

SENIOR STAFF PROJECT C RANGE SHEET

1. Identification

a. Project Cryptonym: DTPILLAR

d. Division: IOD

b. Sub-project Cryptonym:

e. Branch: IOD-3

c. Amendment No.

f. Desk:

| 2. Element       | Staff Coordination |            | Copy# | Date       | Memo | Memo No | Date of Memorandum |
|------------------|--------------------|------------|-------|------------|------|---------|--------------------|
|                  | Signature          |            |       |            |      |         |                    |
| a. PAPS          | [Signature]        | [Initials] | 2     | Mar 29 '55 |      |         |                    |
| b. SSA-DD/S (CM) | [Signature]        | [Initials] | 2     | 29 Mar 55  |      |         |                    |
| c. SSA/Comp      | [Signature]        | [Initials] | 2     | 6 Apr 55   |      |         |                    |
| d. SSA-DD/S      | [Signature]        | [Initials] | 2     | 6 Apr      |      |         |                    |
| e. PP/OPS/PR     | [Signature]        | [Initials] | 3     | 31 Mar 55  |      |         |                    |
| f. C/PP/OPS      | [Signature]        | [Initials] | 1     | 8 Apr '55  |      |         |                    |
| g.               |                    |            |       |            |      |         |                    |
| h.               |                    |            |       |            |      |         |                    |
| i.               |                    |            |       |            |      |         |                    |
| j.               |                    |            |       |            |      |         |                    |
| k.               |                    |            |       |            |      |         |                    |
| l.               |                    |            |       |            |      |         |                    |

DECLASSIFIED AND RELEASED BY  
CENTRAL INTELLIGENCE AGENCY  
SOURCE METHOD EXEMPTION 3828  
NAZI WAR CRIMES DISCLOSURE ACT  
DATE 2007

3. Concurred in and forwarded to DD/P by: SIGNED, C J APR 8 1955  
CPP Date

Conditions: (This space reserved for CPP and SSA-DD/S)

RECOMMEND APPROVAL [Signature] APR 8 1955  
A/DD/P/P Date

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PROJECT OUTLINE CLEARANCE SHEET

DTPILLAR

Project Cryptonym \_\_\_\_\_ Amendment No. \_\_\_\_\_

Sub-Project Cryptonym \_\_\_\_\_

Developed by: \_\_\_\_\_ IO/2 17 March 1955  
(Case Officer) Organization Date

Concurrences [ ] C/IO/Admin 17 MAR 1955  
Date

[ ] C/IO/PI 17 MAR 1955  
Date

[ ] CI/OA 18 MAR 1955  
Date

✓ [ ] FI/Plans/Cover 18 MAR 1955  
Date

[ ] AC/FE 22 MAR 1955  
Date

\_\_\_\_\_  
Date

Approved Subject to Conditions Below: \_\_\_\_\_  
Date

Conditions of Approval: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\* See notation on routing sheet.

Notation: Although IO Division has developed plans (satisfactory to Cover Division, as informally presented) for new and enlarged covert funding channels for DTPILLAR, we note the lack of any statement, for consideration by reviewing authorities, as to this contemplated revision of the funding concept which the substantive project, as approved, incorporated.

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16 March 1955

MEMORANDUM FOR: Project Review Committee

SUBJECT: Request for Amendment to Project DTPILLAR  
FY-1955 Authorization

1. REQUEST

It is requested that additional funds in the amount of \$193,800 be authorized for project DTPILLAR, thereby increasing the total FY-1955 authorization for the project from [ ] to [ ]. The additional funds requested are available within the IO Division FY-1955 budget allocation.

2. OBJECTIVES OF PROJECT

DTPILLAR's major operational objectives are:

(a) To counteract the appeal of communism to Asians who desire rapid social change by providing non-communist opportunities for them to achieve their own aspirations.

(b) To encourage Asian individuals and organizations to inform their people of the menace of communism.

(c) To strengthen non-government groups and assist them in opposing communist penetration and infiltration attempts.

(d) To stimulate practical training in civic practices and citizenship responsibility which will contribute to stable Asian governments and societies.

3. PURPOSE OF THIS REQUEST

The funds herein requested will support DTPILLAR operations in Indonesia, Cambodia and South Vietnam, countries which have been assigned high priority for DTPILLAR. (See Attachment A)

A DTPILLAR representative has been in Indonesia for one month, and is now exploring with Government officials there the development of various DTPILLAR programs. The communists are very active in organizational work in Indonesia, and additional non-communist alternatives, such as DTPILLAR can facilitate, are needed. Specifically,

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operational possibilities for DTPILLAR exist in the University of Indonesia, the Hatta Foundation, the Indonesian Institute of World Affairs and the fields of youth and education, cooperatives, labor, media, civic organizations, and exchange of students.

In Cambodia, where a DTPILLAR representative is now stationed, there is urgent need for development of non-communist organizational activities. Officials of the Government have expressed their desire to have DTPILLAR initiate such activities, which will include: assistance to lay and ecclesiastical Buddhist groups; provision of instructors of English, to enable Cambodians to communicate better with the outside world; assistance in improving media within the country; development of community centers and civic organizations. (See Attachment B)

In South Vietnam, [ ] and General Lawton Collins have stressed the need for, and potential effectiveness of, DTPILLAR activities. A private American organization is needed which possesses know-how in organizational techniques and which can inspire, as well as finance, non-communist elements in Vietnamese society. DTPILLAR will concentrate its work on educational institutions, publications, students and intellectuals (including refugees from North Vietnam), labor and civic organizations. (See Attachment C)

#### b. EFFECTIVENESS

DTPILLAR's operative concept is that, by supporting private Asian organizations to achieve Asian objectives by democratic means, it can provide training in democratic action for present and future leaders of Asia and it can provide a means of countering communist activity through private front-groups.

That this concept is both acceptable and workable in Asia is attested by the fact that (a) in every country where DTPILLAR has been represented for any period of time, it has been able to enter into cooperative relations with almost every significant indigenous non-communist private organization; (b) it has had the formal or informal sanction for its activities of every government of Asia, with the exception of India, and has had the active cooperation of most officials of these countries; and (c) that it has become a target of communist counter-activity.

The technique of having resident representatives in each area has proved useful in permitting DTPILLAR influence to be exerted to a greater extent over each activity supported, in making possible the development of new organizations, and in linking local organizations with Asian-wide activities supported by DTPILLAR and with international activities and organizations supported by other IO projects which lack local representation.

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5. INTELLIGENCE BY-PRODUCT

It is expected that in each of the three countries the DTPILLAR representative will establish good contacts with government, business, intellectual, civic and other national leaders, and that as a result he will be able to supply information useful to the intelligence community. In the past three months there have been 19 CS or OO disseminations from DTPILLAR sources.

6. FUNDS

No funds were provided in DTPILLAR's FY-1955 budget for DTPILLAR representation and activities in Indonesia, Cambodia and South Vietnam. An analysis of DTPILLAR expenditures (see Attachment D) for the period July 1 through January 31 reveals that the balance of DTPILLAR's approved budget of [ ] is required to meet anticipated obligations in areas other than Indonesia, Cambodia and South Vietnam. Therefore, it is requested that the authorized DTPILLAR FY-1955 budget be increased and that IO be authorized to provide the additional funds out of its present budget allocation. (See Attachment E)

[ ]  
Chief

International Organizations Division

- Attachment A - Supplemental Budget FY-1955 for Indonesia, Cambodia, S. Vietnam
- Attachment B - Report on Visit to Cambodia
- Attachment C - Report on Visit to Vietnam
- Attachment D - DTPILLAR Expenditures July 1-Jan 31, 1955
- Attachment E - DTPILLAR Budget, FY-1955

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MARCH 1955

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Supplemental Budget, FY-1955, for  
Indonesia, Cambodia, South Vietnam

|                                       | <u>Indonesia</u> | <u>Cambodia</u> | <u>South Vietnam</u> | <u>Total</u> |
|---------------------------------------|------------------|-----------------|----------------------|--------------|
| 1. <u>ADMINISTRATIVE (Asia)</u>       |                  |                 |                      |              |
| A. Salaries & Allowances              | \$ 7,000         | \$ 9,000        | \$ 7,000             | \$ 23,000    |
| B. Other Operating Expenses           |                  |                 |                      |              |
| Local wages                           | 1,500            | 1,000           | 1,500                | 4,000        |
| Travel                                |                  |                 |                      |              |
| Freight & Express                     |                  |                 |                      |              |
| Office Supplies & Expense             |                  |                 |                      |              |
| Rent & Utilities                      |                  |                 |                      |              |
| Maintenance, Repair & Operation, Auto |                  |                 |                      |              |
| Telephone                             |                  |                 |                      |              |
| Telegraph & Cables                    |                  |                 |                      |              |
| Entertainment & Operational Expenses  |                  |                 |                      |              |
| Local Transportation                  |                  |                 |                      |              |
| Sub-total                             |                  |                 |                      |              |
| C. Capital Outlay                     |                  |                 |                      |              |
| Office Furniture & Equipment          |                  |                 |                      |              |
| Household Furniture & Equipment       |                  |                 |                      |              |
| Automotive                            |                  |                 |                      |              |
| Leasehold Improvements                |                  |                 |                      |              |
| Sub-total                             |                  |                 |                      |              |
| Total, Administrative                 |                  |                 |                      |              |

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|                                   | <u>Indonesia</u> | <u>Cambodia</u> | <u>South<br/>Vietnam</u> | <u>Total</u> |
|-----------------------------------|------------------|-----------------|--------------------------|--------------|
| 2. <u>PROGRAM</u>                 |                  |                 |                          |              |
| A. Youth & Educational Activities |                  |                 |                          |              |
| B. Social & Economic Groups       |                  |                 |                          |              |
| C. Communications Groups          |                  |                 |                          |              |
| D. Program Development            |                  |                 |                          |              |
| Total, Program                    |                  |                 |                          |              |
| Grand Total                       |                  |                 |                          |              |

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REPORT ON VISIT TO CAMBODIA  
November 24-28, 1954  
by Robert Blum

General Situation

The general situation in Cambodia is entirely different than the one in Vietnam. There is a reasonable degree of governmental stability and unity, relatively little trouble with communists or other insurgents and the leadership of the King is generally recognized. There is some impatience, however, with the way in which the King has continued his one-man control and the delay in returning to normal constitutional procedures.

Cambodia's principal preoccupation is to develop a separate identity as an independent country not under the French colonial influence. This involves cutting the ties with Laos and Vietnam, particularly Vietnam, which is the object of considerable suspicion and even animosity. The Cambodians recognize that the Vietnamese are more numerous and more aggressive than they are and are fearful lest Vietnamese expansion (whether communist or non-communist) takes place at their expense.

The Cambodians recognize that the full development of economic and political independence requires many steps that they are still far from accomplishing. Cambodia is, at the present time, dependent on Vietnam for communications as Saigon is the port through which all of Cambodia's imports come. Cambodia and Vietnam are now negotiating the question of Cambodia's rights in the port of Saigon and the related question of Cambodia's entitlement to customs duties collected at Saigon. Plans are afoot for developing a Cambodian port at Ream with American assistance, but this would naturally take a long time to accomplish. In addition, negotiations are under way with Thailand for re-opening the railroad between Bangkok and Phnom-Penh.

With a good deal of independence of spirit, Cambodia is also seeking to develop its diplomatic and political ties with the rest of the world, particularly in Southeast Asia. While remaining very friendly to the United States, Cambodia -- perhaps with British and French encouragement -- seems to be moving toward a somewhat middle position which, in Cambodian opinion, would enable Cambodia to stay out of direct involvement in the "cold war". At the same time, Nehru, during his visit to Vietnam and Cambodia two months ago, appears to have made it clear that India would look with disfavor upon any extension of communist influence to Cambodia. Preparations seem to be underway for the diplomatic recognition of Cambodia by India. A month ago the King of Cambodia visited Rangoon and a visit to Thailand is planned in the near future.

Thus, Cambodia is developing its relations with the neighboring countries in Southeast Asia as a way of building up protection against communist aggression, compensating for the loss of the protection offered by France and off-setting what the Cambodians may fear to be too much American influence. In developing these ties, Cambodia is aided by the personality of the King who has shown an eagerness to establish friendly relations with other countries, and by the great influence in Cambodia of Theravada Buddhism that Cambodia has in common with Ceylon, Burma, Thailand and Laos. A major handicap from which the Cambodians suffer in developing these relations with other countries is the lack of knowledge of English. French is the second language of all educated Cambodians and there are not more than a small handful who know any English.

Official American Activities

American official activities in Cambodia are now quite separate from those



in Vietnam. There has been a Cambodian Ambassador in Washington for several years, but it was only two months ago that an American Ambassador was sent to Phnom-Penh. Until that time the diplomatic representation in Phnom-Penh was controlled by the Embassy in Saigon. In a parallel way, the FOA representation in Phnom-Penh has now been established on a separate basis, and there is now a small FOA mission there which began as a branch of the Saigon mission. There is no MAAG in Cambodia and the question of United States military aid to Cambodia is now under negotiation. Except for missionaries who have been in Cambodia for many years and are continuing their normal work, there are no voluntary American organizations in Cambodia.

#### Possible Areas of Asia Foundation Activity

All of the persons with whom I spoke, both Cambodian and American, warmly urged that The Asia Foundation initiate a program in Cambodia. They thought that such a program could help Cambodia develop internally and, at the same time, assist Cambodia in its relations with the other countries of Asia. It was also felt by American officials that it would in many cases be more appropriate for The Asia Foundation than for the American Embassy or USIS to undertake programs in the cultural field.

1. English Language Teaching -- The importance of this was emphasized by the King, Ambassador McClintock and many other persons. As pointed out above, the inadequate knowledge of English is a very severe handicap to Cambodia as it tries to develop its international relations. This applies not only to official contacts, but to unofficial and cultural ones. Requests for assistance in learning English have been submitted to the Embassy at least informally by a variety of groups, including Buddhist priests, Lay Buddhists associations, Government officials and others. The King told me that he thought it was more important to teach English to Government officials than to the Buddhist priests who, he said, wanted to learn English only for their own purposes (particularly participation in international conferences) and not in order to promote general education. The "Association des Amis de l'Ecole de Pali" has asked the American Embassy to provide them with an English teacher, but no action has been taken on this request so far and Ambassador McClintock urged very strongly that The Asia Foundation undertake to do this rather than the Embassy. I described to him our procedure for recruiting young English language teachers and he was quite enthusiastic, saying that he hoped we would, without delay, recruit two such persons for Cambodia, even though final arrangements had not yet been worked out.
2. Buddhist Religious Groups -- I had little opportunity to look into the possibilities of working with Buddhist religious groups, perhaps in a way similar to what we are doing in Burma. I did call on the head of the principal (Mohanikay) Buddhist order in Cambodia and he indicated that he was prepared to consider cooperation with us provided any assistance we gave was consistent with their precepts.
3. Buddhist Lay Groups -- The "Association des Amis de l'Ecole de Pali" has submitted to FOA a request for assistance in an educational program that the Association wishes to undertake in the country. Together with the FOA and USIS chiefs, I met with Mr. Ray Buc, President of the Association. Their request is for a thousand radios

which would be put in the Pali schools throughout the country, in the branches of the Association and in some of the pagodas. These radios would then provide the means for carrying on a non-political educational program over the National Khmer radio in fields of public health, national economy, education, etc. According to Ray Buc, his Association has 7,000 members of whom 3,000 are in Phnom-Penh and there are 16 branches. His request is for 1,000 radio sets, 2 automobiles and financial assistance to cover operations. As a result of our conversation, Mr. Ray Buc is to revise his plan and resubmit it to FOA. The FOA people will keep in touch with me in order to see whether there is some part of this program that it would be more appropriate and feasible for The Asia Foundation to undertake.

4. Ties with the Other Countries of Southeast Asia -- The Cambodians are very anxious to develop these relationships by travel, fellowships, attendance at conferences, etc. They feel that it is important to develop these relations in all fields including that of relationships between the various Buddhist groups.
5. Educational Institutions -- There is no university in Cambodia, but there are two principal "superior" schools, the Pali School and the National Institute of Law and Economics (a school for administrators). The latter is very badly in need of improvement and strengthening and FOA may possibly do something in this field, although The Asia Foundation should not overlook it. The King suggested to me that we might help in creating a small faculty on Cambodian history and culture and I was told that he has been talking about creating a "university". This would not seem to be practical right away and it might be more feasible and expeditious to set up a special post-high school program in English and the social sciences. I cannot say whether this should be attached to the National Institute of Law and Economics, to the Lycee or done separately.
6. Community Program -- There has recently been set up in the Privy Council under Khim Tit an "Office for the Protection of the People" which has an ill-defined assignment to assist in the resettlement of populations and civic developments. Recently, the USIS discussed with Khim Tit the possibility of establishing a Civic and Cultural Center in Phnom-Penh for the encouragement of discussion groups which would have their counterparts in the countryside, but for some unexplained reason the Cambodian Government lost interest in this proposal. There is some feeling that perhaps the King and the Government are fearful lest too much civic consciousness be encouraged in the population.

The above are very fragmentary suggestions, but are indicative of the kinds of programs that seem possible and for which a welcome from the Cambodians is probable. They are all suggestions that were brought directly to my attention during my brief stay and would naturally have to be the object of considerable study as a result of which they would have to be modified, discarded or added to.

PERSONS INTERVIEWED IN CAMBODIA

Cambodian Government

King Norodom Sihanouk  
Tep Phan, Foreign Minister  
Pho Proeung, Minister of National Education  
Khim Tit, Privy Councillor

Other Cambodians

Ray Buc, President of the "Association des Amis de l'Ecole de Pali"  
Chief of the Buddhist Order Mohanikay (Onnalom Pagoda)

American Officials

Robert McClintock, Ambassador  
Herbert I. Goodman, Political Officer  
Gerald Strauss, Acting Director, FOA Mission  
Martin Ackerman, Public Affairs Officer (USIS)

REPORT ON VISIT TO VIETNAM  
November 27-28 and November 29, 1954  
by Robert Blum

The persons whom I saw during my visit to Vietnam are listed in the attachment. They included all principal Vietnamese and American officials there. The senior French officials were absent during my visit.

The following is not intended to be a full report and analysis on political and economic conditions in the country, but rather an attempt to examine the situation with a view to judging what, if anything, The Asia Foundation might usefully do in Vietnam.

### General Situation

The general situation in Vietnam is very poor. On the one hand, the Vietminh has been steadily building up its strength, both political and military, since the conclusion of the Geneva agreements that gave the Vietminh control of all of Vietnam north of the 17th parallel. Even in those areas in Southern Vietnam from which the Vietminh has been withdrawing, they have left behind a political apparatus and influence that it will be very difficult to weaken. More generally, the victory of the Vietminh over the French after eight years of battle has given them tremendous prestige with the entire population of Vietnam both North and South of the 17th parallel. Regardless of the communist control over the Vietminh, spiritually much of the population looks upon the Vietminh accomplishments with pride. Everyone acknowledges that elections held in the near future would result in a Vietminh victory and thought is being given to ways in which the elections might be postponed or avoided.

On the non-communist side are a government and administration whose morale and effectiveness, which were never great, were severely shaken and weakened by the Geneva agreements. Since then, numerous other very serious complications have been added to the burdens of the Government. There has been the responsibility of caring for 450,000 refugees from the North who do not assimilate well with the people in the South; the conflict between the Government and the Army, which now seems to be closer to resolution; the weakness of the Army itself; the lack of complete loyalty to the Government on the part of the several religious sects, even though they are anti-communist and have obtained places for themselves in the Government; the lack of complete agreement between France and the United States in their policies toward the Government; the fact that the Government does not have effective control over the Southern part of Vietnam for which it is nominally responsible.

The Prime Minister, Ngo Dinh Diem, has been working quietly and carefully to develop his leadership and establish some kind of unity. These are the prerequisites to any kind of effective national program that could be offered in opposition to the communists. Diem is a quiet, cautious, contemplative man who is strongly anti-communist and has the best interests of the country at heart. He is a very dedicated person who comes in for some criticism from other Vietnamese because he is not vigorous enough, but whose personal qualities are generally respected. I had the impression from my conversation with him that he is very conscious of the slow pace at which he is moving, but also very certain that any hasty moves might upset the entire situation. The creation of unified support for the Government seems to be his first preoccupation, the first step being that of solving the conflict with the Army. He looked upon this as being a good deal easier to do than settling the

difficulties with the religious sects and obtaining their unquestioned loyalty. I believe his feeling is that until these steps toward unity have been accomplished, no kind of effective economic, social or military program can be realized.

In working on these matters, Diem is not in a position to exercise vigorous leadership. Aside from a small devoted personal following, he does not have substantial strength on which to rely and every step he takes needs to be discussed and negotiated with a great variety of groups and individuals. The United States Government is giving its whole-hearted support to Diem, and while recognizing inadequacies of his leadership, seems to feel that the only chance of developing a unified anti-communist regime is to support him in all possible ways.

Although the French profess to support Diem, there is much evidence that this support is far from complete. They look upon Diem as being too anti-French, they suspect him as being too much under American influence, and they question whether he has the necessary qualities of leadership. Several Vietnamese told me that the French were supporting the religious sects that are giving so much trouble to the Government. The French are still heavily involved in Vietnam through their private economic interests which are intact in the South, the continued presence of the French Expeditionary Force which is formally responsible for security, and the continued governmental economic involvement (foreign exchange, Institute of Issue, etc.) which has not yet been disentangled. Moreover, the French are still trying to salvage what they can of their interests in North Vietnam, and appear anxious not to alienate the Vietminh. They seem to feel, moreover, that with the Vietminh as the stronger force in Vietnam at the present time, it would be well to cultivate them and to anticipate the possibility that the Vietminh may wish to have close relations with the West as a way of off-setting the influence of China. More generally, the French may feel that the time has come to pursue a friendlier policy toward the Communists where they have in both China and Indo-China de facto control. The Vietminh regime in the North has lent some substance to this French theory by entering into an agreement with the French regarding French economic interests in the North and by referring vaguely to their desire to maintain ties with France.

In this situation the role of Bao Dai is somewhat obscure. In general, opinion in Vietnam is unfavorable to Bao Dai, and he seems to have lost all support among the people. There are some, however, who feel that Bao Dai is still performing a useful purpose and that he can serve his country more effectively from a distance than he could if he were in Saigon where he would become embroiled in local politics. In any case, Bao Dai is still the repository of constitutional authority in Vietnam and Lien owes his position and allegiance to him. Judging from the dismissal by Bao Dai of the Chief of Staff, General Hinh, Bao Dai appears to be giving his full support to Diem. In spite of this fact, there is a strong feeling that the country would be better off and the situation clarified if Bao Dai could somehow be removed entirely from the scene. His motives are felt to be too unclear and his personal position too uncertain for him to be a stabilizing or constructive force.

There continues to be discussion in Vietnam on the desirability of setting up a provisional consultative assembly which would presumably have to be appointed at the start. Such an assembly would serve as a means for the development of public opinion which now has virtually no channel of expression and might provide a certain basis from which the Government could derive its political authority. On the other hand, the problems of constituting such an assembly are very great in view of the anarchic state of political life in Vietnam, and a result of such a creation might be that the position of the present Government would be considerably weakened without any satisfactory substitute emerging.

American Activity in Vietnam

General Collins had arrived in Vietnam about one week earlier than I did and had come out with very strong declarations in support of the Diem government. In general, Vietnamese opinion seemed to welcome this strong stand, although several people questioned whether it was desirable for the United States to come out so directly in support of Diem personally. I was not quite sure whether these persons thought this was American interference in the internal affairs of Vietnam or whether they had other candidates to propose for the Prime Ministership. If there were any other such candidates, I could not learn who they were.

General Collins is to remain in Vietnam only two or three months, after which a permanent Ambassador is to be named. The purpose of his mission is to coordinate and invigorate the American program, arouse the Vietnamese Government and to judge what are the prospects of success. To support his efforts, there are in addition to the Embassy staff, the Foreign Operations Mission and the Military Assistance Advisory Group which is planning to take over some of the responsibilities for training the Vietnamese Army.

General Collins's arrival had resulted in the American staffs being much less pessimistic than before. They felt that his appointment represented a new policy of vigor and independence on the part of the United States and that this could lead to direct, strong support of the Vietnamese Government. I thought that this improvement in morale resulted in too much preoccupation with what the United States wanted to do and not enough concern with what the Vietnamese were prepared and willing to do. I see a serious danger of there being so much American activity in Vietnam that the Vietnamese will become confused, perhaps resentful, and will not themselves be in a position to put into effect the various programs that the Americans devise for their benefit. There is a danger too that the Vietnamese will spend so much time on planning for and receiving American aid that they will be diverted from seeing their problems in Vietnamese terms.

FOA is engaged in a very diversified program in Vietnam. The total annual budget is now about \$55,000,000 for economic aid alone, half of which is for refugee relief. The FOA program in Vietnam includes a number of activities in the social and educational fields that are of direct interest to The Asia Foundation. Because of the diversified nature of the FOA program, it would be necessary for The Asia Foundation, if it works in Vietnam, to stay in close touch with FOA. There is, however, some feeling in FOA that they should get away from many of their present activities in order to concentrate on those programs that directly contribute to security and to the amelioration of the land and agricultural situation.

There are already several American voluntary organizations in Vietnam. These have been provided offices by FOA in space that was formerly occupied by FOA. These agencies meet weekly together with FOA.

CARE -- Mr. Klein is distributing chiefly refugee packages.

National Catholic Welfare Council -- Monsignor Harnett is working with the refugees, 95% of whom are Catholics.

The Mennonites -- Mr. Wiens is working on refugee relief.

Red Cross -- Mrs. Blake is working on relief to refugees.

International Rescue Committee -- Mr. Buttiger is developing a program of

assistance to refugee students and intellectuals. Mr. Buttinger, who is returning to the United States in a few weeks is to be replaced by another person who will presumably carry forward the program he will have planned.

Possible Asia Foundation Activity

The Vietnamese with whom I spoke, including Prime Minister Diem and the Foreign Minister Tran Van Do, gave me a warm welcome and assured me that they would be very happy to have The Asia Foundation work in Vietnam. Prime Minister Diem told me he thought our work could be very important and asked his brother Ngo Dinh Nhu (who is probably his principal personal advisor) to remain in touch with me, and I had numerous conversations with him. The American Embassy, including General Collins, also urged us to try to do something and they gave numerous suggestions. The FOA people, many of whom I knew from my previous work with FOA, described their own work to me quite fully and pointed out ways in which Asia Foundation activities could complement their work or do things which they were not able to do.

1. Students -- There are two or three hundred students from North Vietnam in Saigon who are strongly anti-communist and who are trying as best they can to secure an education in Saigon even though the educational facilities are limited and the Southerners are not always hospitable. Ngo Dinh Nhu is very anxious that we assist these students and I assume that his views reflect those of his brother, the Prime Minister. FOA is providing barracks as living quarters for these students but is unable to provide them with any social or intellectual facilities. The FOA people said they would be delighted if we could work in ~~Thailand~~ *this field*. Ngo Dinh Nhu arranged for me to meet a delegation of these students, but unfortunately there was a misunderstanding regarding the time and the meeting did not take place.
2. Intellectuals from the North -- There are a number of artists, writers and journalists from North Vietnam who are at loose ends in the South. They seem to have formed some kind of an association, but it was not quite clear to me just what they had been able to do. I believe that the International Rescue Committee is in touch with some of these people, but am not sure whether they have been able to accomplish anything. This group would certainly be worth working with, particularly if we keep in mind that those who have come from the North are generally more vigorously anti-communist and more energetic persons than the Southerners. In fact, Ngo Dinh Nhu told me that he thought that the student and intellectual refugees from the North would provide the best nucleus for developing constructive programs in the South.
3. English Language Teaching -- I am not sure what should be done in this field, but am certain that there are opportunities that need to be developed. The Vietnamese badly need to learn English in order to communicate with the rest of the world, including their neighbors in Southeast Asia. FOA has \$150,000 this year for English language teaching, but it is probable that this money will be used chiefly for the Vietnamese employees of FOA, Government officials and the Vietnamese army.
4. University Education -- The principal seat of the university was always Hanoi. What exists in Saigon is not adequate and is still under joint French-Vietnamese jurisdiction. Plans for developing the facilities and opportunities at the university seem to be held up until the question of

jurisdiction has been settled between the French and the Vietnamese. FICA has put aside forty-five million piastres (\$1,300,000 at the official rate) and \$300,000 for a separate Vietnamese university, but the release of those funds depends on the outcome of the negotiations just referred to. As matters now stand, these funds cannot be used for the present university. The funds include provision for two American university contracts to assist develop the general organization of the university and the teaching of English.

5. Adult Education -- A group of Vietnamese who have studied in the United States and Europe have set up an unofficial Cours Polytechniques Populaires where they teach voluntarily at night. There are about 7,000 students and I was told that the arrangement is quite successful. The effort is in charge of a Mr. Thai, a Cornell M.A., who is a Vietnamese official handling American economic aid matters. FICA is giving a little help to this effort, but cannot give very much as it is a private activity.
6. Other Educational Activity -- The American Embassy's cultural attache, Robert D. Kennedy, urged that something be done in the field of social sciences. He had no specific proposal in mind, but said that at the present time the social sciences are completely neglected. He thought that work in this field could be combined with English language teaching.
7. Youth Activities -- I did not have time to learn very much about present youth activities in Vietnam. I suspect that they are not very well-developed and are often exploited for partisan purposes. The Ministry of Labor and Youth has an "Ecole des Cadres" which provides a two months' training program for young people who then go into community work. I have no idea whether this is effective. General Collins in particular urged that we do whatever we could in the youth field.
8. Writing and Publications -- I was told that there was little writing or publication going on in Vietnam now. There is a shortage of good materials of all kinds and writers have not been encouraged or assisted. There is said to be a private association of writers but I did not have time to get in touch with this group and doubt whether it amounts to much. FICA is providing some assistance for publications, but this is largely confined to the publication of formal textbooks by the Ministry of Education.
9. Labor -- Ngo Dinh Nhu urged very strongly that we help in the labor field. During the past few years there has been a strong development of the Confederation Vietnamienne de Travailleurs Chretiens (CVTC) which was originally an off-shoot of the French Christian Trade Union Confederation, but seems to have developed a life and vigor of its own. Ngo Dinh Nhu said that in his opinion this organization provided one of the best hopes for developing constructive social programs in Vietnam. According to him the CVTC has 200,000 members grouped in 700 individual unions. Nhu arranged for me to meet the President of the CVTC, Tran Nucc Ban, who, I gather, is normally inaccessible. They listed the needs of the CVTC as follows:

- A. A new headquarters which would provide more efficient working conditions than the present very small office room.
- B. A training center and a training program so that the CVTC



could have permanent full-time organizers together with a larger number of part-time workers who could continue their normal trades. They need a training center, training scholarships, funds for full-time organizers and funds for foreign travel. Nhu said that he did not think it would be advisable to bring American labor advisors to Vietnam. He recommended instead that Vietnamese labor men travel and study in Japan, the Philippines, or the United States.

- C. A welfare program to include a dispensary, health and educational services.
- D. A program to develop agricultural and consumer cooperatives.

Nhu said that the two priority items were B or X above, and he estimated that the cost for these two would be about one million piastres (about \$30,000 at the official rate). In a different context, however, Nhu said that the trade unions would need about three hundred thousand or four hundred thousand piastres monthly (about \$10,000 monthly).

Nhu said that the ICFTU had not been favorably disposed to the CVTC and had been trying to absorb it until the time of the Geneva agreements, but since that time relations are better and the ICFTU seems to be well disposed toward the CVTC. He said that he recognized that the French still have a strong influence in the CVTC and would undoubtedly object to American aid, but he pointed out that the top council of the CVTC consists only of Vietnamese. Nhu said that it was proposed to request FOA to assist this program, but he thought it would be far preferable if The Asia Foundation could provide the assistance instead of FOA, as this would reduce the political complications. There would be less French criticism; he thought we could be more flexible than FOA and in general he thought it better to deal with a private group rather than the United States government.

- 10. Civic Organizations -- Vietnam now has a Jaycee Chapter and a Rotary Chapter, both of which seem to be very active, particularly the Jaycees who are participating in Operation Brotherhood. I doubt whether any special assistance for them by The Asia Foundation is needed.
- 11. The Chinese -- Although several persons told me that the Chinese were very quiet and offered no problem, I was told by others that in spite of surface appearances there was probably much that the Foundation could do with the Chinese population. I made no attempt to explore the possibilities.

The above eleven items represent only those that were specifically brought to my attention. This is by no means a complete list, and a representative of The Asia Foundation in Vietnam would obviously have to modify and expand it in light of his own observations which could be much more complete than those I was able to make during a very brief stay.

VIETNAM  
List of Persons Interviewed

A. Vietnamese Officials

Ngo Dinh Diem, Prime Minister  
Tran Van Do, Minister of Foreign Affairs  
Bao, Political Commissioner for South Vietnam  
Ngo Dinh Nhu, Advisor and brother of Prime Minister Diem  
Nha, Inspector General, American Economic Aid

B. U. S. Officials

1. Embassy

Ambassador Lawton Collins, special representative  
Randolph Kidder, Charge d'Affaires  
Paul Sturm, Political Adviser to Ambassador Collins  
Edward Stansbury, Public Affairs Officer  
Robert D. Kennedy, Cultural Officer

2. FOA Mission

Leland Barrows, Director  
Paul Everett, Assistant Director  
Carter De Paul, Economic Officer  
D. C. Lavergne, Deputy Director for Refugee Affairs  
Samuel Adams, Education Officer  
Henri Pascal, Program Support (Information) Officer

3. MAAG

Lt. Gen. John W. O'Daniel, Chief

C. French Officials

Cazimajou, Assistant Director of Information

D. British Officials

Ambassador Stephenson

E. Other Vietnamese

Nguyen Phuoc Dang, Major in the Vietnamese Army  
Emmanuel Phuoc, President of the Jaycees  
Mao, Former Deputy Governor of North Vietnam  
Tran Quoc Buu, President, Confederation Vietnamiennne de Travailleurs  
Chretiens

F. Other Americans

Buttinger, Representative of International Rescue Committee  
Msgr. Harnett, Representative of National Catholic Welfare Council

SECRET

REFILLAR

Expenditures, July 1 - January 31, 1955

|                             |               |
|-----------------------------|---------------|
| <b>Administrative:</b>      |               |
| <b>San Francisco</b>        |               |
| Salaries                    | \$ 242,671.68 |
| Other Operating Expense     | [ ]           |
| Capital Outlay              | [ ]           |
| Sub-total                   | [ ]           |
| <b>New York</b>             |               |
| Salaries                    | \$ 11,289.59  |
| Other Operating Expense     | [ ]           |
| Capital Outlay              | [ ]           |
| Sub-total                   | [ ]           |
| <b>Asia</b>                 |               |
| Salaries and Allowances     | \$ 257,117.49 |
| Other Operating Expense     | [ ]           |
| Capital Outlay              | [ ]           |
| Sub-total                   | [ ]           |
| <b>Total Administrative</b> | [ ]           |
| <b>Programs:</b>            |               |
| Country Programs            | [ ]           |
| Intra-Asian & Special Proj. | [ ]           |
| <b>Total Program</b>        | [ ]           |
| <b>Grand Totals</b>         | [ ]           |

SECRET

March, 1955

DEPILLAR

Budget, FY-1955

|   | <u>Approved<br/>Budget</u><br>(As Previously<br>Amended) | <u>Amendment<br/>Requested</u> | <u>Proposed<br/>Revised<br/>Budget</u> |
|---|--|--------------------------------|--|
| <u>ADMINISTRATIVE</u>   |  |                                |  |
| San Francisco   |  |                                |  |
| Salaries  | \$ 420,150   |                                | \$ 420,150                             |
| Other Oper. Exp.  |  |                                |  |
| Capital Outlay  |  |                                |  |
| Sub-total   |  |                                |  |
| New York  |  |                                |  |
| Salaries  | \$ 80,700  |                                | \$ 80,700                              |
| Other Oper. Exp.  |  |                                |  |
| Capital Outlay  |  |                                |  |
| Sub-total   |  |                                |  |
| Asia  |  |                                |  |
| Salaries & Allowances   | \$ 431,000   | \$ 23,000                      | \$ 454,000                             |
| Other Oper. Exp.  |  |                                |  |
| Capital Outlay  |  |                                |  |
| Sub-total   |  |                                |  |
| Administrative Sub-total  |  |                                |  |
| <u>PROGRAMS</u>   |  |                                |  |
| Country Programs  |  |                                |  |
| Intra-Asian & Special<br>Projects   |  |                                |  |
| Programs Sub-total  |  |                                |  |
| Total Admin & Program   |  |                                |  |
| <u>IMPROVEMENTS - HOUSING &amp; FURNISHINGS</u>                           |  |                                |  |
| for overseas personnel<br>pursuant to Administrative<br>Memorandum No. 16 |  |                                |  |
| <u>CONTINGENCY</u>  |  |                                |  |
| GRAND TOTAL   |  |                                |  |

SECRET

**SECRET**

SECURITY INFORMATION

|                               |   |
|-------------------------------|---|
| <b>PROJECT FINANCIAL DATA</b> | PROJECT CRYPTONYM<br><b>DTPILLAR</b>  |
|                               | FISCAL PERIOD COVERED<br><b>1 July 195<sup>4</sup> THRU 30 JUNE 195<sup>5</sup></b> |

\*MAY NOT EXCEED SECRET CLASSIFICATION

|  |              |
|--|--------------|
| RESPONSIBLE STAFF OR DIVISION<br><b>IO</b> | CASE OFFICER |
|--|--------------|

**A. PERSONNEL REQUIREMENTS**

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         | 5               |                  | 23,540                 | [ ]       | [ ]   |
| CAREER AGENTS        |                 |                  |                        |           |       |
| CONTRACT AGENTS      |                 |                  |                        |           |       |
| CONTRACT CONSULTANTS |                 |                  |                        |           |       |
| DETAILED PERSONNEL   |                 |                  |                        |           |       |
| FIELD AGENTS         |                 |                  |                        |           |       |
| MILITARY             |                 |                  |                        |           |       |
| ALL OTHER            |                 |                  |                        |           |       |
| <b>TOTAL A.</b>      |                 |                  | 23,540                 | [ ]       | [ ]   |

**B. SUPPLIES, MATERIEL AND EQUIPMENT**

Indicate amount required in applicable spaces. Attach complete supporting list for each.

|               |                |                              |                       |
|---------------|----------------|------------------------------|-----------------------|
| COMMO<br>\$   | CHEMICAL<br>\$ | QUARTERMASTER SUPPLIES<br>\$ | OTHER SUPPLIES<br>\$  |
| MEDICAL<br>\$ | ORDNANCE<br>\$ | SPECIAL DEVICES<br>\$        | OTHER EQUIPMENT<br>\$ |

TOTAL B.

**C. OTHER OPERATIONAL EXPENSES**

Indicate volume and nature of expenses such as (1) maintenance of two operational houses abroad (2) spot purchase of information, etc.

TOTAL C.

**D. SUBSIDY OR PROPRIETARY PAYMENTS**

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.

Annual budget review, annual audit, revolving fund to govern monthly rate of expenditures, monthly and quarterly financial statements.

TOTAL D. [ ] (INCLUDES TOTAL A ABOVE) [ ]

TOTAL FUND REQUIREMENTS (A + B + C + D) \$ [ ] [ ]

**E. FUNDING REQUIREMENTS**

APPROXIMATE DATES AND AMOUNTS OF MONEY REQUIRED

A procedure has been established whereby DTPILLAR is reimbursed monthly for expenditures of the previous month. Funding is now through [ ] but will eventually be effected 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.)