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DD/P 72-3199

13 JUL 1972

MEMORANDUM FOR: Chief, Covert Action Staff

SUBJECT: CA Project QRDYNAMIC
FY 1973 Renewal

REFERENCE: C/MPS/BG Memorandum for the Record,
dated 25 May 1972, Subject: Renewal of
Project QRDYNAMIC

1. On 12 July 1972 I approved subject action for the requested amount of \$251,000 for FY 1973, with the condition that the QRDYNAMIC administrative plan be revised to include a description of the procedures and controls used to fund the Affiliated Group in Munich, as recommended in referent memorandum.

2. Messrs. C J, C/CA/B2, and
C J CA/B2, attended the project meeting.

Assistant Deputy Director for Plans

Attachment:
Reference

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 302B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

CLASSIFIED BY []

WARNING NOTICE
SENSITIVE INTELLIGENCE SOURCES
AND METHODS INVOLVED

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1. EXEMPT FROM GENERAL DECLASSIFICATION
OF E. O. 11652, EXEMPTION CATEGORY:
§ 60(1), (2), (3) or (4) (circle one or more)
AUTOMATICALLY DECLASSIFIED ON

APPROVAL OF []
(unless impossible, insert date or event)

MEMORANDUM FOR: ADD/P

MPS/BG recommends approval for the requested amount of £ [] for FY 1973, subject to the availability within the Clandestine Service of the £ [] required for dollar devaluation in excess of the [] programed for QRDYNAMIC for FY 1973.

£ []
C/MPS/BG

11 July 1972

(DATE)

S E C R E T

CA/PEG PROJECT DATA SHEET

Date 29 June 1972

Div/Br/Desk CA/B2	Country USSR	Type of Action FY 73 Renewal	Function Prop	Project Cryptonym QRDYNAMIC
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1. <u>Funds</u>	<u>Programmed</u>	<u>Requested</u>	<u>Approved</u>	<u>Obligated</u>
FY 72	[]	[]	[]	[]
FY 73	[]	[]	[]	[]
FY 74	[]	[]	[]	(est.)

* [] requested from funds outside the CA Staff

2. Description of Activity

QRDYNAMIC supports propaganda operations into the Ukrainian Soviet Socialist Republic. It has a small positive intelligence by-product but aims primarily at encouraging cultural and intellectual dissidence among Ukrainian citizens who resist Great Russian dominance. The main vehicle for this effort is the emigre organization Foreign Representation of the Ukrainian Supreme Liberation Council (EP/UHVR), which CIA has assisted since 1950. The project sends to the Ukraine newspapers, magazines, pamphlets and books published in the West and has established contacts with Ukrainian nationals both inside the USSR and traveling abroad. The Prolog Research Corporation in New York City is a CIA proprietary whose managers are native Ukrainians who research, write and edit the material, which is then printed in Munich under the guidance of the Ukrainische Gesellschaft fur Auslandsstudien E.V. Materials are distributed by mail or personal contact using a network of ethnic Ukrainians living in Europe. Prolog principals are members of EP/UHVR and work closely with another emigre political group, the Organization of Ukrainian Nationalists Abroad (OUNs).

3. Funding

Two CCS notionals--Becker Regional Studies Associates, Denver, Colorado, and International Survey Services, Los Angeles, California--ostensibly have contracts hiring Prolog to do research. This supports the New York office while the small Munich office is funded by () bank transfers ostensibly arranged by a CCS notional facility in the United States.

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4. Interagency Coordination and Approval

Approved by the 303 Committee in December 1967, December 1968, and December 1969. The project was reapproved by the 40 Committee in September 1971.

S-E-C-R-E-T

CA/PEG PROJECT EVALUATION

Date 29 JUN 1972

	Initials	Date	Initials	Date
1. DC/CA/PEG	CW	29 JUNE		
2. C/CA/PEG	CW	29 JUNE	3. MPS/BG/CA	
			6. ADDP	
			7. CA/PEG	

PEG Eval. Officer	[]
Date Received		
Date Due in MPS/BG/CA		

COMMENT:

1. "Contact" operations inside the USSR, the distinctive feature of QRDYNAMIC, increased in FY 72 with 80 Ukrainian dissidents being met by witting Prolog collaborators; many contacts are documented photographically. Between July and March over 10,000 pieces of Ukrainian language literature were sent to the Bloc by mail or personal delivery, at about the same rate as the previous year. How many actually got to their targets is of necessity unknown, but the Prolog office in New York has written and verbal evidence that at least some of the books, periodicals, news bulletins, and pamphlets were received. Additionally, CA Staff has included a Media Effectiveness Annex (Annex 6) which notes 15 published Soviet attacks during 1971 against ZP/UHVR, its publications, and its officers. There is no doubt that the QRDYNAMIC program upsets the USSR, and it has very likely played some role in sustaining dissident sentiment in the Ukraine.

2. During the twenty-odd years of their association with the Agency, project principals have developed sufficient operational and political sophistication to run contact operations into the Bloc without getting caught and to espouse a realistic propaganda line which appeals to Ukrainian nationalism without calling for revolution. The project has also, at ADDP urging, demonstrated that it can still be used to produce half a dozen or so intelligence reports per year, based on information from the Ukrainian contacts.

3. It is instructive to recall that this operation has been approved four times at the national policy level, most recently in September 1971, which lets us assume that the results of QRDYNAMIC are worth the cost unless major changes are proposed, which is not the case for FY 73. The requested

Div/Br/Desk	Country	Type of Action	Function	Project Cryptonym
CA/B2	USSR	FY 73 Renewal	Propaganda	QRDYNAMIC

ADDP Action:

Amount

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budget is 9% higher, not startling in an inflationary period, and the level of activity will be somewhat lower, particularly in the case of contact operations into the Ukraine, but the overall thrust remains about what it has been so there is no reason to suppose that the next 40 Committee review would be more difficult than the last. On the other hand, the project continues to allocate resources in a way which gives us some concern: since FY 71 about 66% of each year's expenditures have gone to salaries, benefits, office rents and other overhead costs, with salaries being the biggest single item. CA Staff is aware of this, but believes that project wages have only recently been raised to reasonable levels (the head of the New York office gets under \$20,000); the only way to cut overhead significantly would be to reduce the number of people on the payroll. CA/PEG cannot say what effect this would have on either the efficiency or morale of the New York and Munich staffs, but believes that the idea deserves close study. CA/PEG also believes that if overhead cannot be cut, CA Staff should consider allocating a larger share of its fiscal resources to QRDYNAMIC in FY 74 so that operational activities will receive at least as much support as overhead. It is the personal contact aspect of QRDYNAMIC which sets its tone, and action to reduce those contacts should be avoided. CA/PEG continues to think, as expressed in last year's Blue Sheet, that one of the Agency's cleared management consultants might contribute useful suggestions about improving the efficiency and economy of QRDYNAMIC activities, particularly in the New York and Munich offices.

4. Most of the conditions under which the ADDP approved this project for FY 72 have been met:

a. CA/PROP has reviewed QRDYNAMIC's monthly magazine, judging it to be on target in general, with perhaps too esoteric an editorial approach.

b. CA Staff has gotten a slight increase in the intelligence by-product, with two items being used in a DDI publication.

c. The administrative plan has been updated, but MPS has suggested that it should now be amended to include accounting procedures and controls used in the project's Munich office. CA Staff has no problem with this suggestion.

d. CI Staff has been unable to add any information or analysis concerning the probable KGB attempt to penetrate the QRDYNAMIC contact network last year.

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As for the FY 73 renewal, CCS, CI Staff, EUR and SB have concurred without comment, with FI Staff deferring to the CA Staff in view of the project's very small intelligence output.

5. CA/PEG recommends approval for FY 73 in the amount of \$251,000 with the following suggestions:

a. CA Staff should examine the size of the New York City and Munich staffs to determine where cuts might be made that would have the least impact on project effectiveness, with a view to freeing project money for operational purposes during FY 73.

b. In connection with the above, CA Staff should consult with the Central Cover Staff concerning the availability of a proprietary business management firm to study the efficiency of QRDYNAMIC's research, editorial and publishing activities during FY 73.

c. CA Staff should amend the project's administrative plan as proposed by MPS, attaching the amended plan to the FY 74 renewal.

d. A representative of CA Staff should be present when this proposal is discussed.

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25 JAN 1972

MEMORANDUM FOR: C/CA/B2

ATTENTION : []

SUBJECT : Review of Suchasnist

REFERENCE : Your memorandum, dated 14 January 1972, subject "QRDYNAMIC Review"

1. We are submitting, as requested in reference, comments based on perusal of the July-August (combined), September, October and November 1971 issues of Suchasnist (returned herewith) and synopses of their contents.

2. Since our last review, Suchasnist has discarded its unrealistic preoccupation with separatism, and is now focusing on the Ukrainian artistic scene (literature, theatre and graphic arts) at home and abroad as well as on the surrounding political atmosphere. Substantial space is devoted to samvydav works, for which the publisher is a magnet, as well as analyses, in historical perspective, of the parallel and inseparable development of intellectual and political dissidence. Within this framework, the maintenance of Ukrainian nationalism in the face of Soviet efforts to russify all minorities is steadily urged.

3. Suchasnist's editorial thrust is sound, but we believe its scholarly appearance and approach -- esoteric at times -- could use some leavening. More illustrations -- sparse at present -- light prose and political humor would spice the content, and could sharpen the message on occasion, without violating the intellectual tone.

[]

Chief
Propaganda Services Group

Attachment: As noted

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GROUP 1
Excluded from automatic
downgrading and
declassification

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27 JUN 1972

MEMORANDUM FOR : Assistant Deputy Director for Plans
THROUGH : MPS/BG
SUBJECT : Renewal of CA Project QRDYNAMIC

1. This CA Staff project funds a Ukrainian emigre organization based in New York and Munich, Germany. It engages in research and publishing, and carries on a wide range of contacts with Ukrainian dissidents and writers in the Ukraine and elsewhere in Europe and the U.S. Its cost during FY 1973 will be (). It has a minor FI byproduct as FI/INT notes below.

2. Machine records indicate that this project produced four disseminations during the 10-month period covered. Two of them were used by the DDI Special Research Staff in a study entitled "The KGB's Role in Soviet Politics", which also used several other project reports of an earlier date. The ADDP's recommendation for an increase in FI production therefore seems to have been followed to a moderate extent.

3. The FI Staff defers to the CA Staff for an evaluation of this activity's effectiveness.

Chief
Foreign Intelligence

Attachment
Project

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