

# State Dept. to Ask Congress For Asia Foundation Funds

The State Department is asking Congress for \$2 million to help the Asia Foundation, a private organization based in San Francisco, but operating in 13 Asian countries.

The total money requested, \$2 million, is expected to make up about half the foundation's budget and help replace funds it had been receiving through Central Intelligence Agency "consult" organizations.

The foundation acknowledged that it had been receiving CIA money but announced that it would ac-

cept no more from such sources. However a week ago, India announced it had asked the foundation to wind up its activities there because the whole matter had become "too embarrassing."

AID and State Department officials explained that they are now going to ask Congress to pick up CIA's tab because they consider the Asia Foundation is and has been doing valuable educational and cultural work abroad and think this should be continued with above-board, openly acknowledged U.S. Government help.

These officials have been sounding out Senators and Congressmen on the idea last week and were encouraged. Accordingly, AID Administrator William S. Gaud is expected to spell out the matter when he goes to Congress this week.

According to present plans, AID will request \$2 million in general support for the Asia Foundation and another \$500,000 for a book distribution program that had long been under consideration. The requests will be made under Title 9 of the Foreign Aid act, which is concerned with the overseas development of democratic and political institutions. Previously, AID had made two moderate-size project contracts with the Asia Foundation.

In addition, State's Educational and Cultural Affairs Bureau is expected to seek Congressional approval for a \$600,000 grant for educational and cultural projects.

The Asia Foundation had been operating on an \$8 million annual budget but this lately had been scaled down and \$4 million now is planned for its programs. Part of its financing comes from private contributions from individuals and institutions, many of them in the San Francisco area.

The Asia Foundation began life as the Committee for a Free Asia at the end of World War II, but then underwent extensive reorganization and started anew.

It employs some 120 American...

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It employs some 120 Americans in its San Francisco office and in Korea, Hong Kong, Taiwan, Philippines, Malaysia, Laos, Pakistan, Vietnam, Afghanistan and elsewhere its close-out budget yet to be set.

Asia Foundation has worked through the years through the years worked closely with educational and governmental groups and gained respect. Cambodia's chief of state, Prince Sihanouk, allowed the Foundation to remain in the country long after it had broken diplomatic relations with the United States and closed out its embassy.

But because of the lack of CIA backing in Burma, and later in Laos, asked the foundation to be even before the foundation established.