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## DEPARTMENT OF STATE

Washington, D.C. 20520

June 7, 1969

CONFIDENTIALMEMORANDUM FOR DR. HENRY A. KISSINGER  
THE WHITE HOUSE

Subject: The Asia Foundation

Some months ago Bob Murphy called me with respect to the desire of some members of the Board of Trustees of the Asia Foundation to call on the President to obtain the President's views with regard to the future of this organization, which was "orphaned" by the Katzenbach Report. I told Bob that I felt such a call was premature and said that I would be willing to discuss their problems with them.

Since that time I have had numerous meetings with the Foundation's President, members of the Board of Trustees and, of course, interdepartmental consultations, in an effort to assist the Foundation in working out its financial problems. The Foundation has on its own also been seeking, with some success, support from nongovernmental institutions and individuals. In general, we have been able to obtain about \$3 million annually from AID, our Bureau of Cultural Affairs, etc. The Foundation is seeking about \$3 million from nongovernmental sources for a total budget of around \$6 million. The Foundation is not seeking nor have I offered to consider any covert funding.

The Trustees strongly feel, and I agree, that it would now be very helpful in their private fund-raising activities and for the morale of the organization if some selected Trustees could have a brief meeting with the

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President at which the President would indicate his general support for the organization and his desire that it continue its activities. If you concur, I would appreciate your arranging an appointment with the President for Haydn Williams, President of the Foundation, together with Mrs. Maurice T. Moore (Henry Luce's sister), Barry Bingham, Lucian Pye and John Irwin. If I could be informed of the time and place I will undertake to see that they are informed.

The Foundation was established in 1954 entirely by and at the initiative of the U. S. Government, with all support coming from the Government. The many prominent Trustees (listed in the attached copy of the Foundation's "The President's Review, 1968") were recruited and agreed to serve only as a public service.

Having been cast adrift by the Katzenbach Report, the Trustees understandably feel some concern as to whether there is really high-level U. S. Government interest in seeing the operation continue. All of us concerned with Asian affairs feel that the Foundation has very creditably carried out the type of job supplementing our Governmental programs which can best be carried on by a private foundation. The Foundation has made a real place for itself throughout the area, and its formal public admission following the Katzenbach Report that it had been supported by the CIA produced almost no reaction in the area and does not seem to have significantly affected its work.

While the Trustees would, of course, hope for additional U. S. Government financial support and may raise this with the President, I do not feel that it is feasible or desirable to go much beyond what we have already done. Thus I would not recommend that the President make any commitments in this regard.

  
U. Alexis Johnson

Enclosure.

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MASSACHUSETTS INSTITUTE OF TECHNOLOGY  
DEPARTMENT OF POLITICAL SCIENCE

CAMBRIDGE, MASSACHUSETTS 02139

May 20, 1969

Dr. Henry Kissinger  
Executive Office of the President  
The White House  
Washington, DC

Dear Henry:

I am sure that you are aware of the serious situation with respect to the continuing financing of the Asia Foundation. As a trustee, and someone who has seen much of the work of the Foundation in Asia, I feel that I should communicate to you my great concern about the need for the Foundation to receive a level of support which will make it possible for it to realize its full potential in Asia. It has become quite clear to me that the level of contribution which we have been receiving from AID and CU are just not going to be adequate to maintain a dynamic program.

As we think ahead to the "post Vietnam period" in Asia I think it is going to be more important than ever that we have institutions such as the Asia Foundation with strong and active programs in Asia. It is also clear that there is an expanding need in such countries as Indonesia for the work of the Foundation.

I hope that sometime in the not too distant future it may be possible for us to talk over the work and the problems of the Asia Foundation, but in the meantime I do want to let you know how concerned I am.

It was good to have seen you last month and I hope that we can have other sessions in due time. In the meantime the very best of wishes.

Cordially yours,

*Lucian*

Lucian W. Pye

6-23-69

Dear Lucien:

Thank you very much for your letter on the financial problems faced by the Asia Foundation. We all recognize that the Foundation has played and can continue to play an extremely helpful role in Asia. The problem, of course, is one of arranging an adequate financial base for the Foundation. A good deal of study has gone into this problem and I understand that Government funds of about \$3 million will be available to the Foundation to meet about half of its budgetary requirements.

I have not had an opportunity as yet to give the Foundation problems full consideration, but I would be glad to talk to you sometime in the near future.

Warm regards,

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Henry A. Kissinger

Dr. Lucien W. Pye  
Department of Political Science  
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Cambridge, Massachusetts 02139

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