

SECRET

PROJECT APPROVAL NOTIFICATION

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

ACTION		AREA	
	NEW PROJECT	DIVISION	
	AMENDMENT	SB	
X	RENEWAL FY 1971	BRANCH	
	TERMINATION	SB/PO/M	
	EXTENSION	DESK	
	OTHER	CASE OFFICER	EXTENSION
		[]	5877

AUTHORIZATION			
APPROVING AUTHORITY	TOTAL AMOUNT APPROVED	FY	AMOUNT
ADD/P	\$ []	1971	
PERIOD OF APPROVAL		196	
FROM 1 July 1970 TO 30 June 1971	FINANCIAL CODE SYMBOL	1134-0612	

CONDITIONS OF APPROVAL

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

SIGNATURE	DATE
(Signed) []	24 APR 1970
MPS/BG	

DISTRIBUTION											
APR 78											
1	FINANCE DIVISION	1		1	BUDGET DIVISION	1	OPERATING DIVISION CHIEF OF SUPPORT	1	CASE OFFICER	2	MPS/BG

10 April 1970

MEMORANDUM FOR: C/CA/PEG

SUBJECT: FY 71 Renewal of Project AERODYNAMIC (SB/Ukraine)

1. This renewal requests \$[] up from \$[] approved for FY 70, to continue support for publication and contact activities of the Foreign Representation of the Ukrainian Supreme Liberation Council (ZP/UHVR). The budget increase is solely to improve a lagging salary schedule. We recommend approval.

2. During FY 70, SB Division's only project directed at a non-Russian nationality and exploiting the minority question in the USSR has continued its efforts, effective to a considerable degree on evidence presented in the Media Effectiveness Annex and elsewhere, to encourage intellectual dissidence and the preservation of the national consciousness, culture and language in the Soviet Ukraine. Substantial distribution of its established periodicals, 12 special publications (dissident literature, art, political monographs, etc.) and appropriate materials published by others is being achieved in the Ukraine as well as contiguous target areas. Soviet attacks on these are noted with increasing frequency. Appearances in the Ukraine of intellectuals collaborating with the project and the flow of people, correspondence, materials and ideas indicate significant contributions to a strengthening of the national consciousness and the desire for autonomy within the USSR.

3. We repeat our request of last year to receive some of the project's production for evaluation. Otherwise, our recommendation is based on inadequate evidence.

4. The project has apparently matured without loss of youthful vigor; and we trust that the possible curtailment of activities because of mounting costs can be accomplished without loss of effectiveness.

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C/CA/PROP

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21 April 1970

MEMORANDUM FOR: ADDP
THRU : MPS/BG, ~~SECRET~~
SUBJECT : CI Staff Review of Project AERODYNAMIC

CI Staff recommends approval of Project AERODYNAMIC, a support project for ZP/UHVR (Zakordonne Predstavystvo Ukrain's'koyi Holovnoyi Vyzvol'noyi Rady - Foreign Representation of the Ukrainian Supreme Liberation Council in New York City and Munich but has the following comments.

1. As the project outline states, Prolog has been re-organized as a commercial enterprise and since July 1969 has been funded via two notional users of its research services, while the Munich office (ZP/UHVR) and its publishing outlet continue to be funded via [] banks. Therefore, there is no ostensible funding connection between the two offices at least from the United States. However, it should be noted in considering the viability of this cover that accounting books of the Munich office still show Prolog as the source of the money coming from []. In addition, Prolog acts as the editorial office for the Munich office, so that the flow of material is from Prolog to Germany; thus attempts to deny connection between the two offices would be somewhat difficult.

2. During our discussion with SB/PO/M on the general security of the project, the latter commented that the KGB continues to be active against the project and Ukrainian emigres in general. Known examples of Soviet efforts during the past year were the attempt to recruit Wira WOWK and increased security measures that have stopped the stockpiling of literature with Ukrainian contacts in Czechoslovakia. SB/PO/M and CI/OPS agreed that in the coming year, greater efforts should be made to collect evidence of the success of the project's activities in reaching targets in Eastern Europe and the Soviet Union.

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3. It would be helpful if the next project outline contained a short description of the current cleared and witting assets in accordance with CSHB 230-60-1.

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CI/OPS/SB

Distribution:

Orig - Addressee

1 - MPS/BG, ~~1-1-64~~

2 - SB Division

1 - CI Staff

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CA/PEG PROJECT DATA SHEET

Date 15 April 1970

Div/Br/Desk	Country	Type of Action	Function	Project Cryptonym
SB/CA	USSR	FY 71 Renewal	Propaganda	AERODYNAMIC

1. Funds	<u>Programmed</u>	<u>Requested</u>	<u>Approved</u>	<u>Obligated</u>
FY 1970		\$ []	\$ []	\$ [] (31 March 70)
FY 1971	\$ []	\$ []		
FY 1972	\$ []			

2. Description of Activity:

Project AERODYNAMIC is the principal vehicle through which SB Division conducts its operations against the Ukrainian Soviet Socialist Republic. The main purpose of the project is to exploit contacts with Soviet Ukrainian citizens in order to encourage national and intellectual unrest in the Ukrainian SSR, thus encouraging cultural and intellectual freedom for Soviet citizens. CIA has been in contact with the ZP/UHVR (Foreign Representation of the Ukrainian Supreme Liberation Council) since 1950. Anti-Soviet propaganda activities were begun from New York by a panel of the ZP/UHVR in 1953. As of 1968, all activities and all publications, with the exception of the Information Bulletin, originated in Europe. The Prolog Research Corporation of New York, N.Y. conducts the research, writing and contact operations of the project.

3. Funding:

Formerly, Prolog Research and Publishing Association, Inc., the non-profit, tax-exempt cover company for the ZP/UHVR's activities, was funded through the [] [], a legal entity established by CIA.

Effective July 1969, a new funding procedure was accomplished by the creation of two notionals - [] [], and []

[] []. Funds for the New York Prolog office are passed via Denver and Los Angeles and receipts are furnished Prolog showing fund origin to backstop questioning by New York

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fiscal authorities. Funding of the Munich branch of Prolog will continue via [] bank transfers; however, the account is not in the name of Prolog. To further reduce security hazards, the \$[] contingency fund held in the Prolog Swiss account was liquidated early 1970. Even with this device, it is estimated that some Munich personnel are witting of U.S. Government involvement, and some others may suspect such involvement.

4. Interagency Coordination and Approval:

On 30 October 1967, the 303 Committee held up approval pending a review of the project by Ambassador McGhee in Germany. The Ambassador approved on 17 November 1967. The 303 Committee again reviewed on 1 December 1967 and (a) approved continuation of CIA's relationship to Prolog subject to annual review of Prolog's value and effectiveness; (b) approved the merger of Prolog's activities with Suchasnist in Munich, and the continued residence of certain Prolog personnel in the United States; (c) took note of the fact that Prolog publications will continue to find a limited market in the United States. Deputy Assistant Secretary of State briefed in November 1967. ZP/UHVR collaborators who contact Soviet diplomatic and United Nations personnel are either advised to report their contacts to the FBI or the contact is coordinated with the FBI through the project case officer.

On 27 December 1968 the 303 Committee again approved the project. The question was raised if it were likely that the organization had been penetrated, and the reply was that no evidence had turned up and that if it were not penetrated years ago at the time of origin, it was unlikely to have been since because there had been no new memberships.

More recently, Deputy Assistant Secretary of State Emory C. SWANK endorsed the activity of this project on 6 November 1969; and the 303 Committee reaffirmed its policy endorsement of the project on 23 December 1969.

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CA/PEG PROJECT EVALUATION

Date 15 APR 1970

	Initials	Date	Initials	Date
1. DC/CA/PEG		15		
2. AC/CA/PEG	WCV	April	5. MPS/BG/CA	
3.			6. ADDP	
4.			7.	

PEG Eval.
Officer
Date
Received **6 Apr 70**
Date Due in
MPS/BG/CA **17 Apr 70**

~~XXXXXXXXXX~~ EVALUATORY COMMENT:

1. This renewal request presents a realistic account of effectiveness. The basic purpose of the project is to expose and inhibit Moscow's policy to Russify the Ukraine and at the same time to exploit nationalistic cultural tendencies within the area. The ZP/UHVR, with its small staff of writers and researchers operating under the Prolog Research Corporation, maintains contact and conducts dialogues with dissident Ukrainian intellectuals and also directs the publication and distribution of literature among Ukrainians within Russia and Ukrainians residing in Western Europe and the Eastern European countries.

2. Signs of reformist and revisionist sentiments within the USSR have been increasing, particularly among Ukrainians. Attesting to the unrest is the fact that during FY 1970 Prolog acquired clandestinely 52 documents and other material from Ukrainian dissidents. Five of these were published and distributed, and the remainder will be published in book form during this year. In addition, Prolog continued a program, begun in FY 69, of stockpiling literature with Ukrainian contacts residing in Czechoslovakia; these contacts organize trips to Kiev and other cities where the literature is distributed. Also, channels to the Ukraine via Ukrainians living in Yugoslavia have recently been established; and books have been deposited with this group for delivery to the Ukraine. Similarly, the ZP/UHVR has made arrangements to have a Yugoslav publisher print dissident literature. During the reporting period over 14,000 pieces of literature were distributed by mail or by person to person. As of early 1970, 20 intellectuals living in the Soviet Ukraine are in direct correspondence with Prolog. One of Prolog's collaborators visited the Ukraine and worked with two dissidents on a book to be published in Kiev; other publications will include literature

Div/Br/Desk	Country	Type of Action	Function	Project Cryptonym
SB/CA	USSR	FY 71 Renewal	Propaganda	AERODYNAMIC

ADDP Action:

Amount

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written by Ukrainian emigres, stimulating further the autonomous sentiment within the Soviet Union.

3. ZP/UHVR efforts to exploit nationalistic sentiment has met in recent months with increasing Soviet attacks aimed at Ukrainian emigres and especially at ZP/UHVR personnel and its publications. During the same period, the USSR has spoken more strongly against "bourgeois nationalism", but has dealt less harshly with Ukrainian dissident intellectuals within Russia, signifying that the Kremlin is fearful of aggravating further an already difficult situation. This renewal estimates that project AERODYNAMIC is strengthening "the morale of the dissidents" and is helping in working out a common political strategy. CA/PROP agrees with this estimate of effectiveness and also notes that the recent flow of people, correspondence, materials and ideas indicate a rising national consciousness among the people of the Ukraine. CA/PROP concurs with the renewal request, but with the understanding that some of the production of the project will be provided for evaluation.

4. With one exception, there have been no major administrative changes over last year. The single exception is the proposed increase in salaries for the employees of the Prolog office. SB Division has conducted comparative analyses of wage scales and finds that the employees are due wage increases (totaling to about \$[] annually) to make their remuneration equal to that of other government workers. CA/PEG endorses this proposal.

5. CCS/PRG and CA/B1 concur in the renewal request without comment.

6. CA/PEG recommends approval of the renewal request with the understanding that SB Division forward to CA/PROP for evaluation representative samples of AERODYNAMIC publications.

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PROJECT ACTION

AERODYNAMIC

	TYPE OF ACTION		F1/CI	XX	CA	OTHER
	NEW PROJECT APPROVAL	DIVISION Soviet Bloc				
	AMENDMENT NO.	FIELD STATION				
	X RENEWAL FY 1967	BRANCH SB/PO/M	DESK			
	EXTENSION	CASE OFFICER E	7 & C		DATE 18 Mar 70	
	TERMINATION	ROOM NO. 4D30	BUILDING HQS	TEL. EXT.	RED 9078	BLACK 5877

CONCURRENCES OF DIVISIONS

ORGANIZATIONAL ELEMENT	TYPED NAME (and signature)	DATES		MEMO ATTACHED	
		IN	OUT	YES	NO
CSB/PO/M	E	19 Mar 70	14 Mar 70		✓
DC/SB/POS	E	19 Mar 70	19 Mar 70		
CSB/POS	E	20 March	20 March		
CSB/BF	E	23 March	25 March		✓
CSB/SS	E	25 Mar 70			✓
SB/PPC	E	3/26/70	3/26/70		✓
DC/SB	E	26/3/70	26/3/70		✓
C/SB	E				

CONCURRENCES OF OTHER COMPONENTS

		DATES		MEMO ATTACHED	
		IN	OUT	YES	NO
C/EUR/CA	E	26 Apr 70	26 Apr 70		✓
CA/C-PEG	E	6 ^A 1970	15 ^{APR} 1970		
CCS/COPS	(Signed) E	8 Apr 70	10 Apr 70		X
C/MPS/BG	E	21 Apr 70			
C/MPS/BG/CA	E	1 Apr 70	21 Apr 70		
CI/OPS/SB	(Signed) E	6 Apr 70	21 Apr 70	X	

ALL FUTURE ACTIONS ON THIS PROJECT REQUIRE

APPROVAL

APPROVAL OF	PERIOD	AMT THIS ACTION	FY	TOTAL AMOUNT
ADDP	30 June 1971	\$ E	196	\$
			19671	\$

APPROVING AUTHORITY ADDP	SIGNATURE E	DATE 22 Apr 70
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AERODYNAMIC - New York City, N.Y. and Munich, Germany - Support of ZP/UHVR (Zakordonne Predstavnytstvo Ukrain's'koyi Holovnoyi Vyzvol'noyi Rady - Foreign Representation of the Ukrainian Supreme Liberation Council) FY 1971 Cost []

	Approved	Obligated
FY 1966	\$ []	\$ []
FY 1967	[]	[]
FY 1968	[]	[]
FY 1969	[]	[]
FY 1970	[]	[]

(as of 28 February 1970)
[] (3/31/70)

Purpose

The purpose of Project AERODYNAMIC is to exploit intellectual dissidence and nationalistic cultural tendencies in the Soviet Ukraine through publications specifically directed toward the target audience, with the aim of encouraging the maintenance and development of the traditional Ukrainian national identity and preservation of the Ukrainian language. The ZP/UHVR does not attempt to provoke separatist manifestations in the Ukraine. It represents two-and-a-half million Ukrainian emigres throughout the world, and is a channel of political and cultural influence to Ukrainians in the Soviet Union. AERODYNAMIC is the only CIA project directed at non-Russian nationalities in the USSR. ✓

Description

Publication activity of Project AERODYNAMIC is handled through the Prolog Research Corporation of New York, N.Y., a commercial organization. All publications originate in Europe through the ZP/UHVR affiliate Ukrainische Gesellschaft fur Auslandstudien (Ukrainian Society for Studies Abroad), in

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GROUP 1
Excluded from automatic
downgrading and
declassification

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Munich, Germany. Operational contact with Prolog and ZP/UHVR is maintained by the Headquarters case officer through the principal agent, Mykola LEBED, or his cleared and witting deputy, Anatol KAMINSKIY, in Washington or New York. There is no case officer contact with the Munich element.

Changes

1. A new procedure was established in July 1969 for funding Prolog Research Corporation, the cover mechanism for ZP/UHVR's clandestine activities, eliminating the passage of funds through [redacted], [redacted], and [redacted], two notional users of Prolog's research services, were created for backstop purposes. Funds for the New York office of Prolog are passed via the two notional organizations, based on contracts supplied Prolog to backstop any inquiries from state authorities. The Munich branch of Prolog continues to be funded via bank transfers from numbered [redacted] bank accounts, which show no connection with Prolog. The transfers of funds for Munich through [redacted] are arranged by the project case officer through the Office of Finance. The Prolog bank account in [redacted] and previously utilized for the transfer of operational funds from CIA to Prolog has been liquidated.

2. Under Prolog's current cover of a taxable, profit-making commercial enterprise, it was considered advisable to liquidate the \$[redacted] contingency fund held in the Prolog [redacted] account. This fund was established in 1967 to increase the working capital of Prolog in an effort to reduce the security and administrative hazards under the former cover of a non-taxable organization. Under the new cover the contingency fund was considered a security hazard in view of the tight budget under which Prolog operates; therefore, with the concurrence of the Office of Finance, the emergency fund was returned to CIA on 23 February 1970 via a bank transfer to another account in [redacted] provided by the Office of Finance.

Accomplishments

Signs of growing national consciousness in the Ukrainian republic have been increasing, as have indications that Ukrainians

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are seeking greater autonomy within the Soviet Union. Ukrainian intellectuals are seeking to strengthen and preserve the position of the Ukrainian language in the Ukraine. ZP/UHVR's efforts to exploit this situation have been met with increasing Soviet attacks against Ukrainian emigre nationalists and particularly against ZP/UHVR's personnel and its publications. At the same time, Soviet authorities have increased their criticism of bourgeois nationalism in the Ukraine, but to date they have dealt less severely with dissident Ukrainian intellectuals than they have with Russian dissidents, indicating perhaps a reluctance to aggravate an already precarious situation.

Prolog has established a reputation over past years as a reliable channel to the West, capable of presenting the plight of Soviet Ukrainian dissidents to the Western world and of lending moral and material aid to their activities. The personal contacts afforded Soviet Ukrainian dissidents by visiting Prolog collaborators have developed into personal friendships which have been instrumental in keeping Ukrainian dissidents informed of happenings outside the Ukraine and about "outside" opinion of their own situation in the Soviet Union, in strengthening their morale, and in working out a common political strategy against the Soviet regime. Of particular interest to Ukrainian dissidents was the information supplied them about the publicity given in the West to their dissident literature and activities. Prolog was able to dispel dissidents' misgivings about reports received concerning politically inaccurate commentaries in the Western press, in which they reportedly were represented as radical revolutionaries by supplying microfilm copies of Western press items.

Fifty-two documents were acquired in FY 1970 to date attesting to Ukrainian dissidence through contact operations by means of exfiltration from the Soviet Union. Five have been carried in ZP/UHVR publications, and the others will be surfaced in book form during the late spring of 1970. There have been three disseminations of positive intelligence, and eighteen issues of eleven different newspapers, not obtainable outside the USSR, were made available to CIA.

Prolog continued a program, started in FY 1969, of stockpiling literature with Ukrainian contacts in Czechoslovakia

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despite a tightening up of security within that country, as well as maintaining its contacts with Ukrainians living there. These contacts organize trips for young Ukrainians living in Czechoslovakia to Kiev and other Ukrainian cities, and during these trips this literature is passed to Soviet Ukrainians. Channels to the Ukraine via Ukrainians living in Yugoslavia also have been established, and books have been deposited with contacts there for delivery to the Ukraine. An agreement was reached between a Yugoslav publisher and the ZP/UHVR's Munich office to have ZP/UHVR literature printed in Yugoslavia. A collection of poetry has already been delivered for an estimate of printing costs. Arrangements were also made for overt private cultural exchanges between Ukrainians in West Germany and in Yugoslavia. A Ukrainian newspaper editor from Banja Luka, Yugoslavia, is scheduled in March 1970 to read a paper in Munich on the Ukrainian minority in Yugoslavia.

Problems

As a result of its depressed wage scale, Project AERODYNAMIC has had difficulty acquiring new young staff personnel at its current rates. In view of this and the increasingly high cost of living in the New York area, we compared project salaries with salaries for comparable activities listed under the U.S. Department of Labor, Bureau of Labor Statistics National Survey of Professional, Administrative, Technical and Clerical Pay as of June 1968, and found that project salaries were below standard. In addition, the CIA Office of Personnel, Position Management and Compensation Division, reviewed the duties and responsibilities of Prolog personnel and recommended salary increases in accordance with equivalent GS grades. The Federal Pay Scale, effective 1 July 1969, was used as a guide in selecting appropriate levels, based on the employees' longevity, overall contribution, and experience on the job. Attachment No. 6 is a copy of the memorandum from the OP/PMCD listing suggested appropriate GS grades for project employees. Included in the figure for the FY 1971 budget is \$C 7 to cover the salary increases.

Coordination

Project AERODYNAMIC was approved by the 303 Committee on 1 December 1967, 27 December 1968, and 23 December 1969.

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Deputy Assistant Secretary of State Emory C. Swank endorsed the activity on 6 November 1969.

Future Plans

ZP/UHVR plans to continue its current publications activity and contact operations in FY 1971, with continued direction from the New York office of Prolog. The reduced dollar subsidy as a result of the revaluation of the Deutsche Mark is forcing the Munich publishing element to curtail activities. Mounting costs of printing and the inflationary spiral in both Germany and the United States will require ZP/UHVR to reevaluate its entire program and effect drastic economies in publishing and contact operations. Close case officer supervision will be mandatory to insure that Project AERODYNAMIC is able to carry out its purpose and mission in the most efficient and economical manner possible, without loss of personnel, morale, effectiveness of the organization, or impact of its publications.

Costs

- Attachment 1 is a budget summary for AERODYNAMIC
- Attachment 2 is a detailed budget breakdown
- Attachment 3 is the detailed payroll breakdown
- Attachment 4 is the research breakdown
- Attachment 5 is the publications program breakdown

Annexes

Media Effectiveness Annex is attached.

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MEDIA EFFECTIVENESS ANNEX

1. The ZP/UHVR utilizes the writing talents of gifted Ukrainian emigre intellectuals without regard to political affiliation. It endeavors to keep current on developments in all aspects of Soviet Ukrainian life and to direct its publications accordingly. The ZP/UHVR constantly studies and analyzes the latest Soviet press and publications and collects information from Soviet citizens through direct contacts and through the correspondence of its collaborators with Soviet citizens. The information is used for playback purposes in its publications. ZP/UHVR's Suchasnist, and its special publications are brought to the attention of Soviet readers with increasing frequency in attacks in the Soviet press directed at the publications, and it is not unusual for ZP/UHVR's publications to be mentioned, favorably or otherwise, by Soviet citizens in contacts with ZP/UHVR collaborators. There were 14,165 pieces of literature distributed by ZP/UHVR during the reporting period in FY 1970 (see details in Attachment No. 7).

2. ZP/UHVR Periodicals

a. Suchasnist (The Present). Published monthly in Munich, Suchasnist is designed to appeal to Ukrainian intellectuals. In addition to articles of literary, political and historical interest, the journal carries prose and poetry by Soviet and emigre writers, and is used to surface Soviet documents brought to the West. It also has been used to publish articles on special topics to support Soviet Ukrainian dissidents activities vis-a-vis the regime in the political-cultural field; e.g., on the preservation of historical monuments. Suchasnist is attacked in the Soviet press more often than any other Ukrainian emigre publication. It is purchased monthly by the Soviet Ukrainian Mission at the United Nations through a New York emigre book dealer, and most Soviet Ukrainian intellectuals with whom there has been contact have indicated that they read or have read the journal in the Soviet Union.

b. Ukrainskyy Samostiynyk (Ukrainian Independent) is a splinter emigre organization's monthly organ partially supported from project funds. The journal is influenced to a large extent by the ZP/UHVR, and includes contributions from ZP/UHVR

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collaborators. The journal comments on political, economical and historical aspects in the Ukrainian SSR.

c. The Digest of the Soviet Ukrainian Press, published monthly in English, is the only known digest of the Soviet Ukrainian press in existence in the West. This publication is a translated digest of Soviet Ukrainian press items, available to Western subscribers at a subscription rate of \$15 a year, or \$30 for three years. Its purpose is to bring to the attention of its readers news items of interest not included in the Digest of the Soviet press. There are 100 professional and institutional subscribers to the Digest. In addition approximately 50 promotional copies are distributed monthly.

d. The French-language Echos d'Ukraine, published irregularly in Paris, is distributed gratis to French scholars and to intellectuals in the newly developed areas of the free world. Echos d'Ukraine carries commentary on the Soviet press and on current events in the Soviet Union.

e. Informatsiyniy Byulletin (Information Bulletin), published about five times a year, is directed specifically at Soviet Ukrainian citizens. It carries news items concerning items of political or national interest to Soviet Ukrainians which are not carried in the Soviet press. There are no copies of the Bulletin distributed in the West, although approximately 300 to 400 copies annually are mailed to Ukrainians living in Soviet bloc countries.

f. ZP/UHVR Special Publications. A detailed description of each publication, and information concerning costs and distribution is given in Attachment No. 8.

3. Action Programs

a. The appearance of Prolog collaborators at semi-official forums in Kiev and Lvov, (such as Dr. Anna Halya HORBACH, German and Ukrainian writer and translator; and Wira WOWK, professor of German language, Catholic University, Rio de Janeiro) at which they openly defended Ukrainian dissidents, served to bolster the morale of Ukrainian intellectuals. The literary evening in Kiev in August 1969, at which Miss WOWK read her own works and during which she praised Ivan DZYUBA and repudiated Soviet attacks against him, turned into a political-literary event which became the talk of Kiev and Lvov. Similar stands were taken by Prolog collaborators from West Germany and Australia at art and cinematographic

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forums in the Ukraine in July and November 1969, respectively.

b. As of February 1970, there were 20 intellectuals living in the Soviet Ukraine in direct correspondence with Ukrainians in the West, all of whom are under Prolog's direction. One of Prolog's collaborators, during a visit to the Ukraine in August 1968, worked with two Soviet Ukrainian dissidents on translations of Western authors and was promised that these translations would be published in Kiev. A forthcoming anthology of Soviet Ukrainian prose in German, to be published in West Germany in April 1970, was compiled by a Prolog collaborator in Western Europe, in collaboration with certain writers in Kiev. This collaboration served to further her contacts with Ukrainian intellectuals and to pave the way to the leading Ukrainian literary establishment.

c. Along the same line, Prolog's collaborators managed to persuade Mykola BAZHAN and his colleagues to include in BAZHAN's new history of Ukrainian art a number of Ukrainian emigre artists and supplied him with data about them needed for the book. This book will give not only a positive presentation of Ukrainian emigres but also should serve to stimulate other than official developments in the field of Soviet Ukrainian art.

d. The distribution by mail and personal contacts of literature to Soviet citizens continues on a relatively high scale, particularly historical material which tends to strengthen in the Ukraine the already strong trend to solidify the traditional, historical aspect of Ukrainian nationhood. In addition to Ukrainian-language Western publications, Prolog collaborators delivered to Ukrainian dissidents copies of documents such as the Czech action program and the "2,000 words". Of no less value was the distribution of Western modern literature, which enables Ukrainian writers to translate directly from respective languages instead of being compelled to retranslate Russian-language versions.

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BUDGET SUMMARY

CASH RESOURCES

	FY-1968	FY-1969	FY-1970
Beginning cash balance 30 June 1969	\$ []	\$ []	\$ [] ✓
Accounts receivable & outstanding advances	[]	[]	[]
Authorization FY 1970 - \$ [] less \$ [] held for Hqs. C/O expenses	[]	[]	[]
Income from sales of books & subscriptions	[]	[]	[]
TOTAL CASH RESOURCES AVAILABLE	[]	[]	[]
less contingency fund			[]
TOTAL CASH AVAILABLE			[]

EXPENDITURES

Payroll & fringe benefits New York Office	73,562.69	80,468.40	88,970.00
Fixed expenses (office administration)	[]	[]	[]
Operational travel			
Purchase of books & publications			
Entertainment			
Cost of publishing			
Distribution costs			
Contact operations			
Affiliated group (Munich)			
Research	[]	[]	[]
TOTAL EXPENDITURES	[]	[]	[]

SUMMARY

1. Total Cash	[]	[]	[]
2. Less total expenses	[]	[]	[]
3. Ending cash balance	[]	[]	[]

*Included \$ [] contingency fund.

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BUDGET BREAKDOWN

	<u>FY 1970</u>	<u>FY 1971</u>	<u>FY 1972</u>	<u>FY 1973</u>
<u>PAYROLL AND FRINGE BENEFITS</u>				
Salaries	\$ 80,400	\$ 87,600		
Contribution to Employee Pension Plan	4,000	4,284		
Insurance	2,100	2,550		
Dues and Registration	100	100		
TOTAL PAYROLL & FRINGE BENEFITS	86,600	94,534	97,470	97,470

FIXED EXPENSES

Rent	[]	[]		
Electricity	[]	[]		
Telephone	[]	[]		
Stationery, Postage, Office Equipment	[]	[]		
Taxes & Licenses	[]	[]		
Maintenance & Repair	[]	[]		
Bank Service	[]	[]		
Depreciation & Obsolescence	[]	[]		
Foreign Exchange Losses	[]	[]		
Misc. small expenses	[]	[]	[]	[]
TOTAL FIXED EXPENSES	[]	[]	[]	[]

OPERATING EXPENSES

Travel	[]	[]		
Entertainment	[]	[]		
Purchase of books & publications	[]	[]		
Affiliated Group (Munich)	[]	[]		
Research (Includes contact operations) See No. 4	[]	[]	[]	[]
TOTAL OPERATIONAL EXPENSES\$	[]	[]	[]	[]
TOTAL BUDGET \$	[]	[]	[]	[]

ATTACHMENT NO. 2

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PAYROLL

NEW YORK OFFICE

Per annum rates

	<u>FY-1969</u>	<u>FY-1970*</u>	<u>FY 1971</u>
Le	\$ 12,300	\$ 12,900	\$ 13,500
Pro	11,400	12,000	12,600
Kam	11,400	12,000	12,600
Cz	10,800	11,400	12,000
Lo	8,700	9,300	9,900
Jur	5,340	5,370	5,400
Il	4,800	5,400	6,000
Sk	<u>6,600</u>	<u>7,500</u>	<u>8,400</u>
sub-total	\$ 71,340	\$ 75,870	\$ 80,400
Part-time	2,880	4,060	4,200 R.Kup. 3/4 part-time & 1/4 full
	<u>308</u>	<u>2,940</u>	<u>3,000</u> B. Kr. part-time
Total New York	74,528	82,870	87,600

BRANCH OFFICE

W.St.		3,981	3,981
R.Ty.		3,684	
D.Re.		3,534	
I.Ko.		3,000	
L.Fu.		2,850	***
J.Fe.		2,235	
M.Ha. part-time		1,284	
Total Branch-Office **		<u>20,568</u>	<u>23,500</u>

*Includes salary increases as of January 1, 1970

**This amount is included in the "affiliated group" figure on Attach. No.1, not in the New York office payroll

***Personnel changes now under consideration, including absorption of two employees from emigre splinter publication, Ukrainskyy Samostiynyk

ATTACHMENT NO. 3

SECRET

SECRET

PUBLISHING PROGRAM FY - 1970

1. B. Bojczuk - B. Rubczak: Koordynaty, Antologiya Ukrainських Ne-Sovietskykh Poetiiv, Part I & II \$ [
2. Didro: Zhak Phatalist - transl. by I. Koshelivec
3. Monohrafiya Andriyenka
4. Wira Wowk: Cappa Crucis
5. I. Maystrenko: Storinky z Istoriyi Komunistychnoyi Istoriyi Ukraïny - Part II
6. M. Bazhan: Sliptsi
7. I. Rybalka: Rosiys'ki Sotsiyal-Demokraty i Natsyonalne Pytannia
8. A. Kaminsky: Za Suchasnu Kontseptsiyu Ukrainskoyi Revolutsiyi
9. Protsesy Chornovola, Masyutka i Ozernoho
10. I. Lawrynenko: Zrub i Parosti
11. Póziyi New York-skoyi Hrupy #11
12. W. Lésych: Nykyfor
13. I. Rudnytski: Mizh Istoriyeyu ta Politykoyu
14. G. Lorca: 3 Pyessy - transl. by Wira Wowk
15. I. Koshelivec: Skrypnyk
16. 10 Pamphlets - Reprints

Total Publishing Program FY - 1970

_____]
\$ [_____]
_____]

ATTACHMENT NO. 5

SECRET

26 June 1969

MEMORANDUM FOR: Media Section/Political Operations Branch/Soviet Bloc
Division

THROUGH : SB/Personnel Section
SB/Budget and Fiscal Section

SUBJECT: Equivalent General Schedule (GS) grades for salaries of
8 proprietary employees in New York City Project

1. In accordance with your request, this Division has reviewed the duties and responsibilities of 8 proprietary employees in your New York City Ukrainian Emigre Project for the purpose of determining appropriate GS grades for these employees.

2. Based on job information provided by Anna Stunder, SB Media Section Ops Officer, the following position titles and GS grades are appropriate for the 8 proprietary employees:

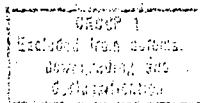
Ops Officer-Ch (Office Manager)	GS-13
Intelligence Officer-PP	GS-12
Ops Officer (Carl)	GS-12
Finance Asst. (Bogdan)	GS-09
Intel Analyst (Martha)	GS-09
Intel Analyst (George)	GS-08
Intel Clerk (Fedier)	GS-05
Secretary-Steno (Nina)	GS-05

3. Attached for your information is a copy of the new Federal Pay Raise Scale, effective 1 July 1969, which has been enacted by Congress according to the Federal Salary Act of 1967. This scale will provide you guidance in selecting appropriate Within-Grade Increases for the particular GS grades, based on the employees' longevity and experience on the job.

Chief, Scientific & Clandestine Services Branch
OP/PMCD

ATTACHMENT NO. 6

SECRET



DISTRIBUTION OF BOOKS AND OTHER LITERATURE
July 1, 1969 - February 15, 1970

Books Mailed To:

USSR	1046	
Poland	106	
Bulgaria & Hungary	31	
Yugoslavia	653	
Czechoslovakia	271	
Rumania	20	
TOTAL		2127

Books Carried to the USSR and the Satellites and hand-distributed	711	
Books handed to Soviet citizens in the West	78	
TOTAL		789

Pamphlets, Newspapers, Magazines, Music Sheets and Records

Mailed to USSR	12	
Mailed to UkSSR	541	
Mailed to Ukrainians living in the Satellites	423	
Handed to Soviet citizens in the West	32	
Handed to Soviet citizens in the satellites and the USSR	139	
TOTAL		1147

Project (Publications)

Suchasnist

Mailed to USSR	107
Mailed to UkSSR	1154
Mailed to Poland	462
Mailed to other Satellites	431

Ukrainskyi Samostijnyk

Mailed to USSR	28
Mailed to UkSSR	1325
Mailed to Poland	301
Mailed to other Satellites	82

Information Bulletin

Mailed to UkSSR	6170
Mailed to Poland	24
Mailed to other Satellites	18

TOTAL Project publications mailed	10,102
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GRAND TOTAL of Literature Distribution	14,165
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