

SECRET

PP STAFF COORDINATION						
PROJECT: <b>DTPILLAR</b>		<i>Amend. # 3</i> (Memo Request - Revision of FY '56 Budget)				
AMENDMENT NO.			DIVISION	IO		
RENEWAL			BRANCH	2		
TERMINATION			DESK	FE		
STAFF CONCURRENCE				MEMORANDUM ATTACHED		
ORGANIZATIONAL ELEMENT	SIGNATURE	COPY NO.	DATE	YES	NO	DATE
<i>Chief Covert Budget Dir.</i>	<i>1/5/ [Signature]</i>	2	<i>5/29/56</i>			<i>See over</i>
SSA-DD/S	<i>1/5/ [Signature]</i>	2	<i>5/31/56</i>			
PP/OPS/PR	<i>1/5/ [Signature]</i>	3	<i>5/31/56</i>			
PP/ICD	<i>1/5/ [Signature]</i>	4	<i>29 May 56</i>			
PP/C/OPS	<i>1/5/ [Signature]</i>	1	<i>6/1/56</i>			
RECOMMEND APPROVAL						
CPP	SIGNATURE	DECLASSIFIED AND RELEASED BY CENTRAL INTELLIGENCE AGENCY SOURCES METHODSEXEMPTION NAZI WAR CRIMES DISCLOSURE ACT DATE 2007			DATE	
A/DD/P/P	SIGNATURE					
<i>(This space reserved for comments of SSA-DD/S; CPP; A/DD/P/P.)</i>						
* It is understood that this will be forwarded to the DCI through COPS and DDP.						
<i>1/5/ [Signature]</i>						

Approved on condition that the [ ] increase be financed by a transfer  
from [ ] which has been confirmed with IO Division.

/s/ NS

S-E-C-R-E-T

24 May 1956

MEMORANDUM FOR: Director of Central Intelligence

VIA: DD/P - PRC

SUBJECT: Revision of The Asia Foundation FY-1956 Budget

REFERENCE: PRC No. DD/P-10-56, Approval Action IO Division  
FY-1956 Operational Program (TS #142712)

1. The referenced action approved in principle a budget of [ ] for The Asia Foundation for FY-1956. This would have necessitated a release of [ ] from the Contingency Reserve by the Bureau of the Budget. The Bureau advised reconsideration of the request with the result that the FY-1956 budget for TAF was reduced to [ ] with the understanding that should worthwhile opportunities present themselves which could not be carried out within the reduced budget, TAF should request supplemental funds.

2. Worthwhile program opportunities have arisen during the year. After very careful consideration, we have concluded that a minimum of [ ] as illustrated in Attachment A must be added to the line item "Program" if TAF is to take advantage of the opportunities now present.

3. The amount of [ ] for "Program" can be obtained as follows:

a. IOD is authorizing use of the "Contingency" of \$100,000 provided in TAF's approved budget.

b. transfer of [ ] from line item "Administrative" to "Program."

c. appropriation of supplemental funds of [ ] for "Program" activities of the type indicated in attachment B. This amount is available within the IOD allotment for FY-1956.

4. It is recommended that:

a. The budget revisions proposed in paragraphs 3b and c be approved.

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b. To promote flexibility of the TAF budget, authority be granted to the Chief, IOD to approve future transfers of funds between the major line items of the TAF budget with prior concurrence of the Comptroller and the Chief, PP Staff.

[  
C u v ]  
Chief ]

International Organizations Division

S-E-C-R-E-T

ATTACHMENT A

S-E-C-R-E-T

<u>Line Item</u>	<u>Approved Budget</u>	<u>Proposed Budget</u>	<u>Increase or Decrease</u>
Administrative	[ ]	C ]	-C ]
Program	[ ]	( ]	( ]
Contingency	[ ]	<u>    </u>	C ]
Totals:		C ]	C ]

S-E-C-R-E-T

APPLICATION OF ADMINISTRATIVE AND CONTINGENCY FUNDS

A. TO ASIAN PROGRAMS

Burma

Grant to Burma YMCA for Boys Camp Exchange with Thailand. ----- \$ [ ]

Increase in grant to Yahampye Aphiwe for Buddhist publications program. ----- [ ]

Rangoon Chinese Bookstore and Distribution Enterprise. ----- [ ]

Science Clubs in Burma. ----- [ ] [ ]

Ceylon

Increase in support of youth councils. ----- [ ]

Grant to University of Ceylon for preparations of a major history of Ceylon. ----- [ ]

Increase in support to the Ceylon Amateur Athletic Association. ----- [ ]

Physical Education Scholarship for a Ceylonese in the United States. ----- [ ] [ ]

Hong Kong

Grant to President of Junior Chamber International (resident in Hong Kong). ----- [ ]

Grant via President of JCI to Indian delegates to the JCI World Congress at Edinburg. ----- [ ]

Delegates to conference of Pax Romana (Catholic anti-communist action group). ----- [ ]

Training program for YMCA General-Secretary. --- [ ]

Delegates to YMCA World Council Meeting. ----- [ ]

Increase for Union Research Institute (research on Chinese Mainland affairs). ----- [ ]

Hong Kong (con't.)

Grant to participant in Free Exchange University Seminar at Strasbourg. -----

C ) [ ]

Japan

Lectures on European Affairs (Lerski - for two-year period, attached to a Japanese University - and Mikalajczyk, both from FEC). -----

C ]

Grant to Japanese Institute of World Economy for special studies. -----

[ ]

Dormitory facilities for The International Christian University, for use of overseas Asian students.

[ ]

Special Libraries Association. -----

[ ]

Grant to Coordinating Council of Voluntary Youth Agencies for study of Japanese youth problems. -----

C ]

Increase in 4-H Program for Conference on exchange of information on techniques of organization. -----

[ ]

Increase in grant to the Foreign Affairs Research Institute to cover a series of lectures and seminars. ----

[ ]

Grant to delegate to JCI World Congress at Edinburgh. -----

C ] C ]

Korea

Increase in support of publications - World Thought - Education and Culture, and Modern Literature. -----

C ]

Basketball coach to advise the Korean Amateur Athletic Association in an enlarged sports program. ----

[ ]

Books on public administration for the National Training Institute for government employees. -----

C ] [ ]

Philippines

Institute of Asian Studies. -----

[ ] [ ]

Taiwan

Increase for grant to a community school specialist brought from the P.I. -----

[ ]

Specialized training for English teacher at Taiwan Normal University. -----

[ ] [ ]

B. TO INTRA-ASIAN, SPECIAL, AND U.S. PROJECTS

Travel grant to Indian student in U.S. to study Indian minorities in Malaya. -----

[ ]

UNESCO Seminar on Asian-American Cultural Relations (chaired by TAF President) -----

[ ]

"Burma-Bucknell University Weekend" - a special program to acquaint Bucknell students with Burmese affairs. -----

[ ]

Grant to the National Council of Women of the U.S. to bring an Indian women's leader to the U.S. -----

[ ]

Harvard University International Seminar (summer seminar for selected potential Asian leaders) -----

[ ]

Follow-up seminar in India for past participants in Harvard International Seminar. -----

[ ]

Grant to the Director of the World Conference of Organizations of the Teaching Professions to hold a WCOTP Conference in Manila (the Director is the Secretary of the U.S. National Education Association). -----

[ ]

Grant to International Association of Universities to cover costs of delegate from the Philippines. -----

[ ]

Travel funds for U.S. women's leader who advised women's organizations in Asia for past year under TAF grant, to report to U.S. women's organizations. -----

[ ]

Donation to Delhi University of World Affairs Book Exhibit of the Carnegie Endowment for International Peace (1,000 titles). -----

[ ]

Travel and Field Study grants for Asian journalists who have won Asian Student journalism scholarships. -----

[ ]



Grant to Editor of Indian children's magazines to study similar U.S. publications. -----

( )

Scholarships for selected participants in summer institutes on Japan and Far East being held at six U.S. Universities under Japan Society sponsorship. -----

( )

Grant to Harvard Law School to cover international legal studies of member of Indian foreign service. -----

( )

Contribution required for membership of TAF in Greater N.Y. Council for Foreign Students. -----

( )

Grant to Boy Scouts International Bureau to cover costs of employing a Field Commissioner for Asia. -----

( )

Grant to Committee on Friendly Relations among Foreign Students for port-of-entry services to visiting students. -----

( )

Grant to School of Advanced International Studies to cover teaching fellowship for Burmese economist. -----

( )

U Nu Lectureships - one-year travel grant in U.S. to prominent Burman women to lecture on Burmese culture. (Part of program established in honor of Prime Minister Nu on his visit to U.S.) -----

( )

Pacific Spectator - to assist in publication of articles by Asians. -----

( )

Supplementary funds for Used Textbook program (collected in U.S. and sent to Asia) -----

( )

Grant to China House in San Francisco for services to visiting Chinese and Asian students. -----

( )

Reception in San Francisco for President Sukarno and Party. -----

( )

Grants, in honor of President Sukarno, to Bandung Technical Institute (Sukarno's alma mater) and to the University of California for an Indonesian collection. -----

( )

Grant to U.S. Assembly of Youth for Asian participation in its national conference. -----

( )

TOTAL -----

( )

NEW PROGRAMS

Afghanistan

To establish a basic professional library for teachers at the Teachers' College of Kabul, Afghanistan's only domestic source of elementary and secondary school teachers.----- [ ] [ ]

Burma

New textbooks for the University of Rangoon. Until recently, the University was stand-offish about assistance from TAF. However, the Representative has finally established good relations with the Rector of the University, which is badly in need of textbooks, especially in the technical fields. This favorable development has assumed additional importance since the USSR's offer, which was accepted by the GUB, to build and equip a new technical school.----- [ ] [ ]

Repairs to Union Dhamma Kahtika Council's press and moving of the press to a better location. The Union is one of the anti-communist Buddhist organizations which TAF has supported for some time.----- [ ] [ ]

Increase in support of the National Buddhist Preachers Council, an organization of Buddhist priests which has been engaged in travelling throughout Burma preaching in behalf of Buddhism and against Communism.----- [ ] [ ]

Hong Kong

Grant to the Association of non-Communist Chinese publishers. This organization will endeavor to improve the quality of non-communist Chinese publications and the techniques by which they are distributed to overseas Chinese communities of SEA. It will also counter activities of a similar association of communist publishers recently formed in Hong Kong. Plans for the Association have been in process for a year, and it has the agreement of a large number of publishers. First phase----- [ ] [ ]

Support of a program of correspondence courses for overseas Chinese under the direction of International Correspondence Schools, World Limited. TAF's initial contribution to this project is reimbursable from current income from the courses.----- [ ] [ ]

Hong Kong (con't.)

Support of a quarterly journal of philosophy, social science, and history for Chinese students, published by the New Asia College in Hong Kong.----- ( )

Increase in support to a youth leadership training program sponsored by the Y.M.C.A. A Chinese youth expert has been sent by TAF from the U.S. to direct this program.-- ( )

Indonesia

Travel of two prominent Indonesian women leaders to the U.S. to study techniques of American women's organizations. One is a member of Indonesia's national women's federation, PERWARI, and Chairman of its affiliated foundation, Panti Wanita. The other is the editor of the women's magazine, Wanita.----- ( )

Round-trip travel and per diem for six Indonesian newsmen accompanying President Sukarno to the U.S.\*----- ( )

Provision of undergraduate and graduate fellowships over a period of several years to make possible the training of qualified candidates for the permanent staff of the Universitas Nasional, one of Indonesia's outstanding private universities. First phase----- ( )

Provision of libraries to the Cooperative Service of Indonesia which will serve as a basis for the development and expansion of the Cooperative Service's training and information programs. The cooperative movement in Indonesia is well-advanced and is considered by the TAF representative there the most important and progressive social movement in the country.-- ( )

\* Discussions with TAF about a supplemental appropriation of \$200,000 began at the end of March. Presentation of this request to FRC has been delayed by IOD's requests to the project for additional information relating to the request, and by the need for a personal talk on the subject with Robert Blum, president of TAF, on May 7. In the meantime, it has been necessary for IOD to authorize TAF to proceed with some of these new programs, such as the visit of the six Indonesian newsmen which the Department of State requested us to undertake and which enhances TAF's relations with the new Indonesian cabinet.

Indonesia (Con't)

Award of prizes for the winners of competitions among the cooperatives of northern Sumatra, as an incentive to the furtherance of this important democratic movement.----- [ ]

Funds to send delegates from other Asian countries to the Afro-Asian Student Conference in Indonesia.----- [ ] [ ]

Japan

Increased travel of Japanese to the U.S. - In view of the success of the trip of left-Socialist Seiichi Katsumata to the U.S. in the fall of 1955, IAF has stepped up its travel program for key Japanese figures. These include the President of Kyoto University, Japan's outstanding criminologist, who is an influential educational leader and a growing power in Japan's atomic energy matters; two leading professors of education who are specialists in youth activities and student personnel services and will study these matters in the U.S.; the Dean of Nara Women's University who is coming to the U.S. to observe women's education; and the Foreign News Editor of a major Japanese publication who will participate in a United Nations news seminar in the U.S.----- [ ]

International Press Institute Regional Conference in Tokyo - local expenses and the cost of the travel of delegates from India, Indonesia, and Burma to Japan.----- [ ] [ ]

Philippines

Provision of selected books to 32 Chinese highschools.--- [ ] [ ]

Singapore/Malaya

Increase in support of the Malayan Public Library Association to enable it to expand its program of establishing non-communist libraries into Singapore. This has been a very successful activity in the Federation and has been commended by British authorities.----- [ ]

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Singapore/Malaya (Cont)

Establishment of an art and drama institute for Chinese young people to compete with communist efforts in these cultural fields.----- [ ]

Purchase of a press for the Union Press group in Kuala Lumpur to enable it to print its anti-communist publications locally instead of in Hong Kong. The British have enthusiastically approved the activities of the Union Press in the Federation. The U.P. is composed of young Chinese refugees from the Mainland.----- [ ]

Series of educational projects in North Borneo recommended by the British as TAF's initial activity in that area.----- [ ]

Taiwan

Grant to enable the Institute of Modern History in Taiwan to purchase Chinese research and reference materials in Hong Kong. The work of the Institute can help obtain for the free world the benefit of significant Chinese scholarship and help gain for Taiwan the respect of people unaware of free China's cultural resources.----- [ ]

GRAND TOTAL-----

**SECRET**

<b>PROJECT FINANCIAL DATA</b>		PROJECT CRYPTONYM <b>DTPILLAR</b>			
		FISCAL PERIOD COVERED 1 July 5 6 195 THRU 30 JUNE 195			
*MAY NOT EXCEED SECRET CLASSIFICATION		RESPONSIBLE STAFF OR DIVISION <b>IO</b>		CASE OFFICER <b>Rc</b>	
<b>A. PERSONNEL REQUIREMENTS</b>					
Indicate number and type of personnel required and estimated total compensation for salary, allowances, travel and related employee benefits. Include everyone paid from project.					
TYPE	NUMBER		ESTIMATED COMPENSATION		
	U. S. PERSONNEL	FOREIGN NATIONAL	BASE SALARY	ALL OTHER	TOTAL
STAFF EMPLOYEES					
STAFF AGENTS	<b>5</b>		<b>34,330</b>	[ ]	[ ]
CAREER AGENTS					
CONTRACT AGENTS					
CONTRACT CONSULTANTS					
DETAILED PERSONNEL					
FIELD AGENTS					
MILITARY					
ALL OTHER					
TOTAL A.			<b>34,330</b>	[ ]	[ ]
<b>B. SUPPLIES, MATERIEL AND EQUIPMENT</b>					
Indicate amount required in applicable spaces. Attach complete supporting list for each.					
COMMO	CHEMICAL	QUARTERMASTER SUPPLIES		OTHER SUPPLIES	
\$	\$	\$		\$	
MEDICAL	ORDNANCE	SPECIAL DEVICES		OTHER EQUIPMENT	
\$	\$	\$		\$	
TOTAL B.					
<b>C. OTHER OPERATIONAL EXPENSES</b>					
Indicate volume and nature of expenses such as (1) maintenance of two operational houses abroad (2) spot purchase of information, etc.					
TOTAL C.					
<b>D. SUBSIDY OR PROPRIETARY PAYMENTS</b>					
If funds are to be turned over to individuals or groups in large lump sums to be expended by the individuals or groups at their discretion to accomplish an agreed-upon objective, explain the type of financial accounts, factual verification or statements, if any, other than a receipt for the lump sum, which will be obtained.					
<b>Annual budget review, annual audit, revolving fund to govern monthly rate of expenditure, and detailed monthly financial statements.</b>					
Administrative - <b>ES</b> Program - <b>ES</b>					
TOTAL D.					
<b>TOTAL FUND REQUIREMENTS (A + B + C + D)</b>					

SECRET

~~E. FUNDING REQUIREMENTS~~

APPROXIMATE DATES AND AMOUNTS OF MONEY REQUIRED **DTPILLAR is reimbursed each month for the**  
**previous month's expenditures. Funding is now through [ J.C ] &**

FORM REQUIRED

XXX

U. S. DOLLARS

FOREIGN (SPECIFY)

NEGOTIABLE INSTRUMENTS (SPECIFY)

SPECIAL SECURITY REQUIREMENTS OR METHODS OF TRANSMISSION

**F. SPECIAL REQUIREMENTS**

(Within security limitations, list any other facts or circumstances which will enable Special Support Staff to lend adequate logistical support to this project. Indicate specificationally the "RUSH" or "TIME" factors involved.)

SECRET

**SECRET**

<b>PROJECT FINANCIAL DATA</b>		PROJECT CRYPTONYM <b>DT/ILLAR</b>			
		FISCAL PERIOD COVERED <b>1 July 6 7</b> 195 THRU 30 JUNE 195			
*MAY NOT EXCEED SECRET CLASSIFICATION					
RESPONSIBLE STAFF OR DIVISION <b>10</b>		CASE OFFICER <b>Robert L. Fallow</b>			
<b>A. PERSONNEL REQUIREMENTS</b>					
Indicate number and type of personnel required and estimated total compensation for salary, allowances, travel and related employee benefits. Include everyone paid from project.					
TYPE	NUMBER		ESTIMATED COMPENSATION		
	U. S. PERSONNEL	FOREIGN NATIONAL	BASE SALARY	ALL OTHER	TOTAL
STAFF EMPLOYEES					
STAFF AGENTS	<b>3</b>		<b>36,745</b>		
CAREER AGENTS					
CONTRACT AGENTS					
CONTRACT CONSULTANTS					
DETAILED PERSONNEL					
FIELD AGENTS					
MILITARY					
ALL OTHER					
TOTAL A.			<b>36,745</b>		
<b>B. SUPPLIES, MATERIEL AND EQUIPMENT</b>					
Indicate amount required in applicable spaces. Attach complete supporting list for each.					
COMMO \$	CHEMICAL \$	QUARTERMASTER SUPPLIES \$	OTHER SUPPLIES \$		
MEDICAL \$	ORDNANCE \$	SPECIAL DEVICES \$	OTHER EQUIPMENT \$		
TOTAL B.					
<b>C. OTHER OPERATIONAL EXPENSES</b>					
Indicate volume and nature of expenses such as (1) maintenance of two operational houses abroad (2) spot purchase of information, etc.					
<p style="font-size: 1.2em;">2 174 334 40 644 2 237 978</p>					
TOTAL C.					
<b>D. SUBSIDY OR PROPRIETARY PAYMENTS</b>					
If funds are to be turned over to individuals or groups in large lump sums to be expended by the individuals or groups at their discretion to accomplish an agreed-upon objective, explain the type of financial accounts, factual verification or statements, if any, other than a receipt for the lump sum, which will be obtained.					
<p><b>Annual budget review, annual audit, revolving fund to govern monthly rate of expenditures, and detailed monthly financial statements.</b></p> <p>Administrative - <b>3</b>          Program - <b>1</b>          Contingency - <b>2</b></p>					
TOTAL D.					
<b>TOTAL FUND REQUIREMENTS (A + B + C + D)</b>					



SECRET

E. FUNDING REQUIREMENTS

APPROXIMATE DATES AND AMOUNTS OF MONEY REQUIRED

~~to be reimbursed each month for the~~  
~~previous month's expenditures. Funding is now through~~ [ ] [ ] [ ] \*

FORM REQUIRED

U. S. DOLLARS

FOREIGN (SPECIFY)

NEGOTIABLE INSTRUMENTS (SPECIFY)

SPECIAL SECURITY REQUIREMENTS OR METHODS OF TRANSMISSION

F. SPECIAL REQUIREMENTS

(Within security limitations, list any other facts or circumstances which will enable Special Support Staff to lend adequate logistical support to this project. Indicate specificationally the "RUSH" or "TIME" factors involved.)

SECRET