

OPERATIONAL ACTIVITY ACTION

OF CRYPTONYM

PDDYNAMIC

TYPE OF ACTION	F/I/C	X	CA	OTHER
NEW OPACT APPROVAL	DIVISION IAD		OBJECTIVE T.2.	
AMENDMENT NO.	FIELD STATION		TARGET COUNTRY	
X RENEWAL FY 19 79	BRANCH CAS/SOB/I		DESK	
EXTENSION	CASE OFFICER C		DATE 21 Nov. 78	
TERMINATION	ROOM NO. 3D0119	BUILDING HQS.	TELL 1073	RED 6118
			EXT.	BLACK
INTENDED SOLELY FOR COLLECTION PER SEC 662 OF FOR. ASSIST. ACT		X	NOT INTENDED SOLELY FOR COLLECTION PER SEC. 662 OF FOR. ASSIST. ACT	

NOTE: ATTACH COPY OF DCI CERTIFICATION OF COMPLIANCE WITH SEC 662 OF FOR. ASSIST. ACT WHERE ACTIVITY IS NOT INTENDED FOR COLLECTION

CONCURRENCES OF DIVISIONS

ORGANIZATIONAL ELEMENT	TYPED NAME (and Signature)	DATES		MEMO ATTACHED	
		IN	OUT	YES	NO
C/IAD/CAS/SOB	<i>[Signature]</i>		28 Nov 1978		
C/IAD/CAS	<i>[Signature]</i>		2 Dec 78		
C/IAD	<i>[Signature]</i>	DEC 1978	4/12/78		
C/PCS/CSS	<i>[Signature]</i>		12-5-78		
C/PCS/CSS/B&F	<i>[Signature]</i>		12-5-78		

CONCURRENCES OF OTHER COMPONENTS

(Type in Organizational Element and Name Below Only when Concurrence Obtained by Originating Element.)		DATE		MEMO ATTACHED	
		IN	OUT	YES	NO
C/CCS/PRG	(Signed) <i>[Signature]</i>	7 Dec 78	28 Dec 78		X
C/EPDS	<i>[Signature]</i>	1/16/79	1/16/79		✓

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 382B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

APPROVAL

PERIOD	AMT THIS ACTION	FY	TOTAL FUNDS AUTHORIZATION
FROM 1 Oct. 78	C	1979	\$ C
TO 30 Sept. 79		19	\$
APPROVING AUTHORITY (Title & Signature) ADDO <i>[Signature]</i>	FOR DDO USE ONLY		DATE 12/1/79
	EXEMPT FROM P/S REVIEW	COMPARTMENTED P/S REVIEW	

S E C R E T

MEMORANDUM FOR: Associate Deputy Director for Operations
SUBJECT : FY 1979 Renewal of Activity PDDYNAMIC

1. PDDYNAMIC is the operational activity for the support of a national minority emigre group, that of the ZP/UHVR (Foreign Representation of the Supreme Ukrainian Liberation Council) and more directly its publishing and operational element, Prolog Research Corporation, which is located in New York. An affiliate in Munich, the Ukrainian Society for Studies Abroad, publishes a monthly political-literary magazine, Suchasnist (Contemporary Times), books, pamphlets and leaflets (primarily in Ukrainian but occasionally in Russian) for infiltration and clandestine distribution into the Soviet Ukraine, or for passing to official Soviet representatives or travelers abroad. The group's activities and publications are designed to provide intellectual and moral support to those Ukrainians inside the Soviet Ukraine who seek moderation of the Soviet political system. This activity is in furtherance of DDO Objective T-2.

2. The PDDYNAMIC activity was reviewed by the Special Coordination Committee in February 1977 and approved by President Carter on 4 March 1977. It was also favorably reviewed by the SCC on 16 May 1978 as part of the annual SCC review of ongoing covert action efforts.

3. This activity is in compliance with the provisions of Section 662 of the Foreign Assistance Act of 1961, as amended, in that it is covered by Presidential Findings dated 10 January 1975, and 7 June 1978 and has been reported to the appropriate Congressional committees.

ACCOMPLISHMENTS:

4. Summary -- In FY 1978, Prolog published a total of twelve books, eleven issues of the journal Suchasnist, and four issues of the letter-sized Information Bulletin. Of these about 5000 copies of the books, 4500 copies of the journal, and some 10,000 copies of the information bulletin were infiltrated into the Soviet Union by a variety of means including hand

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carry by travelers to the Ukraine; hand carry to East Europe and mailing to the Ukraine; mailing from the West, and by passing directly to Soviet Ukrainians traveling to the West.

5. During this period, over 75 Prolog collaborators from various countries in the West continued a comprehensive program of travel to various areas of the Soviet Ukraine for the purpose of infiltrating literature and maintaining contact with relatives and friends. From these contacts Prolog has obtained a wide variety of Ukrainian samizdat as well as information about Ukrainian dissident activity, the treatment of arrested dissidents, and conditions in the Soviet Ukraine. Much of the material infiltrated into the Soviet Ukraine is manually duplicated and is circulated inside the country, while the samizdat materials are published by Prolog and other Ukrainian organizations abroad.

6. The Prolog organization continued its successful program of meeting, vetting, briefing, and debriefing suitable Ukrainian emigre students, tourists, and academics who can travel to the Soviet Ukraine. This program was spearheaded by PDDYNAMIC/29 who traveled to Western Europe several times during the year to maintain personal contact with the travelers and to gather operational information on border crossing procedures and problems. Although no disseminations were made from the information gathered by the travelers, much of the information was useful to SE Division reports officers for general background on the Soviet Ukraine.

7. During FY 78, Prolog has published a total of twelve books, with a range of titles including, poetry, biography, novels, essays, and political and economic topics, both by Ukrainians unable to publish their works internally and Ukrainian emigres or dissidents who are currently abroad. Of the latter, the most famous is General Petr Grigorenko, whose citizenship was revoked during a visit to the U.S. in early 1978. His story Nashi Budni (Our Days) was published by Prolog in July 1978 and recounts the story of the Helsinki Committee in Moscow and its activities during the years 1976-77. Other works included a work by arrested Kiev Helsinki Committee member Mykola Rudenko, Ekonomichni Monolohy (Economic Monologues), dealing with Marxist theory and its effect on the Ukrainian economy (it was first published in samizdat and then smuggled out to the West). Other works included Ivan Maistrenko's "Survey of the History of the Communist Party in the Ukraine";

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Frantisek Silnitsky's "Nationalities Policy of the Communist Party of the Soviet Union in the Period 1917-1922"; as well as literary works by Yuriy Sherech, Yevhen Sverstyuk, Yuriy Tarnawshy, Maria Holod, and others.

8. In New York, PDDYNAMIC/64 has continued to maintain periodic contact with a Soviet Ukrainian official at the United Nations on whom she has obtained additional in-depth assessment and from whom she has obtained insights into the current political and literary situation in the Ukraine. In Munich, PDDYNAMIC/74, through his contacts with the Ukrainian Society for the Study of Asian Problems, has maintained contact with an identified intelligence officer of the People's Republic of China (stationed in Bonn) who has indicated great interest in the Soviet nationalities problem and who has been acquiring (and translating into German) many of the materials published by Prolog for passage to Peking.

9. The effectiveness of the Prolog publication and distribution program is attested both by recent emigres and travelers to the Soviet Union --- who report that Prolog publications are circulating inside the Ukraine ---, and by the Soviet Ukrainian media, which has not only continued the attacks against Prolog publication and ZP/UHVR leaders but has accelerated them to the point of direct polemics on specific topics mentioned in Suchasnist, the Information Bulletin and various books published by Prolog. In fact, during this period the Soviet Ukrainian regime saw the need to publish a 32-page pamphlet by a certain Les' Topol'chuk, entitled "Za Fal'shyvym Mamdatom" (Under a False Mandate) to acquaint the reader with the history of the false 'mandate from the fatherland', which was allegedly fabricated abroad by the leaders of the ZP/UHVR." The booklet attempts to denigrate the work of ZP/UHVR abroad as the product of Western intelligence and attacks the publishing activities of Prolog and its leaders.

PROBLEMS:

10. The main problem faced by the Prolog group in past years was alleviated partially by a special [] increase in the FY 1978 budget through reprogramming FY 1978 year end funds as recommended by the Special Coordination Committee in June 1978. These funds provided some improvement in the extremely low salary level; helped to absorb some of the purchasing loss by the drop in dollar value in Germany; and laid the groundwork for the partial relocation of the operational element in Munich.

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PLANS:

11. As planned in FY 78, steps have been taken to relocate some functions of the Prolog office from New York to Munich and to change the funding of the PDDYNAMIC activity from a proprietary to that of a controlled subsidy in order to minimize problems.

12. In regard to the transfer to Munich, the initial step will consist of the purchase of an electronic composer and the hiring of an employee in Munich to be trained to operate this system. This will provide the opportunity to combine the editing and publishing staff in one location in Munich and provide for savings in both time and money in the Prolog publishing program. A second step will entail TDYs by Prolog New York officers to Munich to work with the personnel already located there. Finally, the Prolog officers are attempting to locate suitable officers who can be either hired in Europe, or transferred from the U.S. to beef up the Munich office and provide eventual leadership. However, this cannot be done overnight, so there will have to be a transition period of some two to three years until the whole operation can be directed completely from Munich.

13. In regard to the changing of the Prolog status from a proprietary to a controlled subsidy, approval has been obtained from the DDO and all pertinent components. The termination plan is in the final steps of approval and will allow for the dissolution of the proprietary. To legally complete the transfer, the annuity funds accumulated by [] for the employees of Prolog will be turned over (via a cleared lawyer) to a private insurance company. Termination bonuses for the officers, based on salary and years of service, will also be turned over to the annuity fund and transferred to the private insurance company. Once this is accomplished (probably by 31 December 1978) the Agency will have no further direct or legal obligations in regard to Prolog personnel.

14. Finally, Prolog plans to expand its publications program to the extent that the additional budget will allow. They will continue publication of the monthly Ukrainian language journal Suchasnist, the Information Bulletin, and some 13 to 15 Ukrainian language books. Among the books will be Leonid Plyusch's "Memoires", Hunchak and Solchanyk's "Ukrainian Socio-Political Thought in the 20th Century", "Why was Shelest

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Purged", reprints of works by Djuba and Symonenko, and works of history, poetry and literature as they become available from the Ukrainian samvydav.

COSTS

It is requested that PDDYNAMIC be renewed for FY 1979 in the amount of []

Source of Funds

Funds for PDDYNAMIC were included in the SE Division Operational Program in the amount of [] These funds have now been transferred to IAD. The FY 1980 program includes [] for this activity.

Budget

See attached breakdown.

Foreign Funds

No foreign currency problems.

Commitments

No additional commitments have been made to the PDDYNAMICS since the establishment of their pension plan.

Funding

In accordance with the approved Administrative Plan.

Accountability

All funds are accounted for in accordance with Agency regulations and the approved Administrative Plan.

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PDDYNAMIC BUDGET BREAKDOWN

FY-1979

	FY-1978	FY-1979	FY-1980
<u>Cash Resources:</u>			
Beginning Cash Balance	C	C	C
BTACTIION Subsidy	C	C	C
Income From Book Sales & Subscriptions	61,000	65,000	70,000
Total Cash Available	C	C	C
Less Expenditures	C	C	C
Ending Cash Balance:	C	C	C
<u>Expenditures of Subsidy</u>			
<u>Fixed Expenses New York Office:</u>			
Payroll & Fringe Benefits	210,000	\$ 132,000	\$ 137,000
Office Administration	C	C	C
Sub-Total Fixed Expenses:	C	C	C
<u>Operating Expenses:</u>			
Operational Travel & Entertainment	C	C	C
Purchase of Books & Publications	C	C	C
Publishing Costs	C	C	C
Distribution Costs	C	C	C
Affiliated Group Munich	C	C	C
Research & Contact Operations	C	C	C
Sub-Total Operating Expenses:	C	C	C
<u>Total Expenditures</u>	C	C	C

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5 OCT 1978

MEMORANDUM FOR: OF/CSAD/PSB

FROM :

[]
Chief, Covert Action Staff
International Activities Division

Warren E. Frank
Deputy Chief, Soviet/East European Division

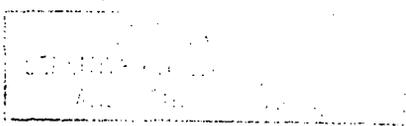
SUBJECT : Release of FY 79 Funds for Activity PDDYNAMIC

Please approve the release to the PDDYNAMIC Activity
of [] These funds are of importance to Agency
operations and are required to meet the regular contractual
expenses (rent, salaries, printing bills) of this ostensibly
private facility. To stop the expenditure of these funds
would impair seriously the cover and security of the
PDDYNAMIC Activity.

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MEMORANDUM FOR: OF/CSAD/PSB

FROM

: [Chief, Covert Action Staff
International Activities Division

[Deputy Chief, Soviet/East European Division

SUBJECT : Release of FY 79 Funds for Activity PDDYNAMIC

DDO/IAD/CAS/SOB, [] pas (5 Oct 78)

Distribution:

Original - Addressee

1 - C/IAD/CAS

1 - C/IAD/CAS/SOB

1 - C/IAD/CAS/SOB/I

1 - IAD/CAS/SOB/I []

1 - IAD/CAS/SOB/I (Memo Chrono)

1 - IAD/CAS/SOB/I (PDDYNAMIC Support File)

1 - PCS/CSS/B&F

1 - DC/SE

1 - C/SE/PO

1 - C/SE/B&F

1 - C/IAD/CAS/PP

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