

Asia Foundation, from CIA Asia Foundation, in Pacific Research & 9-10/72 HW 12/16/72  
Earlier ref Ramparts 12/68, Guevara story

Well, sirs (and madam), right off the bat it seems that I may once have worked for the CIA in a single, special job. Yup, and didn't know it, either.

But to the wall I'll insist it was a good project. Here is how it happened.

At the time of the "kitchen" debate, when Khrushchev and Nixon talked about "peaceful competition", I didn't think either of them meant it and I did think it was a good idea. So, I decided to try to do something, something being to challenge the agriculture of the USSR to peaceful competition in chickens. Then against me. It seems more presumptuous than it was, but I didn't want to go off half-cocked. One of the cutsomers to whom I mentioned the idea was Bill Costello, who it now seems is a long-time associate of Tommy The Cork, aka as Chennault's man, among other things. Or, also in his own way CIA. Bill like the idea so much he phoned a friend of his in the USIA. Friend's only question seemed to be "How soon can he get here?" I got a ticket. \$5.00.

As I remember it Friend had a German accent, was in charge of the European desk, and was named Ralph Walter. This is the name in graph 3 for "the head of RFE's Munich headquarters", then identified "as an agent of the CIA".

So, maybe Penn Jones was right in calling me an "agent"?

And I guess the best "agent" really is one who doesn't even know it himself! That's also got to be the best cover!

If I may for a minute switch roles and appear as a non-agent of an agent, can one infer that the CIA ran the USIA's European desk?

This piece mentions a Committee for a Free Europe, is about a Committee for a Free Asia, says they are both CIA, and if there is no mention further, let it be noted that there was also a Committee for a Free Cuba, it was CIA (\$500,000 yearly) and its flack was the Allen agency of current notoriety in raising Creep money through 150 fronts and as an alleged employer of E. Howard Hunt (who was v.p. and director, not merely hired pen).

For those with the interest, JP has not yet ~~xxxxxxxxxxxx~~ sent the index he says he made of my old foundations file. I have four envelopes of that file. He says this is all he had. I had more than he didn't have. If and when I get the index, I'll keep those envelopes separate in the event someone indexes the other files.

These include at least two series of articles, one in the New York Times, by or including Tom Wicker, and the famous-last-words one by Dan Kurzman in the Wash. Post. Kurzman's has much AFL-CIO stuff in it, includes an interview with Jay Lovestone, and more of this will appear, I hope soon, as a book made from a doctoral thesis I was able to persuade a young man, now a professor of history, to do perhaps ten years ago.



# CIAsia Foundation

by Steve Weissman and John Shoch

The Asia Foundation, the San Francisco group long active in Asia, took money from the Central Intelligence Agency (CIA). That much is public record, confirmed by Foundation officials during the CIA exposes of 1967.<sup>1</sup>

But what neither Foundation officials nor exposes explained is that the CIA actually organized the Asia Foundation and directed its activities from the start.

## RADIO FREE EUROPE

Proof for this charge can be found in Senator Clifford Case's 1971 exposure of the CIA's role in another group — Radio Free Europe (RFE). Like the Asia Foundation, RFE had shown up on the gift list of the CIA's conduit foundations.<sup>2</sup> But Senator Case, who introduced a bill to require open government funding of RFE, went further. He charged that the CIA had spent several hundred million dollars on RFE and its sister station, Radio Liberty — beamed to Russia. "Yet at no time," he said, "was Congress asked or permitted to carry out its constitutional role of approving the expenditure."<sup>3</sup>

Evidently the government agreed. In May, 1971 President Nixon asked Congress to establish and fund a nonprofit corporation to finance and supervise the two stations.<sup>4</sup> Subsequently, Nixon assistant John Dunning admitted that over RFE's history, private contributions "made up some 18.7 percent of RFE's operating costs, including the cost of fund-raising."<sup>5</sup>

To make the case even tighter, the *New York Times* identified the head of RFE's Munich headquarters, Ralph Walter, as an agent of the CIA.<sup>6</sup> RFE employees were sworn to secrecy, and then informed that "RFE is a project of the CIA." The *Times* explained that besides newsgathering RFE participated in escape networks out of Eastern Europe, paid newsmen to bring back specific information, and maintained continuing contacts with residents of several Soviet Bloc countries.<sup>7</sup>

Radio Free Europe, however, was not an isolated organization. It was itself the creation of the National Committee for a Free Europe, Inc., headed by former Ambassador to Japan, Joseph Grew, and organized with the help of long-time CIA chief Allen Dulles.<sup>8</sup>

The Committee for a Free Europe also sponsored the *Crusade for Freedom*, which in the middle of 1950 sent the Freedom Train around the United States to collect signatures on a Freedom Scroll in support of the anti-communist West Germans. The crusade, headed by Berlin Airlift hero Lucius Clay, was ostensibly the fund-raising arm of Radio Free Europe, which as we have seen got most of its money from the CIA.<sup>9</sup>

It seems clear, then, that the entire group — Radio Free Europe, the National Committee for a Free Europe, and Crusade for Freedom — were all part of the same CIA package. But the Free Europe group also had an Asian component — the Committee for a Free Asia (CFA), which in 1954 became the Asia Foundation.

## COMMITTEE FOR A FREE ASIA

Starting up in March, 1951, the Committee for a Free Asia had its own Radio Free Asia. The Committee also prepared written material, mobilized church groups and garden clubs behind a "Seeds for Democracy" campaign in the Philippines, and conducted a special student contact program for Asians at U.S. universities. A newspaper, the *Asian Student*, went out regularly, and the Committee sponsored student exchanges, bringing "democratic student

leaders" to congresses of the US National Association. Both in the United States and in the Committee worked closely with Asian particularly overseas Chinese, "calling for support of anti-communist governments."<sup>10</sup> anti-communism, the Committee also "sold system of free enterprise."<sup>11</sup> That, at least, face.

The Committee was quick to stress its Francisco, "a natural headquarters for the because of its unique geographic, cultural relationships with Asia."<sup>12</sup> Brayton Wilbur, chairman, was a well known San Franciscan, ac trade and president of the World Affairs Council California. (He was also at the time a trustee of Institute for Pacific Relations, the group attack Joseph McCarthy and the right wing for "selling Kai-shek to the Communists.") The other of Committee — Charles Blyth, Turner McBaine, and Zellerbach — were equally identified as leading citizens.<sup>13</sup>

But, by the Committee's own account, it connected to the CIA's Radio Free Europe according to CFA's prospectus, the National Committee for a Free Europe and the Crusade for Freedom p initial money for the Asian group.<sup>14</sup>

Second, the executive vice-chairman of the Abbott Washburn, was one of only three non-Cal the board of the CFA.<sup>15</sup> Edward Kennedy (not T had served as special assistant to President Jose

1. "Asia Foundation Got CIA Funds," *New York Times*, March 22, 1967, page 17.
2. "21 Foundations, Union Got Money from CIA," *New York Times*, February 26, 1967, page B3.
3. "Support of Radio by CIA May End," *New York Times*, May 3, 1971, page C11.
4. "US Foreign Radio Plan," *San Francisco Chronicle*, 24 1971, page 12.
5. James R. Price, "Radio Free Europe — A Survey Analysis," Library of Congress Foreign Affairs I as reprinted in the *Congressional Record*, March 1 page S3350. Dunning also said that fund-raising absorbed 37.5 percent of total funds raised privately.
6. "Embattled Radio Free Europe Defends Role," *New York Times*, March 15, 1971, page 10.
7. *ibid.*
8. *Newsweek*, July 17, 1950.
9. *ibid.*
10. Brayton Wilbur, press release, Committee for a Free Asia, May 18, 1951.
11. George Greené, first CFA President, as quoted in Marshall Windmiller and Jack Howard, *Nation*, 1953.
12. "Questions and Answers," Committee for a Free Asia, 1951.
13. Prospectus, Committee for a Free Asia, Inc., May, 1951. Blyth and Zellerbach were also key figures in the CFA's "urban redevelopment" planning.
14. Prospectus, CFA, "The National Committee for a Free Europe voluntarily undertook to underwrite the development of this Committee's financial support. The Crusade for Freedom, under the leadership of General Lucius D. Clay, has indicated this year it will contribute to the Committee for a Free Asia."
15. *Who's Who in America*. Washburn was also on Dwight D. Eisenhower's personal staff (1952). From 1954-6 he served as Deputy Director of the US Information Agency (USIA).



the Committee for a Free Europe during the establishment of RFE, became vice-president of the new group.<sup>16</sup>

It is likely that the CIA also helped place at least three other members of the San Francisco staff: James T. Ivy, in charge of student contacts, had been a Lt. Colonel in the Air Force, a regional director of the American aid mission in Mainland China, and the Executive Officer of Jimmy Yen's Joint Commission on Rural Reconstruction in Taiwan.<sup>17</sup> James L. Stewart, of the Educational Program, had organized the China Division of the Office of War Information, served as Director of Psychological Warfare, and gone on to Korea as information chief first for the Army and then the State Department.<sup>18</sup> George Greene, the first president, had served two wartime stints with the Office of Strategic Services (OSS) and a year (1949) with the US aid mission in China in its last-ditch attempt to stave off the Maoist Revolution. Then, serving only until the end of 1951, the long-time banker went off on a traveling fellowship "to conduct economic studies in Southeast Asia relative to the problem created by Communism and its advance in the Far East."<sup>19</sup>

Third, according to published reports, the National Committee for a Free Europe's New York office directed the activities of Radio Free Asia.<sup>20</sup>

#### ROBERT BLUM AND THE ASIA FOUNDATION

The Committee continued until October, 1954, when it officially became the Asia Foundation. The reasons for the shift are not clear, but preliminary evidence suggests — though by no means conclusively — that the CIA was still providing more than money.

The man who actually accomplished the shift was a dynamic, liberal-sounding Ph.D., Robert Blum. A native San Franciscan, Blum had compiled a distinguished World War II record as an intelligence operative in Paris, London, and Washington. He then stayed with the OSS until its formal dissolution in 1946, whereupon he took up a number of posts which were quite likely "cover" for continued intelligence activity:

- 1946 — executive director of the otherwise unidentified Greenwood Foundation
- 1947-49 — "on the staff of the Secretary of Defense"
- 1948-50 — in France as an aid official in charge of Overseas Territories
- 1950-51 — in French Indochina as head of a special technical and economic mission.
- 1952-53 — in France as Assistant Deputy for Economic Affairs in the office of the U.S. Special Representative in Europe.<sup>21</sup>

According to the *New York Times*, Blum's mission to Indochina involved both exposure to military conflict and intricate efforts persuading French authorities to permit the United States to bring in goods from the United States and other Dollar-Area countries. Sale of these goods provided local currency funds for financing American activities in the French colony.<sup>22</sup> According to the Pentagon Papers, Blum was also instrumental in the mission of R. Allen Griffin,

which first involved the United States in directly aiding the French war in Indochina.<sup>23</sup>

Blum's last official post before joining the Committee is even more suggestive. Returning from Europe he became chief of staff for the President's top-secret Committee on International Information Activities. Many of this committee's reports to this day remain highly classified, but is known publicly that the committee did evaluate the morale of US overseas professionals, psychological warfare activities of the US government, and the operations of the National Security Council.<sup>24</sup>

In this post Blum worked directly under Crusade for Freedom vice-chairman Washburn, who was serving as executive secretary, and RFE-President C.D. Jackson, vice-president of Time, Inc. and one of the nation's top psychological warfare experts during World War II.<sup>25</sup> So, it was not at all unusual that as soon as the Commission made its report, Dr. Blum showed up as President of the Committee for a Free Asia.

Blum took on his new post in August, 1953, and in October of the following year he accepted the resignation of its board, disbanded the committee and in its place helped organize a new West Coast group, the Asia Foundation. Brayton Wilbur, McBaine, and Zellerbach rejoined the new board, as did the Presidents of Stanford University, Standard Oil of California, and a few other local notables. But dominating the new foundation were some of the major figures in American foreign affairs, including former Marshall Plan administrator Paul Hoffman, Grayson Kirk of Columbia University, the executive director of the Council on Foreign Relations (CFR) Walter Mallory, the chairman of the CFR Henry Wriston, and Korean War negotiator Arthur Dean.<sup>26</sup> The CIA continued to foot the bill<sup>27</sup> — the whole thing, according to a foundation staff member.

And Blum stayed on until 1963, when he was called to the Council on Foreign Relations to work under former-CIA-chief Allen Dulles as staff director of the mammoth re-evaluation of U.S.-China relations.<sup>28</sup>

- 16. Background Memo, Committee for a Free Asia, May 28, 1951.
- 17. *ibid.*
- 18. *ibid.*
- 19. Press Release, Committee for a Free Asia, December 11, 1951.
- 20. Richard Crossman, "Radio City — Munich," *New Republic*, June 1, 1953, page 13.
- 21. "Robert Blum, Asia Expert Dies," *New York Times*, July 10, 1965, page 25.
- 22. *ibid.*
- 23. *US-Vietnam Relations, 1945-1967* (Pentagon Papers), Government Printing Office, 1971. volume VIII, pages 291 and 300.
- 24. *Public Papers of the President, 1953*, item 231.
- 25. See *Who's Who in America*, of the period.
- 26. The Asia Foundation has always listed its Board of Trustees in its Program Bulletin.
- 27. *New York Times*, March 22, 1967.
- 28. For the CFR Blum wrote *The United States and China in World Affairs* (McGraw-Hill, 1966). David Horowitz summarized the CFR project in "The Making of US-China Relations," *Ramparts*, October, 1971.

## Piping Oil Through Thailand

by Jon Marshall

Japan's need to protect its foreign supplies of petroleum is a major factor influencing its foreign policy, for only a small fraction of its enormous need is met by output from domestic wells.<sup>1</sup> Japanese policy-makers are especially concerned with the safety of its oil flow from the Middle East, from which Japan imports over 90% of its total oil requirements.

To transport this oil from the fields of Arabia to the South China Sea through the Indian Ocean, Japan's tankers must cross 12,000 kilometers of ocean — an expensive journey. And it is dangerous as well. The 200,000 ton tankers, with a draw of over 20 meters, barely negotiate the shallow, 300-mile long Straits of Malacca between Malaysia and Indonesia.<sup>2</sup> In 1967 the 150,000-ton *Tokyo Maru*