

**February 20, 1956**  
**Report No. 74 from Do Soon Chung to Syngman Rhee**

**Citation:**

"Report No. 74 from Do Soon Chung to Syngman Rhee", February 20, 1956, Wilson Center Digital Archive, B-337-162, The Korean Legation in the Philippines, Reports from the Korean Mission to the United Nations and Republic of Korea Embassies and Legations, Syngman Rhee Institute, Yonsei University.  
<https://wilson-center.drivingcreative.com/document/123272>

**Summary:**

Do Soon Chung briefs President Rhee on the 53 reorganization plans submitted by President Magsaysay to the Congress as well as the status of negotiations between Japan and the Philippines over reparations.

**Credits:**

This document was made possible with support from Syngman Rhee Institute, Yonsei University

**Original Language:**

English

**Contents:**

Original Scan

Report No. 74

**LEGATION OF THE REPUBLIC OF KOREA**  
MANILA, PHILIPPINES

February 20, 1956

**Excellency:**

President Magsaysay submitted to congress 53 reorganization plans designed to streamline important government offices, agencies and corporations.

These plans were among 62 revamp plans previously presented to the President by the Government Survey and Reorganization Commission. Among the most important plans approved by the President were:

1. Creation of a National Development Authority which will act as holding company for all government corporations and replace the Office of Economic Coordination, National Development Company and the Board of Liquidators. These agencies are to be abolished.
2. Reorganization of the Bureau of Internal Revenue, Bureau of Customs and the Bureau of Treasury.
3. Revitalization of the National Security Council with emphasis on its role as the top-most entity for intelligence policy.
4. Strengthening of the Budget Commission as the staff arm of the President with primary responsibility for initiating and promoting necessary action for analysis, coordination and control of financial management and general management practices of the government.
5. Creation of two positions of undersecretary in the Department of Education; one for public education and another for private education and cultural activities.

Congress continued this week to show deep concern over the nation's economic problems. Public hearings were conducted by various congressional committees. Congress started deliberating on the sweeping plans to reorganize the national government which President Magsaysay submitted.

Japan broke the one-month stalemate on the Philippine reparations question upon the reopening of formal negotiations between the representatives of the Japanese and the Philippine governments.

297

- 2 -

Ambassador Felino Neri, Philippines' chief reparations negotiator, and the Jap diplomatic representative had started the formal talks during a make-or-break closed door conference at Malacañang last Tuesday, February 14. Ambassador Neri said that the Jap representative, acting on instructions from his government, requested the Philippine Government for certain further clarifications on two controversial features of the Philippines \$800-million formula: the \$250-million long-term development loans and the \$20-million cash reparations clause.

The First World Abaca Conference will be held in Manila from February 20 to 24, inclusive, under the auspices of the Department of Agriculture and Natural Resources of the Philippines, and will discuss mutual problems on international trading of abaca.

On February 18th, I received a cable from the Ministry of Foreign Affairs instructing me to attend the First World Abaca Conference as Chief Delegate from Korea with Mr. Chang Hee Rhee, Managing Director of the Korea Rope Manufacturing Association, as Delegate. It is a great honor for me to represent Korea in this Conference and I will do my best to find means to promote the abaca industry of our country.

Faithfully yours,

  
DO SOON CHUNG

His Excellency Syngman Rhee,  
President of the Republic of Korea,  
Seoul.

Copy to Acting Foreign Minister Chung Whan Cho

2P8