

SECRET

PROJECT APPROVAL NOTIFICATION

PROJECT	DTPILLAR	<input checked="" type="checkbox"/> CA	<input checked="" type="checkbox"/> PROPRIETARY
		<input type="checkbox"/> FI/CI	<input type="checkbox"/> SUBSIDY
			<input type="checkbox"/> DIRECT

ACTION		AREA	
	NEW PROJECT	DIVISION	
	AMENDMENT	CA	
XX	RENEWAL (FY 1963)	BRANCH	
	TERMINATION	2	
	EXTENSION	DESK	
	OTHER	CASE OFFICER	EXTENSION
		[6041

AUTHORIZATION			
APPROVING AUTHORITY	TOTAL AMOUNT APPROVED	FY	AMOUNT
Chief, DDP/PG	[4 December 1962	
PERIOD OF APPROVAL			
FROM 1 July 1962 TO 30 June 1963		196	
	FINANCIAL CODE SYMBOL	3124-0000-8932	

CONDITIONS OF APPROVAL

Renewal of Project DTPILLAR approved in the amount [] for FY 1963.

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCES METHOD EXEMPTION 3B2B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

***Includes \$73, 775 estimated outside income**

SIGNATURE	DATE
DDP/PG	

DISTRIBUTION											
NOV 8125											
1	FINANCE DIVISION	1	SSA-DD/S	1	BUDGET DIVISION	1	OPERATING DIVISION CHIEF OF SUPPORT	1	CASE OFFICER	2	DDP/PG

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(When Filled In)

PROJECT ACTION				PROJECT CRYPTONYM DPILLAR	
	TYPE OF ACTION		F1/CI	<input checked="" type="checkbox"/>	CA
	NEW PROJECT APPROVAL	DIVISION Covert Action Staff			
	AMENDMENT NO.	FIELD STATION			
<input checked="" type="checkbox"/>	RENEWAL FY 1963	BRANCH 2	DESK		
	EXTENSION	CASE OFFICER C J			
	TERMINATION	ROOM NO. 4 D 30	BUILDING Headquarters	EXTENSION 6041	

CONCURRENCES OF DIVISION

ORGANIZATIONAL ELEMENT	TYPED NAME (And signature)	DATE	COPY NO.	MEMORANDUM ATTACHED		
				YES	NO	DATE
AC/CA/2	[] /s/		1			
CA/DC/DP	[] /s/		1			
C/CA/DC	[] Signed []	10 OCT 1962	1			
DC/CA/O	[] Signed	5 NOV 1962				
C/CA	[] /s/					
DC/CA/S	Harry A. Rositzke /s/		1			

CONCURRENCES OF OTHER COMPONENTS

DDP/DO/CA	[] /s/ (Signed)				
CNE/6	[]	26 Oct 62	3	✓	
CNE/5	[]	23 Oct 62	3	✓	
*Includes \$73,775 estimated outside income.					

APPROVAL

PERIOD		TOTAL AMOUNT	FY	AMOUNT
FROM	TO		196	\$ []
1 July 1962	30 June 1963		1963	\$ []
APPROVING AUTHORITY		SIGNATURE		DATE
Chief, DDP/PG		/s/ []		4 DEC 1962

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REQUEST FOR PROJECT RENEWAL

a. Current Objectives: The Asia Foundation (TAF) mission continues as stated in Policy Directive No. 6 issued by this Agency to TAF in 1954. It is responsive to those NSC directives which emphasize the promotion of increased ties between the nations and peoples of Asia and the Free World, the creation of a favorable atmosphere in Asia for democratic processes, and the promotion of regional ties among Asian nations. It is also specifically responsive to the NSC 5412/2 objective which stresses the creation of an identity of interest between the citizens of other countries and the U.S. and the improvement of contact between them.

TAF promotes U.S. interests by aiding, encouraging and supporting noncommunist Asian individuals and groups working in their own way for Asian goals which strengthen their societies and institutions. Its mission is based on the accepted premise that it is primarily Asians themselves who must overcome Asia's problems, and that outside aid can play only a supporting role. Implementation of this mission requires the stimulation of constructive action through the greatest possible Asian initiative and participation.

Successful implementation of this mission will combat international communism and advance U.S. foreign policy objectives by (to quote from Policy Directive No. 6):

"Counteracting the appeal of Communism to Asians desiring rapid social change, by assisting them in creating and expanding opportunities to participate in positive non-Communist efforts to achieve their own legitimate goals, strengthening non-government groups which can oppose communist penetration and infiltration techniques.

"Stimulating practical training in civic practices and citizenship responsibility which contribute to stable Asian government and societies.

"Encouraging Asian individuals and organizations to inform their people of the menace of international communism to their aspirations."

Each year an increasing portion of TAF funds is committed to support American and occasionally other foreign specialists on assignments of varying length. Where needed skills or talents are not available locally, foreign specialists are important. While the largest single group has teaching assignments, others are advisers to government or private organizations, or to TAF itself. During the past year TAF provided American professors of Constitutional Law and American History to the University of Singapore, and a law lecturer for Seoul National University. At the University of Ceylon, where the student leadership has for years been Communist dominated, TAF was able to supply a professor of Political Science well-versed in Communist theory. A continuing program of importance provides a much respected American economist

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as adviser to the Ministry of Commerce of Afghanistan. During the year he achieved some success in securing Afghan action designed to reorient its trade from the Soviet Union.

The Institute of Student Affairs in the Philippines was inaugurated during this Fiscal Year and appears to be fulfilling an important role in bringing faculty and students together on student problems. A station agent was appointed Executive Secretary of IEA.

In Laos the TAF office continued programming despite changes in governments and the battle of Vientiane. The Chinese adviser to the Ministry of Education maintained his respected position under all governments. The TAF-supported printing plant under the Ministry of Information began operating this year turning out the first Lao dictionary and beginning an ambitious program of printing many ancient Lao historical and cultural manuscripts. TAF continued programs in the important Veterans field and with the Lao Women's Association.

In Japan the Foundation brought into being the Institute of Japanese Social Thought which will translate for foreign audiences the best of Japanese writing in the political and social sciences. A Foundation contract employee will head the Institute. This project is designed to repair the "broken dialogue", of which Ambassador Reischauer wrote, between Japanese and Western intellectuals. In Japan also the Foundation, together with Ford Foundation, began support to a program of research on China. The significance of this project is indicated by the strength of Communist and left-wing attack against it.

The "Books for Asian Students" program has shipped 2,767,060 books and 576,970 journals to more than 6,000 recipient groups in Asia. TAF's weekly newspaper for Asian students has passed the 30,000 mark and its influence continues to increase.

b. Changes: The number of personnel connected with the project remains approximately the same as in previous years:

U.S. citizens in U.S.	91
U.S. citizens in field	57
Indigenous employees in field	<u>197</u>
Total	345

J. Ballard Atherton resigned from the Board of Trustees in January 1962. No replacement has been found. This reduces the total Board members to 23. Effective 15 June 1962, the President, Robert Blum, resigned after

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eight years of dedicated service to TAF. No replacement has been found as of this date.

In January 1962, TAF opened an office in India. We look upon this event as growing proof of TAF's acceptability in Asia as a private, non-political instrument, competent in its field of helping Asians to help themselves.

On 5 May 1962, the Ne Win Government, which two months previously had come to power by a coup, issued an order that it no longer wished to have foreign advisers in the country. As a result The Asia Foundation, along with Ford Foundation, the Fulbright Program, and the British Foreign Council, began to withdraw. The TAF representative is expected to leave by November 1962.

c. Intelligence Production: During the FY 1962, a total of 80 reports were disseminated as CI, OO or CR reports of value to the Intelligence Community. Of this total 55 reports were disseminated by field stations. This represents a sharp increase over the number of field disseminations for FY 1961. Efforts to increase field dissemination will be continued. It should be noted that Stations have commented that the representatives supply them with information which is useful as operational and background data.

In order to correct further the time delays caused by overt handling of reports, arrangements have been made for the TAF San Francisco office to forward directly to the San Francisco office of OO the Bi-monthly situation analyses and other reports received on a regular basis. This should result in a saving in time of two weeks to a month and should produce an increase in OO disseminations.

During the reporting period in cooperation with TED the Representatives began furnishing the stations with letters and exemplars of Postal Intelligence which are "most valuable to TED and other Agency components in that they are a source of postal information which at present cannot be acquired through any other source." Since postal intelligence is non-static, current and new exemplars are needed on a continuing basis. The representatives have been most cooperative and energetic in this matter.

An additional source of such valuable information to the Agency is obtained upon the return of the Representatives to Headquarters. A debriefing is held for all interested Agency components and State Department.

d. Effectiveness: It would seem that the most reliable gauge for measuring the effectiveness of TAF is the growing acceptance of TAF by the Asian countries it deals with and in the depth it provides in American contacts in Asia. TAF's final acceptance in India during this reporting period would seem a clear tribute to the Foundation's effectiveness. TAF also receives much

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favorable evaluation from independent observers as well as U.S. Ambassadors assigned to the countries in which it operates.

e. Problems: During the past three years the problems of maintaining the cover and security of TWP have been greatly increased. No provision has been made for expanding the cover umbrella over TWP and its activities even though contemporary laws and investigative bodies concerning themselves with non-profit organizations make it increasingly difficult to maintain the cover of the Foundation. During its ten years TWP has been unable to publish its financial statements because these statements would show a deliberate pattern of "opener" funding wherein TWP each year spends funds approximately equal to its receipts. With the spotlight directed increasingly to organizations such as TWP, this type of operation is no longer acceptable or prudent. Action has been taken during the year to partially solve this problem by providing TWP with an Endowment Fund in an amount sufficient to permit the publication of financial statements which would reflect "income from investments" as a source of a reasonable portion of its annual income. Other changes proposed include the authority for TWP to retain the excess of the annual Agency budget over its current year incurred expenditures; to retain from side contributions; to retain income from investments of the Endowment Fund.

The Endowment Fund will be subject to controls to be provided for in a revised administrative plan pending approval of the Endowment proposal by the DDCI.

f. Language: Although TWP works largely in the private sector, there has been an increase in the last few years of programs with the Indigeneous Governments in Pakistan, Korea, Burma, Malaya and Singapore. TWP continues to maintain all required and advantageous liaison with U.S. Government officials and officers. Working liaison with Representatives of the Br-15ish Government is conducted through C 3

g. Interagency Coordination: Liaison with the field stations continues to improve since the establishment of monthly station liaison reports and field participation in the TWP budget preparation. The field review of the TWP 1963 program indicated very little disagreement and saw many more joint station-TWP programs. Several stations recommended budgets in excess of the ceilings proposed by Headquarters with ample justification.

TWP coordination in the field with AID, IM, Ford, Rockefeller, etc., is carried on continually in order to avoid overlap and duplication of effort and, in general, to assure that the programs being carried out are in furtherance of U.S. objectives.



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h. Plans: TAF will continue its long term projects in the fields of community affairs, law, labor, education, journalism, military, overseas Chinese, Buddhism, economics and science. Priority will be given to the placement of advisers in key positions with Asian governments and private institutions. Priority countries will be Laos, Vietnam, Cambodia and Afghanistan. (Since this section was written both Thailand and India have emerged as critical areas. In Thailand, as well as in Vietnam, Cambodia and Laos, projects are being designed which will contribute to the overall counter-insurgency effort. In India it is possible that projects will develop which will contribute in some significant manner to the Indian resistance to Chinese Communist aggression.)

In Korea, TAF has been asked to supply an adviser for the newly formed Korean Veterans Administration, a student guidance and counseling adviser, and an adviser to help establish a Foreign Service Institute. An American research expert will be assigned to Union Research Institute in Hong Kong to assist in strengthening and directing the assets of URI so they can be better used by CA assets. It is planned to initiate a substantial program of assistance to the Montagnards in Vietnam and to help the Vietnam Confederation of Christian Labor establish six adult education centers, pay salaries of English teachers, and cover expenses of a film program. Programs such as the Nieman Fellowship at Harvard, the Harvard International Seminar and the Congressional Fellowship Program will be continued, and a program of supplying non-communist textbooks for the Chinese schools of Laos will be undertaken. Increased programming in Borneo and Sarawak is expected and in the whole of Malaysia.

1. Costs: Three Headquarters case officers, two security CE officers and two secretaries spend full time on the operation of this project.

Total obligations for FY 1962 were [] broken down into line item categories as follows:

Program	[]
Administrative	
Overseas Program Support	
President's Reserve	
Headquarters Support	
Total	[]

For FY 1963 the total authorization of [] broken down as follows:

Program	[]
Administrative	
Overseas Program Support	
President's Reserve	
Headquarters Support	
Total	[]

