ 1.3 million.

(*) Includes 177 prisoners of war.

June 6, 1954

SECRET

SECRET

Attachment No. 3

BURMA-CHINA EVACUATION; DIRECT U.S. DOLLAR COSTS

COSTS TO DATE

The figures which follow represent the "U.S. share" of evacuation costs for Phases I, II and III--i.e., direct dollar expenditures paid out of special funds, as distinct from the Chinese and Thai shares which were paid out of FOA counterpart:

Obligations

Transportation, arms shipment, misc.	\$569,053.04
Bonuses	66,630.00
Debts and operational expenses of irregulars.. . . .	<u>180,704.00 (*)</u>
Total	\$816,387.04
Allocated, Phases I, II and III	\$918,000.00
Obligations, Phases I, II and III.	<u>816,387.04</u>
Estimated (*) Savings.	\$101,612.96

The savings on Phase III owe to the fact that only 836 persons were evacuated instead of the maximum 1,500 on which planning had to be based. Direct U.S. dollar expenditures came under the three categories listed above in "Obligations": (1) 2/3 share of the airlift of men and arms, plus minor incidentals; (2) bonuses at \$15 a head in Phases II and III only; (3) "inducements" to the guerrilla leadership, in the form of funds to settle debts and obligations in Burma, plus money for the "operational expenses" of evacuation --i.e., food and other subsistence expenses between the time of gathering for evacuation and the time of actual surrender. The items of bonuses and inducements had been provided for in the original allocation of June, 1953.

AIRLIFT COSTS

To date Civil Air Transport has charged roughly \$125 a head for the Thailand-Taiwan airlift. This varied according to the locus of operation, which in turn depended on the weather. Phase I cost \$123, from Lampang; Phase II cost \$126, from Chiengrai; Phase III cost \$123 from Lampang, plus \$11 from Mae Sod to Lampang.

Embassy Bangkok has been asked to negotiate with C.A.T. for a reduction in the per capita charge for future airlifts. While it is hoped that some

concession

(*) \$169,000 for Phases I and II plus \$11,704 estimated operational expenses for Phase III (food, etc., for 836 evacuees at \$14 a head).

SECRET

SECRET

- 2 -

Attachment No. 3

concession will be made, no word has been received on the subject at present writing.

POSSIBILITIES FOR A SEALIFT

The question of transporting evacuees by sea from a Thai port has been raised from time to time since evacuation planning began, but on each occasion has had to be dropped because of extreme Thai reluctance to permit overland transit of foreign troops through Thai territory. The general grounds for objection were problems of security and logistics: at one time Thailand virtually made air transportation its price for participating in any evacuation at all.

On May 27 the Department of State once more asked Ambassador Donovan thoroughly to explore with the Thai the question of a sealift. It was hoped the Thai Government would accept the principle that such a course might become necessary, at least for a part of the operation, in view of financial limitations and present uncertainty as to the number of evacuees involved. The Ambassador was to stress the point that U.S. funds, if authorized for further operations, would not be unlimited, and the U.S. could not underwrite an unlimited operation: a limited number of evacuees might be airlifted, but if large numbers presented themselves some might have to be routed by ship. Donovan was to point out further that while our withdrawal from the operation was not necessarily contemplated at present, if we did withdraw it would be Thailand who would be faced with disposal of border-crossers. No reply has been received from Embassy Bangkok on this subject at the time of writing.

At the same time Embassy Rangoon was asked to comment on the possibility that some irregulars who surrendered to the Burmese might be evacuated by sea from a Burmese port. Rangoon replied that based on previous experience it believed that any irregulars captured by or surrendering to the Burmese Army would be treated as prisoners of war, and that when a sufficient number had been accumulated the Burmese would probably accept the principle of a sealift providing the carrier were not a ship flying the Chinese Nationalist flag. The Embassy added, however, that there was little likelihood of many surrenders to the Burmese: the monsoon, now on, would prevent large scale operations till next November, and in any event the Chinese who wished to give up would in all probability prefer entering Thailand to surrendering to the Burmese. This last factor was also mentioned by Embassy Bangkok before Phase III: the irregulars prefer to give up to the Committee, as a matter of "face" if nothing else.

As to what ships might carry troops, recent explorations at Taipei show that the most likely carrier is fully contracted for Thailand-Japan rice shipments until August. There are other lines, of course, but it appears that nothing immediate could be arranged. Any long delay would present a logistic problem to the Thai, who would have to quarter the evacuees at some expense for months. This is one major basis for Thai

SECRET

Objections

SECRET

- 3 -

Attachment No. 3

objections to a sealift. It should be borne in mind that a sealift, while more economical in respect to fare, would entail much greater expense in housing and maintenance. A principal advantage of the airlift has been the fact that the evacuees can be rapidly passed out of Thailand to Taiwan.

In the early stages of planning it was ascertained that the fuel costs for Chinese LST's—which would have been paid out of counterpart—amounted to approximately US\$ 8.80 per evacuee, with 1,000 men recommended as the load for one LST. China was willing at the time to use LST's, but the matter was dropped when Thailand insisted on an airlift as the price of Thai cooperation.

June 6, 1954

SECRET

SECRET

Attachment No. 4

BURMA-CHINA EVACUATION: THAI COUNTERPART COSTS

On February 5 Embassy Bangkok reported the Thai share of evacuation expenses for Phase I, and estimated the costs for Phase II, as follows (in U.S. dollars):

Phase I

Construction housing.	\$20,731
Electric wiring, et cetera.	3,731
Bedding	3,342
POL (troops)	4,614
Pay Thai army troops.	18,106
Food costs, evacuees.	1,420
Transportation, escorts and evacuees.	6,600
Housekeeping service expenses	7,093
Rail transportation	5,840
Expenses camp guards.	<u>3,883</u>
Total	\$75,000

Phase II (Estimate)

(A) Standing Expenses:

Housing repairs, staging area	\$ 600
Housing repairs, reception point.	250
Airfield improvements (2 fields).	4,000
RR transport, troops and equipment (Bangkok to Lampang and return).	5,845
POL and trucking troops to Lampang and Mae Chan and return	1,500
POL Thai liaison plane and Committee vehicles	<u>2,480</u>
Subtotal	\$14,675

(B) Total Daily Expenses (22 working days):

Food	\$ 2,464
Water	1,650
Pay Thai Airforce	9,196
Housekeeping.	6,600
Housekeeping and moving evacuees (Mae Sai-Mae Chan-Chiengrai).	2,684
POL, evacuees	<u>2,464</u>
Subtotal	\$25,058

(C) Cost

SECRET

SECRET

Attachment No. 4

- 2 -

(C) Cost of 15 Idle Days (*)

Water.	\$ 555
Pay Thai Airforce.	6,270
Housekeeping	<u>4,500</u>
Subtotal.	\$11,325
<u>Grand Total</u>	<u>\$51,058</u>

In addition to the above there were certain unreported expenditures for maintaining the facilities open on a skeleton basis between phases.

(*) Estimate was based on 22 working days and 15 idle days, as evacuees were moved generally every other day.

June 3, 1954

SECRET

ROUTING AND RECORD SHEET

INSTRUCTIONS: Officer designations should be used in the "TO" column. Under each comment a line should be drawn across sheet and each comment numbered to correspond with the number in the "TO" column. Each officer should initial (check/mark in sufficient) before further routing. This Routing and Record Sheet should be returned to Registry.

FROM:

NO.

DATE

10 JUN 1954

TO	ROOM NO.	DATE		OFFICER'S INITIALS	COMMENTS
		REC'D	FWD'D		
1. <i>JA/201</i>					<p><u>LI MI</u></p> <p><i>AG</i></p> <p><i>Review Proposed coming up OCB in 10/1/54</i></p> <p><i>427</i></p>
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
12.					
13.					
14.					
15.					