

~~SECRET~~

Att. D to MEM- 24369

CONTACT REPORT

AGENT ARCAPPELLI/1

DATE 16 Nov. 56

CASE OFFICER

CONTACT REPORT # 34

DATE AND TIME OF CONTACT 15 Nov. 56, 1400 hours

RV PLACE safehouse

PLACE MEETING HELD safehouse

DURATION MEETING 2 1/2 hours

PURPOSE OF MEETING obtain reports

SECURITY

See para 9

ADMIN/FINAN

Re: Samalochlager

NEXT MEETING SCHEDULED 21 Nov. 56

COMMUNICATIONS

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 3B2
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

DESENSITIZED
DEF CSH 43-43

OPERATIONAL MATTERS AND COMMENTS: ATTACHED.

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Det D EGMA 24219

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SUBJECT: Contact with AECAPELIN/1 on 15 November 1956

1. AECAPELIN/1 stated that his birthday party last Sunday was a success. The following attended: (Editor) Zemon PELENSKIY (senior) aka "Khodya", Myroslav STYRANKA, Volodymyr SYLMAKOVSKIY, Hennadiy KOTOROVICH who brought Frau frau MAI and Frau fru NIKOLAUS, Vasyi ROMASHKO who brought Hilde LNU (25 year old German) and Teresa ETTERER. PELENSKIY drank heavily during the early part of the evening and later, after the guests were invited to dinner at which champagne was served, he apparently became ill and departed without telling anyone. The next morning, AECAPELIN/1 telephoned PELENSKIY who related that he became ill because KOTOROVICH spiked his champagne with whiskey as a practical joke. Allegedly KOTOROVICH, earlier at a public meeting, mentioned PELENSKIY's visit to a girlfriend in Frankfurt which made PELENSKIY a laughing stock among various Ukrainians. Spiking PELENSKIY's liquor, according to PELENSKIY, is a continuation of KOTOROVICH's taunting. AECAPELIN/1's views do not exclude this possibility. Other than this occurrence, there was no incident.
2. AECAPELIN/1 stated that Frau MAI is an Austrian who served a long term as private secretary to Frau GRUBER, Austrian minister of foreign affairs. During early 1956, she was employed with the Austrian consulate in New York and is now the secretary to Robert von BERO at EFE. She is described as very polite, manifesting (typical German) disinterest and generally makes a very good impression.
3. However, AECAPELIN/1 has opposite views concerning Frau NIKOLAUS, a widow who has a daughter in a local boarding school. She formerly was employed at DP Camp Valka, probably as an administrative assistant; this is where KOTOROVICH met her. She allegedly came to Munich about a week ago and is purported to be the directress of the Schwabing lokal, "Gisela's". Described as a vivacious blonde, she stated allegedly that she "wants to live and will do anything to get money". She allegedly knows all inmates at Valka and is familiar with representatives of the BVF and CIC who are employed at Valka. She is oriented in politics and understands almost all Slav tongues. AECAPELIN/1 states that she appears to be the type who is capable of handling narcotics traffic, participating in the black market and even intelligence matters. AECAPELIN/1 stated he was very cautious in her presence and he implied that KOTOROVICH undoubtedly is putting her to use.
4. AECAPELIN/1 reported that at the party he had lengthy conversations with STYRANKA and PELENSKIY who severely criticized the policy of AMCOMLIB insofar as concerns Ukrainian radio broadcasts at Radio Liberation. AECAPELIN/1 (as well as the AECASSOWARYs) often has brought up this topic which naturally is close to him, stating that all Ukrainian broadcasts are aligned with misguided policy which censors the broadcasts to eliminate all traces of nationalism and utterings against Russian imperialism. He also attacked the way in which Radio Liberation falsified portions of the Ukrainian Prisoner's Appeal Documents (AECAPELIN/1's views are the same as those which appear in the article which is attached to EGMA-23452, dated 5 October 1956; for this reason, AECAPELIN/1's comments are deleted from this report). AECAPELIN/1 attacked this same policy as it affected Radio Liberation's broadcasts concerning recent events in Poland and Hungary and likewise attacked the published works of the Institute for the Study of the USSR. He stated that he, and other Ukrainians, felt that AMCOMLIB would change its tactic in view of the recent revolts; however emigres have become completely disabused of this notion after hearing Radio Liberation's broadcasts and other propoganda. People like STYRANKA, PELENSKIY and Mykhaylo DORRYANSKIY

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find it very difficult to live under such circumstances but are forced to continue with AMCOMLIB's line only because it offers them a livelihood. Some of them dread that undoubtedly in the near or distant future they will be attacked by an emigre group or personality because they continue to be employed with AMCOMLIB in spite of their personal and ideological convictions. AECAPELIN/1 stated that he read a script written by STYRANKA before and after AMCOMLIB censorship. The script was censored by DOBRYANSKIY who stated that he was forced to execute instructions from the higher echelon and that the script would have been destroyed if it had not been censored. AECAPELIN/1 stated that the original script was changed entirely because it ran against AMCOMLIB policy which does not wish to delve into differences, subtle or otherwise, between national communism in the satellites and the USSR which now struggles against Soviet communism and because AMCOMLIB refuses to mention that Soviet communism has smothered the revolution in Hungary, etc. The Ukrainian emigres are so much more disenchanted in light of statements made by Communist organs in the West, including the United States and Canada, which attack their Soviet Communist compatriots for the Soviet slaughter in Hungary while the Americans, private or otherwise, refuse to raise the issue. In view of the above, AECAPELIN/1 stated that naturally the emigres will attack AMCOMLIB for being filled to the brim with Russophiles and even Soviet agents who have taken over policy-making at AMCOMLIB. AECAPELIN/1 agrees that these outcries are emotional but feels that there is some logic behind this emotion and that undoubtedly American officials will discard these arguments because of their emotional aspect. He stated that these officials are probably fearful because they feel that they will be held accountable because of "anti-Russian" utterings; in the same breath, AECAPELIN/1 asks: Before whom will they be held accountable. AECAPELIN/1 feels that probably the American officials are not aware of the convictions and thoughts of AMCOMLIB employees whose hands are tied and who do not wish to make their convictions public only because they fear that they will lose their jobs. He feels that perhaps a discussion between officials and employees may serve to surface and resolve the problem.

5. AECAPELIN/1 reported that the "Sueddeutsche Zeitung", dated 13 November 1956, published an article, entitled, "Further Returnees from Russia are Expected", in which a Kassel source indicated that 43 repatriates from Russia, who came through Berlin to Herleshausen, expect a new transport from the Soviet Union. The returnees stated that the majority of Germans, primarily Galician Germans, are located in the Mardowski Lager and a neighboring Lager on the Volga river. The article stated further that these (Galician Germans) already have been designated for repatriation.

AECAPELIN/1 commented that these Galician Germans fall into two categories: (a) German nationals who earlier colonized Galicia and who, in 1940, returned to Germany where they became Soviet POW's whose German citizenship was not recognized by the Soviets, and (b) Ukrainians whose names were Germanized and who were drafted into the German army (also serving with the SS and other such groups) or who, during the second Russian occupation of the Ukraine (1941-44), were arrested as traitors and sent to concentration camps. AECAPELIN/1 does not exclude that the Soviets will place agents of all types among these returnees.

6. AECAPELIN/1 reported that a rumor was circulating around Munich Ukrainian emigre circles which indicated that OUN/B (Zch/OUN) and OUN/M have struck an understanding concerning a coordination of activities and establishing a center

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of activities. He had an opportunity to sound out Ivan KASHUBA on 13 November 1956 when the latter was the sole guest at a party in honor of ABECAPELIN/1's birthday (KASHUBA felt that he could not attend the Sunday evening gathering for conspiratorial reasons). After dinner and some drinks, KASHUBA stated that circa early October 1956 (when Yaroslav HAYVAS addressed the ZCh/OUN concerning Ukrainians in the United States) HAYVAS spoke privately with Stepan LENKAVSKYY, Yaroslav STETSKO and Danylo CHAYKOVSKYY, sounding them out on the possibility of initiating discussions between the two groups to find a method of closer collaboration. The ZCh/OUN representatives stated that ZCh/OUN would not begin to consider the establishment of a Revolutionary Center with OUN/M as long as OUN/M remains a member of UNRada and as long as OUN/M recognizes UNRada as the legitimate exile representation of the homeland government, etc. Since that time, HAYVAS has never again brought up this subject.

Later, during the height of the Hungarian revolution, Lev FEBET and Roman IL'NYTSKIY called a council of Ukrainian political representatives to plan publicity concerning the Ukrainian liberation situation which, because of current events, was shoved into the background. The council resulted in the creation of a preliminary inter-party coordination committee to which ANDRIYEVSKYY was elected chairman. ANDRIYEVSKYY, in turn, asked the ZCh/OUN to lend its support to this coordinating committee. When ANDRIYEVSKYY told LENKAVSKYY that UNRada refused to join the committee because it (UNRada) is the only organization which should carry out such propaganda, etc., ZCh/OUN stated it would support the new Committee only if OUN/M withdrew its membership from UNRada. ANDRIYEVSKYY stated that OUN/M gave UNRada a number of ultimatums which, if not fulfilled, would result in OUN/M's resignation from UNRada. ANDRIYEVSKYY told LENKAVSKYY that this would lead to OUN/M's full cooperation with OUN/B. However, no further agreement was reached and KASHUBA expects that none will be reached.

KASHUBA further stated that there definitely have been no other discussions by any one person or any one group with ZCh/OUN on this topic. ABECAPELIN/1, therefore, reasoned that either the recent rumors about new cooperation between these two groups stemmed from HAYVAS' earlier talks with ZCh/OUN or ZCh/OUN has not seen fit to inform KASHUBA about amalgamation, if it exists. (COMMENT: See Gordon F. Neger's report of contact with CABOIT, dated 12 November 1956, for further information on this subject.)

7. ABECAPELIN/1 provided further information concerning recent discussions in the Ukrainian emigre press about the disappearance of (Prof.) Viktor PETROV. This report will be forwarded under separate dispatch.

8. ABECAPELIN/1 learned from KASHUBA on 13 November 1956 that Stefan LIEBHOLZ liquidated his restaurant business several months ago because he was unable to find a responsible person to run the business and because the restaurant was running a deficit. LIEBHOLZ is alleged to plan to reopen a still larger restaurant in Munich at a later date when his financial condition permits. However, LIEBHOLZ now intends to marry a wealthy German of Stuttgart who has DM 30,000 in the bank which they will use to open a business in Stuttgart. LIEBHOLZ now occasionally visits Munich while he maintains residence in Stuttgart.

KASHUBA, who is still investigating LIEBHOLZ's contacts, stated that he does not have a rundown of LIEBHOLZ's German contacts. However, KASHUBA stated that LIEBHOLZ's Ukrainian contacts are Taras SIMKIV, Dmytro MYSKIV, Yuriy KIHICHAK, Ivan Kazymyrovych SHABEL'S'KIY (UMKHS committee member), Danyan PELENS'KIY (KODUS head), Myron SULYMA (DUHB secretary and son of the deceased Yaroslav SULYMA), (Dr.) Hryhoriy PROKOPCHUK (owner of a printing shop in Munich), (Dr.) Pavlo KASHYNSKIY (SKTSU head and friend of PROKOPCHUK) and various (unidentified) TSPUEN members.

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He usually wines and dines these (informants) and he debriefs them when he is reasonably certain that they are drunk. However, MISKIV and KIHICHAK pretended to have been drunk and thus ascertained his aims.

KASHUBA is convinced that LIBBOLZ is a Soviet agent because of the following reasons:

A. His restaurant operated in the red which did not prevent him from continuing its operation for about a two-year period (the implication is that the RIS provided the funds).

B. In spite of his financial losses, he still was able to dispose of huge sums of DM which he scattered about aimlessly.

C. There have been several occasions when, finding himself in the company of other Ukrainian emigres, he has paid the bill which often ran over DM 100. On each and every occasion, he refused to permit others to pay the bill. Should he have been employed by a Western IS, then it is certain that he would have picked up the receipt in order to be reimbursed later. For this reason, he does not have to pick up the tab because he has funds available to him for which he does not have to account.

D. He takes every advantage to attend Ukrainian political meetings, etc. However, he never speaks his mind during these meetings and makes notes of all that occurs.

E. He seeks company only in that circle of people who have a definite niche in the political scene.

9. At 0800 hours of 14 November 1956, Heins SCHMALSCHLAEGER allegedly telephoned AEGAPFELIN/1 and they met at Cafe Kustermann for about one hour. Heins SCHMALSCHLAEGER indicated allegedly that he had been in Vienna since the beginning of the Hungarian revolution to observe the situation first hand. SCHMALSCHLAEGER felt that the revolution was spontaneous, that is, without any pressure from foreign countries, and that the revolutionists had no central guidance. He likewise felt that the nationalists and national-communists found agreement too late, that the Hungarians made a mistake in believing that the Soviets would recall the Red Army from Hungary, that Cardinal MINDZENTY proved himself to be a poor political leader (instead of trying to unify the people, he began talks about return of church assets), that the Hungarian emigration did not support the revolution actively even though the possibility existed (1), that England and France's intervention in the Middle East hurt the Hungarian situation, that America is to be praised for its non-intervention in the Middle East, that Hungarian aristocrats and other exiled leaders were sitting in Vienna awaiting the moment when they could return home and recoup their holdings in Hungary, that attacks by various German circles against RFE's appeals broadcast to Hungarians to revolt and promises to provide military assistance was absolutely without foundation and injurious to the general situation and that the Soviets would make capital of these attacks.

Heins SCHMALSCHLAEGER produced an ABN leaflet which was distributed earlier during the University of Munich student "Silent March" and asked about the ABN and its influence among emigre groups. AEGAPFELIN/1 stated that he described briefly ABN's history and that recently ABN has initiated political relationships with Nationalist China and Spain and is attempting to establish such contact with Turkey.



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10. Before departing, AECAPELIN/1 asked that attempts be made to forward the \$1,000 to his ex-mistress as requested earlier (see EGMA-2335, dated 27 September 1956). Allegedly in a letter to AECAPELIN/1 dated 5 November 1956, she wrote that she had not received the money as of that date. AECAPELIN/1 stated that he would send the money himself if there were any difficulties or objections.

11. No KKI's were passed to AECAPELIN/1 at this meeting.

